

AMENDED AND RESTATED COLLECTION SERVICE AGREEMENT

Executed Between the City of Dublin

Amador Valley Industries, LLC

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**AMENDED AND RESTATED COLLECTION SERVICE AGREEMENT BETWEEN
THE CITY OF DUBLIN AND AMADOR VALLEY INDUSTRIES, LLC**

This Amended and Restated Collection Service Agreement is made and entered into this
9/10/2020, 2020, by and between the City of Dublin, a municipal corporation of the
State of California, hereinafter referred to as "CITY", and Amador Valley Industries, LLC, a
California limited liability company, hereinafter referred to as "CONTRACTOR".

RECITALS

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

WHEREAS; the State of California has found and declared that the amount of Solid Waste generated in California, coupled with diminishing landfill space and potential adverse environmental impacts from landfilling and the need to conserve natural resources, have created an urgent need for State and local agencies to enact and implement an aggressive integrated waste management program. The State has, through enactment of the AB 939 and subsequent legislation including, but not limited to: the Jobs and Recycling Act of 2011 (AB 341), the Event and Venue Recycling Act of 2004 (AB 2176), SB 1016 (Chapter 343, Statutes of 2008), the Mandatory Commercial Organics Recycling Act of 24 2014 (AB 1826), and the Short-Lived Climate Pollutants Bill of 2016 (SB 1383), directed the responsible State agency, and all local agencies, to promote disposal site diversion and to maximize the use of feasible Solid Waste reduction, re-use, recycling, and composting options in order to reduce the amount of Solid Waste that must be disposed of in disposal sites; and

WHEREAS; the City finds that the voters of Alameda County, through the Alameda County Source Reduction and Recycling Plan required by the Waste Reduction and Recycling Act of 1990 (Measure D), have adopted a policy goal to reduce the total quantity of Solid Waste landfilled in Alameda County by diverting seventy five percent (75%) of the materials generated in Alameda County from landfills by 2010; and

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

WHEREAS; under Chapter 5.32.130 of the City's Municipal Code, the City has the authority to issue an exclusive franchise to a Contractor to provide for the Collection of Solid Waste and Organic Materials; and

WHEREAS; pursuant to California Public Resources Code Section 40059(a) as may be amended from time to time, the City has determined that the public health, safety, and well-being require that an exclusive right be awarded to a qualified Contractor to provide for the Collection of Solid Waste, Recyclable Materials, and Organic Materials, except for Collection of materials

excluded in the City's Municipal Code, and other services related to meeting the City's Diversion goals and other economic and environmental goals and requirements; and

WHEREAS; the City further declares its intent to regulate Contractor's compensation and set the rates Contractor will charge customers for the Collection, transportation, processing, recycling, composting, and/or disposal of Solid Waste, Recyclable Materials, Organic Materials; and

WHEREAS; the City Council has determined through a competitive procurement process for Collection Services that Contractor, by demonstrated experience, reputation and capacity, is qualified to provide for the Collection of Solid Waste, Recyclable Materials. and Organic Materials within the corporate limits of the City, the transportation of such material to appropriate places for processing, recycling, composting and/or disposal; and City Council desires that Contractor be engaged to perform such services on the basis set forth in this Agreement; and

WHEREAS; the Contractor, through its proposal to the City, has proposed and represented that it has the ability and capacity to provide for the Collection of Solid Waste, Recyclable Materials, and Organic Materials within the corporate limits of the City; the transportation of such material to appropriate places for processing, recycling, composting and/or disposal; and the processing of materials; and

WHEREAS; on January 12, 2005, the parties executed a Collection Service Agreement, satisfactory to both parties, setting forth the respective rights and obligations of the parties with respect to the Collection of Solid Waste, Recyclable Materials and Organic Materials and granting CONTRACTOR an exclusive right to provide Collection Services within the Service Area; and

WHEREAS; on June 20, 2006, the parties executed a First Amendment to the Collection Service Agreement in order to modify certain provisions in Exhibit 2 of the Collection Service Agreement relating to the Compensation Adjustment Model; and

WHEREAS; on June 17, 2008, the parties executed a Second Amendment to the Collection Service Agreement in order to provide for: compensation to CONTRACTOR for the collection of Recyclable Materials produced by Commercial Service Units; to modify CONTRACTOR's obligation to provide Large Item Collection Service to City Service Units; to require CONTRACTOR to perform a minimum of two waste audits per day; to require CONTRACTOR to increase its Commercial and MFD outreach and education programs and to perform at least twelve campaigns each Agreement Year; and to require CONTRACTOR to submit an annual diversion plan for approval by the City each Agreement Year; and

WHEREAS; on June 23, 2009, the parties executed a Third Amendment to the Collection Service Agreement in order to modify certain indices used to calculate the RRI Factor, relating to the Compensation Adjustment Model; and

WHEREAS; on June 1, 2010, the parties executed a Fourth Amendment to the Collection Service Agreement in order to modify certain indices used to calculate the RRI Factor as listed in Exhibit 2, pages 78 and 79; to increase the RRI factor cap from 5% to 10%; to modify the AG,

AGT, and RRI Factors to clarify that negative values are not to be included in the compensation adjustment model; to clarify that all CITY facilities receive free City collection services; to modify the definition of Calculated Revenue to include commercial recycling bins; and to extend the term of the Collection Service Agreement; and

WHEREAS; on July 1, 2012, the parties executed a Fifth Amendment to the Collection Service Agreement in order to modify to reflect the CONTRACTOR's offer of making a continuing community benefit payment to an organization selected by the City as a means of contributing to the community it serves; to incorporate Construction and Demolition Debris Collection Services; to reduce the cost of Collection Services for the Dublin Unified School District; and to bundle 50% of the cost of Commercial Organics Collection Services and 100% of the cost of Dublin Unified School District Organics Collection Services within the solid waste rate structure; and

WHEREAS; on June 16, 2020, the City Council unanimously approved a Sixth Amendment to the Collection Service Agreement in the form attached hereto as Appendix 1 to extend the term of the Collection Service Agreement; to provide for expanded services; and to make various other changes to the Collection Service Agreement; and

WHEREAS; this Amended and Restated Collection Service Agreement intends to consolidate the changes made to the Collection Service Agreement in the First through Sixth Amendments; and

WHEREAS; this Amended and Restated Collection Service Agreement has been developed by and is satisfactory to the City and the Contractor.

Now, therefore, in consideration of the mutual covenants, conditions and consideration contained herein, the CITY and CONTRACTOR hereby agree as hereinafter set forth:

ARTICLE 1. Definitions

For the purpose of this Amended and Restated Collection Service Agreement, hereinafter referred to as "Agreement," the definitions contained in this Article shall apply unless otherwise specifically stated. If a word or phrase is not defined in this Article, the definition of such word or phrase as contained in Chapter 5.32 of the Dublin Municipal Code shall control. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Use of the masculine gender shall include the feminine gender.

1.01. AB 939. The California Integrated Waste Management Act (California Public Resources Code Sections 40000 et al.), as amended from time to time.

1.02. Agreement. The written document and all amendments thereto, between the CITY and the CONTRACTOR, governing the provision of Collection Services as provided herein.

1.03. Agreement Year. Each twelve (12) month period from July 1st to June 30th, beginning July 1, 2005.

1.04. Alternative Daily Cover (ADC). Disposal Facility cover material, other than Organic Waste and at least six (6) inches of earthen material, placed on the surface of the active face of the refuse fill area at the end of each operating day to control vectors, fires, odor, blowing litter and scavenging, as defined in Section 20164 of the California Code of Regulations.

1.05. Biohazardous or Biomedical Waste. Any waste which may cause disease or reasonably be suspected of harboring pathogenic organisms; included are waste resulting from the operation of medical clinics, hospitals, and other facilities processing wastes which may consist of, but are not limited to, human and animal parts, contaminated bandages, pathological specimens, hypodermic needles, sharps, contaminated clothing and surgical gloves.

1.06. Brown Goods. Electronic equipment such as stereos, televisions, VCR's, PDA's, telephones, and other similar items not containing cathode ray tubes (CRTs).

1.07. Business Service Unit. All retail, professional, wholesale and industrial facilities, and other commercial enterprises offering goods or services to the public.

1.08. CITY. The City of Dublin, California.

1.09. City Collection Service. City Solid Waste Collection Service, City Recycling Service, City Organic Collection Service, Large Item Collection Service, Neighborhood Cleanup Service, and Special Event Collection Service.

1.10. City Organic Collection Service. The Collection of Organic Waste, by the CONTRACTOR, from City Service Units in the Service Area and the delivery of that Organic Waste to an Organics Processing Facility.

1.11. City Recycling Service. The Collection of Recyclable Materials, by the CONTRACTOR, from City Service Units in the Service Area and the delivery of those Recyclable Materials to a Materials Recovery Facility.

1.12. City Representative. The City Manager, or their designee.

1.13. City Service Unit. Those CITY properties or locations owned and operated by the CITY including, but not limited to, Dublin Civic Center, Shannon Community Center, Dublin Senior Center, Dublin Library, Dublin Corporation Yard, Dublin Fire Stations, and all City parks and recreation facilities. The City Service Unit shall not deposit dirt, rock, concrete, or Exempt Waste in any collection containers provided as required under the conditions of this Agreement.

1.14. City Waste. Solid Waste, Green Waste, Organic Waste and Large Items resulting from the normal activities of a City Service Unit. City Waste must be generated by and at the City Service Unit where the City Waste is Collected and does not include items defined herein as Exempt Waste.

1.15. City Solid Waste Collection Service. The Collection of Solid Waste by the CONTRACTOR, from City Service Units in the Service Area, and the delivery of that Solid Waste to a Disposal Facility.

1.16. Collection. The process whereby Residential Waste, Commercial Waste, City Waste, C&D Debris, DUSD Waste, and Recyclable Materials are removed and transported to a Disposal Facility, Organics Processing Facility, Green Waste Processing Facility, Materials Recovery Facility, or other processing or recycling facility as appropriate and approved by the City, which is lawfully authorized to accept such materials.

1.17. Collection Service. SFD Collection Service, MFD Collection Service, City Collection Service, Commercial Collection Service, DUSD Collection Service, and C&D Debris Collection Service.

1.18. Commercial Collection Service. Commercial Solid Waste Collection Service, Commercial Recycling Service, and Commercial Organic Collection Service.

1.19. Commercial Organic Collection Service. The Collection of Commercial Organic Waste from Commercial Service Units and Commercial Organic Service Units and the delivery of the Commercial Organic Waste to an Organics Processing Facility. Commercial Organic Collection Service for any Commercial Service Unit or Commercial Organic Service Unit on a Saturday will require a minimum of three (3) service days for such Unit during the week (Monday through Friday).

1.20. Commercial Organic Service Unit. Commercial Organic Waste generators who are not Commercial Service Units, such as government facilities, including, but not limited to, Parks, Reserve Forces Training Areas and Santa Rita Jail, and all private schools both public and private in the Service Area, but excluding all City Service Units and DUSD Service Units.

1.21. Commercial Organic Waste. Green Waste, food scraps and trimmings from food preparation, including but not limited to; fruit and vegetable waste, grain waste, dairy waste, Stable Matter, meat and fish waste, and such items as non-recyclable or contaminated paper such as pizza boxes, take-out food cartons (cardboard), paper towels, waxed cardboard, wooden packaging such as crates and untreated and unpainted wallboard, etc. that are separated at the source of generation for inclusion in the Commercial Organic Collection Service program.

1.22. Commercial Recycling Service. The Collection of Recyclable Materials, by the CONTRACTOR, from Commercial Service Units in the Service Area, the delivery of those Recyclable Materials to a Materials Recovery Facility and the processing and marketing of those Recyclable Materials.

1.23. Commercial Service Unit. Business Service Units, and Mixed Use Dwellings that utilize a Garbage Cart or Bin for the accumulation and set-out of Solid Waste.

1.24. Commercial Solid Waste Collection Service. The Collection of Solid Waste by the CONTRACTOR, from Commercial Service Units in the Service Area, and the delivery of that Solid Waste to a Disposal Facility.

1.25. Commercial Waste. Solid Waste and Commercial Organic Waste generated by and at a Commercial Service Unit.

1.26. Compactor. Any Roll-Off Container or bin which has a compaction mechanism, whether stationary or mobile.

1.27. Composting. The controlled biological decomposition of Organic Waste into a specific mixture of decayed organic matter used for fertilizing or soil conditioning.

1.28. Construction and Demolition (“C&D”) Debris. Used or discarded materials resulting from construction, remodeling, repair or demolition operations on any pavement, house, commercial building, or other structure and such other materials as may be removed during the normal cleanup process of such construction, remodeling, repair, or demolition operations.

1.29. Construction and Demolition (“C&D”) Debris Box. A detachable container of up to fifty (50) cubic yards used for the collection of C&D Debris, which is designed to be transported to, and left on the ground on or adjacent to, the property where the C&D Debris is generated.

1.30. Construction and Demolition (“C&D”) Debris Collection Service. The Collection of C&D Debris from C&D Service Units in the Service Area and the delivery of that material to an appropriate facility.

1.31. Construction and Demolition (“C&D”) Service Unit. All residential, business, or development sites within the Service Area that generate C&D Debris.

1.32. CONTRACTOR. Amador Valley Industries, LLC.

1.33. County. Alameda County, California.

1.34. Disposal or Dispose (or other variation thereof). The final disposition of Solid Waste in accordance with this Agreement at the Disposal Facility.

1.35. Disposal Services. The final processing and disposition of Solid Waste Collected under the terms of this Agreement.

1.36. Disposal Contractor. The entity who has obtained from the CITY an Agreement to provide Disposal Services.

1.37. Disposal Facility. The Altamont Landfill owned by Waste Management of Alameda County, Inc., located in Alameda County or such place or places specifically designated by the CITY for the disposal, or processing as appropriate, of Solid Waste and other materials as appropriate.

1.38. Diversion or Divert. Activities that reduce or eliminate the amount of Solid Waste Disposed, including, but not limited to, Composting, Recycling, and reuse.

1.39. Dwelling Unit. Any individual living unit in a single family dwelling (SFD) or multi-family dwelling (MFD) structure or building intended for, or capable of being utilized for, residential living other than a Hotel or Motel.

1.40. Dublin Unified School District (DUSD) Collection Service. The Collection of DUSD Waste from DUSD Service Units in the Service Area and the delivery of that material to an appropriate facility.

1.41. Dublin Unified School District (DUSD) Organic Waste. Green Waste, compostable food trays, food scraps and trimmings from food preparation/consumption, fruit and vegetable waste, Stable Matter, contaminated paper such as pizza boxes, take-out food cartons (cardboard), paper towels, etc. that are generated by DUSD Service Units and that are separated at the source of generation.

1.42. Dublin Unified School District (DUSD) Organic Waste Collection Service. The Collection of DUSD Organic Waste from DUSD Service Units in the Service Area and the delivery of that material to an appropriate facility.

1.43. Dublin Unified School District (DUSD) Service Unit. All schools and facilities owned and operated by the Dublin Unified School District.

1.44. Dublin Unified School District (DUSD) Waste. Solid Waste, Recyclable Materials, C&D Debris and DUSD Organic Waste generated by and at a DUSD Service Unit.

1.45. Dublin Unified School District (DUSD) Solid Waste Collection Service. The Collection of Solid Waste from DUSD Service Units in the Service Area and the delivery of that material to an appropriate facility.

1.46. E-Waste. Discarded electronics equipment such as cell phones, computers, monitors, televisions, and other items containing cathode ray tubes (CRTs).

1.47. Exempt Waste. Biohazardous or Biomedical Waste, Hazardous Waste, Household Hazardous Waste, Sludge, Green Waste or lumber that is more than five (5) feet in length in its longest dimension or two (2) feet in diameter, soil and dirt, concrete, asphalt, automobiles, automobile parts, boats, boat parts, boat trailers, internal combustion engines, lead-acid batteries, and those wastes under the control of the Nuclear Regulatory Commission. Exempt Waste does not include Used Oil, Used Oil Filters, C&D Debris, or household batteries when placed for Collection as set forth in this Agreement or as otherwise directed by the CITY.

1.48. Garbage. All putrescible waste which generally includes, but is not limited to, kitchen and table food waste, animal, vegetative, food or any organic waste that is attendant with, or results from the storage, preparation, cooking or handling of food materials attributed to normal activities of a Service Unit. Garbage must be generated by and at the Service Unit where the Garbage is Collected. Garbage does not include those items defined herein as Residential Organic Waste, DUSD Organic Waste, Commercial Organic Waste, C&D Debris, or Exempt Waste.

1.49. Garbage Bin. A metal or plastic container, with a capacity of one (1) cubic yard up to and including eight (8) cubic yards, designed or intended to be mechanically dumped into a loader packer type garbage truck, that is approved for such purpose by the CITY. Garbage Bins may also include Compactors that are owned by the MFD or Commercial Service Unit where the MFD or Commercial Collection Service occurs.

1.50. Garbage Cart. A heavy plastic receptacle with a rated capacity of at least thirty-two (32) and not more than ninety-six (96) gallons, having a hinged tight-fitting lid and wheels, that is approved by the City Representative for use by Service Recipients for Collection Services under this Agreement.

1.51. Green Waste. Any vegetative matter resulting from normal yard and landscaping maintenance that is not more than three (3) feet in its longest dimension or six (6) inches in diameter and fits in the Organic Waste Cart utilized by the Service Recipient. Green Waste includes plant debris, such as Palm, Yucca and Cactus, grass clippings, leaves, pruning, weeds, branches, brush, Christmas trees, and other forms of vegetative waste and must be generated by and at the Service Unit where the Green Waste is Collected. Green Waste does not include items herein defined as Exempt Waste.

1.52. Green Waste Processing Facility. Any facility, selected by the CONTRACTOR and approved by the CITY, or specifically designated by the CITY, that is designed, operated and legally permitted for the purpose of receiving, and processing Green Waste and Large Green Waste.

1.53. Hazardous Waste. Any material which is defined as a hazardous waste under California or United States law or any regulations promulgated pursuant to such law, as such law or regulations may be amended from time to time.

1.54. Household Hazardous Waste. Any Hazardous Waste generated at an SFD or MFD Service Unit.

1.55. Hotel or Motel. A structure or building unit(s) capable of being utilized for residential living where such unit or a group of such units is regularly rented to transients or held out or advertised to the public as a place regularly rented to transients for periods of seven (7) days or less. To meet this definition, the Hotel or Motel must be licensed to operate as such.

1.56. Large Items. Those large materials including furniture; carpets; mattresses; White Goods; Brown Goods; E-Waste; Recyclable Materials; Reusable Materials; Textiles; tires without rims; Large Green Waste; or some combination of such items in a container the dimensions of which container do not exceed four feet by four feet by two feet (4'x4'x2') and weighing no more than sixty (60) pounds, which are attributed to the normal activities of a SFD, MFD, or City Service Unit. Large Items must be generated by and at the Service Unit where the Large Items are Collected. Large Items do not include items herein defined as Exempt Waste.

1.57. Large Green Waste. Oversized Green Waste such as tree trunks and branches with a diameter of not less than six (6) inches and not more than two (2) feet and a length of not more than five (5) feet in its longest dimension, which are attributed to the normal activities of a SFD, MFD, or City Service Unit. Large Green Waste must be generated by and at the Service Unit where the Large Green Waste is Collected.

1.58. Large Item Collection Service. The periodic on-call Collection of Large Items, by the CONTRACTOR, from Service Units in the Service Area and the delivery of those Large Items to a Disposal Facility, Materials Recovery Facility, Green Waste Processing Facility, Reuse Vendor or such other facility as may be appropriate under the terms of this Agreement. Large

Item Collection Service does not include the Collection of Large Items through the use of Roll-Off Containers or C&D Debris Boxes, except that Roll-Off Containers may be used for MFD Large Item Collection Service.

1.59. Materials Recovery Facility (MRF). Any facility, selected by the CONTRACTOR and approved by the CITY, or specifically designated by the CITY, designed, operated, and legally permitted for the purpose of receiving, sorting, processing, storing, or preparing Recyclable Materials for sale. CONTRACTOR has selected, and CITY has approved, the use of the Pleasanton Transfer Station and Materials Recovery Facility in Pleasanton, the Alameda County Industries facility in San Leandro, the Fremont Recycling and Transfer Station (BLT) in Fremont, and the Tracy Materials Recovery and Solid Waste Transfer, Inc. facility in Tracy.

1.60. MFD Collection Service. MFD Solid Waste Collection Service, MFD Recycling Service, Large Item Collection Service, and Used Oil Collection Service.

1.61. MFD Recycling Service. The Collection of Recyclable Materials, by the CONTRACTOR, from MFD Service Units in the Service Area, the delivery of those Recyclable Materials to a Materials Recovery Facility and the processing and marketing of those Recyclable Materials.

1.62. MFD Service Unit. Any combination of Dwelling Units in the Service Area utilizing a common Garbage Bin for the accumulation and set-out of Solid Waste.

1.63. MFD Solid Waste Collection Service. The Collection of Solid Waste, by the CONTRACTOR, from MFD Service Units in the Service Area and the delivery of that Solid Waste to a Disposal Facility.

1.64. Minimum SFD Collection Service. The CITY mandatory service level for SFD Service Units whose costs are collected by the CITY on the annual property tax bill.

1.65. Mixed Use Dwelling. A building or structure which contains at least one (1) Business Service Unit and at least one (1) Dwelling Unit and utilizes a common Garbage Bin or Garbage Cart for the accumulation and Collection of Solid Waste.

1.66. Neighborhood Cleanup Service. The periodic Collection of Large Items and Green Waste using Roll-Off Containers by the CONTRACTOR resulting from CITY sponsored special clean-up program events. Such Collection by the CONTRACTOR shall be limited to the equivalent of four hundred eighty (480) cubic yards in any Agreement Year.

1.67. Non-Collection Notice. A form developed and used by the CONTRACTOR, as approved by the CITY, to notify Service Recipients of the reason for non-collection of materials set out by the Service Recipient for Collection by CONTRACTOR pursuant to this Agreement.

1.68. Organic Waste. Commercial Organic Waste, DUSD Organic Waste, and Residential Organic Waste.

1.69. Organic Waste Bin. A metal or plastic container, with a capacity of one (1) cubic yard up to and including eight (8) cubic yards, designed or intended to be mechanically dumped into a loader packer type truck, that is approved for such purpose by the CITY.

1.70. Organic Waste Cart. A heavy plastic receptacle with a rated capacity not exceeding ninety-six (96) gallons, having a hinged tight-fitting lid, and wheels, that is approved for such purpose by the CITY and is appropriately labeled as an Organic Waste Cart.

1.71. Organic Waste Processing Facility. Any facility, selected by the CONTRACTOR and approved by the CITY, or specifically designated by the CITY, designed, operated, and legally permitted for the purpose of receiving, sorting, processing, storing, or preparing for sale, Organic Waste. CONTRACTOR has selected, and CITY has approved the use of the Grover facility in Vernalis, the Z-Best facility in Gilroy, and the ACWMA/Materials Recovery Industries facility (once completed) in Sunol.

1.72. Recycle or Recycling (or any variation thereof). The process of sorting, cleansing, treating and reconstituting materials that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused or reconstituted products.

1.73. Recyclable Materials. Those materials which are capable of being recycled and which would otherwise be processed or disposed of as Solid Waste. Recyclable Materials include those materials defined by the CITY, including newsprint (including inserts); mixed paper (including magazines, catalogs, envelopes, junk mail, corrugated cardboard, brown bags and paper, paperboard, paper egg cartons, office ledger paper, and telephone books); glass containers; aluminum beverage containers; small scrap and cast aluminum (not exceeding forty (40) pounds in weight nor two (2) feet in any dimension for any single item); steel including "tin" cans, aerosol cans (empty, non-toxic products) and small scrap (not exceeding forty (40) pounds in weight nor two (2) feet in any dimension for any single item); bimetal containers; plastic bottles (#1-7); aluminum foil and pans; dry cell household batteries when contained in a sealed heavy-duty plastic bag; and those materials added by the CONTRACTOR from time to time.

1.74. Recycling Bin. A plastic or metal container, with a capacity of one (1) cubic yard up to and including eight (8) cubic yards, designed or intended to be mechanically dumped into a loader packer type recycling truck, that is approved for such purpose by the CITY and is appropriately labeled as a Recycling Bin.

1.75. Recycling Cart. A heavy plastic receptacle with a rated capacity of at least thirty-two (32) gallons and not more than ninety-six (96) gallons, having a hinged tight-fitting lid, and wheels, that is approved for such purpose by the CITY and is appropriately labeled as a Recycling Cart.

1.76. Residential Organic Waste. Green Waste, food scraps and trimmings from food preparation, fruit and vegetable waste, Stable Matter, contaminated paper such as pizza boxes, take-out food cartons (cardboard), paper towels, etc. that are separated at the source of generation for inclusion in the SFD Organic Collection Service program.

1.77. Residential Waste. Solid Waste, Green Waste, Residential Organic Waste, Large Items, Used Oil, and Used Oil Filters resulting from the normal activities of a SFD or MFD Service Unit. Residential Waste must be generated by and at the SFD or MFD Service Unit where the Residential Waste is Collected and does not include items defined herein as Exempt Waste.

1.78. Reusable Materials. Items that are capable of being used again after minimal processing. Reusable Materials may be collected source separated or recovered through a Disposal Facility, Materials Recovery Facility, Green Waste Processing Facility, Reuse Vendor or such other facility. Reusable Materials may include, but are not limited to, Textiles, furniture, and/or sporting equipment, toys, house wares, working computers, undamaged monitors, cell phones, books, working small White Goods, working VCRs and working stereos.

1.79. Reuse Vendor. A vendor (e.g., St. Vincent dePaul or Goodwill Industries, or other nonprofit or for-profit organizations) that will collect used furniture, clothing, sporting equipment, and other re-usable items for purposes of reuse rather than Disposal.

1.80. Roll-Off Container. A metal container that is normally loaded onto a motor vehicle and transported to an appropriate facility.

1.81. Rubbish. All refuse, accumulation of paper, excelsior, rags, wooden boxes and containers, sweep-ups and all other accumulations of a nature other than Garbage and Organic Waste, resulting from the normal activities of a Service Unit. Rubbish must be generated by and at the Service Unit where the Rubbish is Collected. Rubbish does not include items herein defined as Exempt Waste.

1.82. Service Area. That area within the corporate limits of the City of Dublin.

1.83. Service Recipient. An individual or company receiving Collection Service.

1.84. Service Unit. SFD Service Units, MFD Service Units, City Service Units, Commercial Service Units, Commercial Organic Service Units, DUSD Service Units, and C&D Service Units.

1.85. SFD Collection Service. SFD Solid Waste Collection Service, SFD Recycling Service, SFD Organic Collection Service, Large Item Collection Service, and Used Oil Collection Service.

1.86. SFD Organic Collection Service. The Collection of Residential Organic Waste by the CONTRACTOR from SFD Service Units in the Service Area, the delivery of that Residential Organic Waste to an Organic Waste Processing Facility and the processing and marketing of that Residential Organic Waste.

1.87. SFD Recycling Service. The Collection of Recyclable Materials by the CONTRACTOR from SFD Service Units in the Service Area, the delivery of those Recyclable Materials to a Materials Recovery Facility and the processing and marketing of those Recyclable Materials.

1.88. SFD Solid Waste Collection Service. The Collection of Solid Waste, by the CONTRACTOR, from SFD Service Units in the Service Area and the delivery of that Solid Waste to a Disposal Facility.

1.89. SFD Service Unit. Any Dwelling Unit in the Service Area utilizing a Garbage Cart, or any combination of Dwelling Units sharing Garbage Carts, for the accumulation and set out of Solid Waste.

1.90. Sludge. The accumulated solids, residues, and precipitates generated as a result of waste treatment or processing, including wastewater treatment, water supply treatment, or operation of an air pollution control facility, and mixed liquids and solids pumped from septic tanks, grease traps, privies, or similar disposal appurtenances or any other such waste having similar characteristics or effects.

1.91. Special Event Collection Service. The Collection of Solid Waste, Recyclable Materials and other materials as appropriate at City-sponsored special events.

1.92. Solid Waste. Garbage and Rubbish resulting from the normal activities of a Service Unit. Solid Waste must be generated by and at the Service Unit where the Solid Waste is Collected and does not include items defined herein as Exempt Waste.

1.93. Stable Matter. Manure and other waste matter normally accumulated and in stables or in livestock or poultry enclosures.

1.94. Textiles. Clean items made of thread, yarn, fabric, or cloth. Examples include clothes, fabric trimmings, draperies, and all natural and synthetic cloth fibers. This waste type does not include cloth-covered furniture, mattresses, leather shoes, leather bags, or leather belts.

1.95. Uncontrollable Circumstance(s). Floods, earthquakes, other "acts of nature", pandemic, war, civil insurrection, riots, acts of any government (including judicial action), labor unrest, including, but not limited to, strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action, and other similar catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from performance hereunder. However, the following are not Uncontrollable Circumstances: (a) power outages, or (b) labor unrest by employees of CONTRACTOR or of any subcontractor that controls, is controlled by, or is under common control with CONTRACTOR directed against CONTRACTOR or such subcontractor, including, but not limited to, strike, work stoppage or slowdown, sick-out, lockout, picketing, or other concerted job action. No event which merely increases CONTRACTOR's cost of performance shall be an Uncontrollable Circumstance; and no event, the effects of which could have been prevented by reasonable precautions, including compliance with agreements and applicable laws, shall be an Uncontrollable Circumstance.

1.96. Used Oil. Any oil that has been refined from crude oil or has been synthetically produced, and is no longer useful to the Service Recipient because of extended storage, spillage or contamination with non-hazardous impurities such as dirt or water; or has been used and as a result of such use has been contaminated with physical or chemical impurities. Used Oil must be generated by and at the SFD or MFD Service Unit where the Used Oil is Collected. Used Oil does not include transmission fluid.

1.97. Used Oil Collection Service. The Collection of Used Oil in Used Oil Containers and Used Oil Filters in Used Oil Filter Containers, by the CONTRACTOR, from Service Units in the Service Area utilizing Used Oil and Filter Containers for the accumulation and set-out of Used Oil and Used Oil Filters and the appropriate disposition of the Used Oil and Used Oil Filters in accordance with the requirements of this Agreement.

1.98. Used Oil Container. A plain copoly container provided by the CONTRACTOR for the accumulation of Used Oil that is at least four (4) quarts in capacity, leak-proof, has a screw-on lid and has a label designating it for use as a Used Oil Container.

1.99. Used Oil Filter. Any oil filter that is no longer useful to the Service Recipient because of extended storage, spillage or contamination with non-hazardous impurities such as dirt or water; or has been used and as a result of such use has been contaminated with physical or chemical impurities. Used Oil Filters must be generated by and at the SFD or MFD Service Unit where the Used Oil Filter is Collected.

1.100. Used Oil Filter Container. A six (6) mil poly bag with double track seal with dimensions of at least fourteen and one-half (14.5) inches by eight (8) inches with a one and one-quarter (1¼) inch diameter hole above the seal provided by the CONTRACTOR for the accumulation of Used Oil Filters that has a label designating it for use as a Used Oil Filter Container.

1.101. White Goods. Discarded refrigerators, ranges, water heaters, freezers, and other similar household appliances.

1.102. Work Day. Any day, Monday through Saturday that is not a holiday as set forth in Section 3.09 of this Agreement.

ARTICLE 2. Term of Agreement

2.01. Term. The term of this Agreement shall be extended for a fifteen (15) year period beginning July 1, 2020 and terminating on June 30, 2035.

2.02. Other Provisions. The CITY may, at the end of the term of this Agreement, either renegotiate the terms and conditions of the Agreement with the current CONTRACTOR or request proposals from qualified contractors to provide Collection Services.

ARTICLE 3. Services Provided by the Contractor

3.01. Grant of Exclusive Agreement. Except as otherwise provided in this Agreement, the CONTRACTOR is herein granted an exclusive Agreement to provide Collection Services within the Service Area. No other solid waste or recycling services shall be exclusive to the CONTRACTOR.

3.02. Limitations to Scope of Exclusive Agreement.

3.02.1 Recyclable Materials or Large Items that are source separated (as defined in Dublin Municipal Code 5.32.040) from Solid Waste by Service Units, for which the waste

generator sells or is otherwise compensated by a collector in a manner resulting in a net payment to the waste generator when such collector is permitted under Chapter 5.32 of the CITY Municipal Code;

3.02.2 Solid Waste, Recyclable Materials, Large Items or Organic Waste, which is removed from any SFD Service Unit, MFD Service Unit, Commercial Service Unit, DUSD Service Unit, C&D Service Unit, or City Service Unit and which is transported personally by the owner or occupant of such premises (or by his or her full-time employees) to a processing or Disposal Facility as allowed in Dublin Municipal Code section 5.32.150;

3.02.3 Recyclable Materials, Organic Waste or Large Items which are source separated at any premises by the waste generator and donated to youth, civic or charitable organizations;

3.02.4 Containers delivered for Recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500, et seq.

3.02.5 Green Waste removed from a premises by a gardening, landscaping, or tree trimming company as an incidental part of a total service offered by that company rather than as a hauling service;

3.02.6 Materials that are not defined herein as Recyclable Materials but which are collected for Recycling by a collector who is permitted pursuant to Chapter 5.32 of the CITY Municipal Code.

3.02.7 Large Items removed from a premises by a property cleanup or maintenance company as an incidental part of the total cleanup or maintenance service offered by the company rather than as a hauling service;

3.02.8 Animal waste and remains from slaughterhouse or butcher shops for use as tallow;

3.02.9 By-products of sewage treatment, including Sludge, ash, grit and screenings;

3.02.10 Hazardous Waste and designated waste regardless of its source; and

3.02.11 Residential Waste, Commercial Waste, City Waste or Recyclable Materials that are removed from a premises by a company through the performance of a service that the CONTRACTOR has elected not to provide;

3.02.12 The collection and removal of C&D Debris in accordance with Dublin Municipal Code section 5.32.130.

3.03. CONTRACTOR acknowledges and agrees that the CITY may permit other persons besides the CONTRACTOR to Collect any and all types of materials excluded from the scope of this Agreement, as set forth above, without seeking or obtaining approval of CONTRACTOR. If CONTRACTOR can produce evidence that other persons are servicing Collection containers or are Collecting Solid Waste, Recyclable Materials, Large Items, C&D Debris, and/or Organic Waste in a manner that is not consistent with the CITY's Municipal Code or this Agreement, it shall report the location, the name and phone number of the person or

company to the CITY along with CONTRACTOR's evidence of the violation of the exclusiveness of this Agreement and CITY shall take appropriate action to enforce the Code and this Agreement.

3.03.1 The scope of this Agreement shall be interpreted to be consistent with applicable law, now and during the term of the Agreement. If future judicial interpretations of current law or new laws, regulations, or judicial interpretations limit the ability of the CITY to lawfully provide for the scope of services as specifically set forth herein, CONTRACTOR agrees that the scope of the Agreement will be limited to those services and materials which may be lawfully provided and that the CITY shall not be responsible for any lost profits or losses claimed by CONTRACTOR to arise out of limitations of the scope of the Agreement set forth herein. In such an event, it shall be the responsibility of CONTRACTOR to minimize the financial impact of such future judicial interpretations or new laws.

3.04. Service Standards. CONTRACTOR shall perform all Collection Services under this Agreement in a thorough and professional manner. Collection Services described in this Agreement shall be performed regardless of weather conditions or difficulty of Collection.

3.05. Hours and Days of Collection.

3.05.1 SFD and MFD Collection Services shall be provided, commencing no earlier than 6:00 a.m. and terminating no later than 6:00 p.m., Monday through Friday with no service on Saturday (except for holiday service as set forth in Section 3.09 of this Agreement) or Sunday. The hours, days, or both of Collection may be extended due to extraordinary circumstances or conditions with the prior written consent of the City Representative.

3.05.2 Commercial, DUSD, C&D Debris, and City Collection Service shall be provided, commencing no earlier than 4:00 a.m. (or 6:00 a.m. if the property is within two hundred (200) feet of a residential property), and terminating no later than 9:00 p.m., Monday through Friday, with service on Saturday starting no earlier than 6:00 a.m. (or 7:30 a.m. if the property is within two hundred (200) feet of a residential property). The hours, days, or both of Collection may be extended due to extraordinary circumstances or conditions with the prior written consent of the City Representative.

3.06. Manner of Collection. The CONTRACTOR shall provide Collection Service with as little disturbance as possible and shall leave any cart, bin, or C&D Debris Box in an upright position at the same point it was Collected without obstructing alleys, roadways, driveways, sidewalks or mail boxes.

3.07. Containers.

3.07.1 Purchase and Distribution of Carts and Bins. The CONTRACTOR shall be responsible for the purchase and distribution of fully assembled and functional carts and bins to Service Units in the Service Area. CONTRACTOR shall also distribute carts and bins to new Service Units that are added to CONTRACTOR's Service Area during the term of this Agreement. The distribution shall be completed within three (3) Work Days of receipt of notification from the CITY or the Service Unit.

3.07.2 Replacement of Carts and Bins. CONTRACTOR's employees shall take care to prevent damage to carts or bins by unnecessary rough treatment. However, any cart or bin damaged by the CONTRACTOR shall be replaced by the CONTRACTOR, at the CONTRACTOR's expense, within three (3) Work Days at no cost or inconvenience to the Service Recipient.

3.07.2.1 Upon notification to the CONTRACTOR by the CITY or a Service Recipient that the Service Recipient's cart(s) or bin(s) have been stolen or damaged beyond repair through no fault of the CONTRACTOR, the CONTRACTOR shall deliver a replacement cart(s) or bin(s) to such Service Recipient within three (3) Work Days. The CONTRACTOR shall maintain records documenting all cart and bin replacements occurring on a monthly basis.

3.07.2.2 Where such cart is lost, stolen or damaged beyond repair through no fault of the CONTRACTOR, each SFD Service Unit shall be entitled to the replacement of one (1) lost, destroyed, or stolen Garbage Cart, one (1) lost, destroyed, or stolen Recycling Cart, and one (1) lost, destroyed, or stolen Organic Waste Cart during the life of this Agreement at no cost to the Service Recipient.

3.07.2.3 Where such cart or bin is lost, stolen or damaged beyond repair through no fault of the CONTRACTOR, each MFD, Commercial and City Service Unit shall be entitled to the replacement of one (1) lost, destroyed, or stolen Garbage Bin and one (1) lost, destroyed, or stolen Recycling Cart or Bin during the life of this Agreement at no cost to the Service Unit.

3.07.2.4 Where such bin or cart replacement occurs through no fault of the CONTRACTOR, CONTRACTOR shall be compensated for the cost of those replacements in excess of the requirements set forth above in accordance with the "Cart or Bin Exchange" Service Rate, as appropriate, as initially set by the CITY or as may be adjusted by the CITY as provided under the terms of this Agreement.

3.07.3 Repair of Carts and Bins. CONTRACTOR shall be responsible for repair of any damaged carts and bins to include, but not be limited to, damage to hinged lids, wheels, axles, and anything causing leakage. Within three (3) Work Days of notification by the CITY or a Service Recipient of the need for such repairs, the CONTRACTOR shall repair the cart or bin or if necessary, remove the cart or bin for repairs and deliver a replacement cart or bin to the Service Recipient.

3.07.4 Cart or Bin Exchange. Upon notification to the CONTRACTOR by the CITY or a Service Recipient that a change in the size or number of carts or bins is required, the CONTRACTOR shall deliver such carts or bins to such Service Recipient within three (3) Work Days. Each Service Recipient shall be eligible to receive one (1) free cart or bin exchange per Agreement Year during the term of this Agreement. Accordingly CONTRACTOR shall be compensated for the cost of those exchanges in excess of one (1) per Agreement Year, in accordance with the "Cart or Bin Exchange" service rate as initially set by the CITY or as may be adjusted under the terms of this Agreement.

3.07.5 Ownership of Carts. Ownership of carts shall rest with the CONTRACTOR, except that ownership of carts in the possession of a Service Recipient at the end of this

Agreement shall rest with the CITY. At its sole discretion, CITY may elect not to exercise its rights with regards to this Section and in such case the carts shall remain the property of the CONTRACTOR upon termination of this Agreement. In this event, CONTRACTOR shall be responsible for removing all carts in service from the Service Area and reusing or Recycling such carts.

3.07.6 Ownership of Bins. Ownership of bins distributed by the CONTRACTOR shall rest with the CONTRACTOR except in the case of the termination of the Agreement prior to the expiration of the initial term or optional extension term due to the default of the CONTRACTOR as set forth in Article 25 of this Agreement. Under such circumstances, the CITY shall have the right to take possession of the bins and shall retain such possession until satisfactory arrangements can be made to provide Collection Services using other equipment. Such time of possession shall not be limited and regardless of the time of possession there shall be no monies owing to the CONTRACTOR from the CITY for the use of the equipment. Upon the receipt of written notice from the CITY, CONTRACTOR shall submit to the City Representative an inventory of bins, including their locations.

3.07.7 Ownership of Roll-Off Containers and C&D Debris Boxes. Ownership of Roll-Off Containers and C&D Debris Boxes distributed by the CONTRACTOR shall rest with the CONTRACTOR except in the case of the termination of the Agreement prior to the expiration of the initial term or optional extension term due to the default of the CONTRACTOR. Under such circumstances, the CITY shall have the right to take possession of the containers and shall retain such possession until satisfactory arrangements can be made to provide Collection Services using other equipment. Such time of possession shall not be limited and regardless of the time of possession there shall be no monies owing to the CONTRACTOR from the CITY for the use of the equipment. Upon the receipt of written notice from the CITY, CONTRACTOR shall submit to the City Representative an inventory of containers, including their locations.

3.07.8 Annual Inspection and Cleaning. Once each Agreement Year, at no charge to the CITY or the MFD or Commercial Service Unit, CONTRACTOR shall inspect all Garbage, Recycling, and Organic Waste Bins at the Service Unit's premises and shall replace those bins needing cleaning with clean bins and remove the dirty bins for cleaning.

3.07.9 Organic Waste Pails. As requested by the Service Recipient, CONTRACTOR shall provide each SFD Service Unit with a pail for use in the kitchen that is suitable for the collection and storage of food scraps and that is consistent in function to meet the Alameda County Waste Management Authority's Residential Food Scrap Subsidy Program guideline requirements. The kitchen pail shall have a capacity of 1.5 to 2.5 gallons, a wire or plastic handle, and a lid and must be approved by the CITY. When requested by the CITY, the CONTRACTOR shall promote the availability of the Organic Waste Pails, as part of its annual Public Education and Outreach Program Plan pursuant to Section 16.02.

3.07.10 Organic Waste Containers. If requested by the customer, CONTRACTOR shall provide Commercial Service Units receiving Commercial Organic Collection Service with a watertight container for indoor storage of Commercial Organic Waste prior to placing the waste in the Organic Waste Cart or Bin. The size of the container shall be determined by the Service Recipient and the CONTRACTOR. CONTRACTOR shall be responsible for the repair and

maintenance of the containers. At the request of the Service Recipient, CONTRACTOR shall allow the use of plastic bags by the Service Recipient for the containment of the Organic Waste and shall Collect both the Organic Waste and the plastic bags as part of the Commercial Organic Collection Service provided under the terms of this Agreement.

3.08. Labor and Equipment. CONTRACTOR shall provide and maintain all labor, equipment, tools, facilities, and personnel supervision required for the performance of CONTRACTOR's obligations under this Agreement. CONTRACTOR shall at all times have sufficient backup equipment and labor to fulfill CONTRACTOR's obligations under this Agreement. No compensation for CONTRACTOR's services or for CONTRACTOR's supply of labor, equipment, tools, facilities or supervision shall be provided or paid to CONTRACTOR by CITY or by any Service Recipient except as expressly provided by this Agreement.

3.09. Holiday Service. The CITY observes Labor Day, Thanksgiving Day, December 25th, and January 1st as legal holidays. CONTRACTOR shall not be required to provide Collection Services or maintain office hours on the designated holidays. In any week in which one of these holidays falls on a Work Day, SFD Collection Services for the holiday and each Work Day thereafter will be delayed one Work Day for the remainder of the week with normally scheduled Friday Collection Services being performed on Saturday. MFD, Commercial and City Collection Services shall be adjusted as agreed between the CONTRACTOR and the Service Recipient but must meet the minimum frequency requirement of one (1) time per week.

3.10. Disposal and Processing.

3.10.1 Disposal Facility. Except as set forth below, all Solid Waste Collected as a result of performing Collection Services shall be transported to, and disposed of, at the Disposal Facility. In the event the Disposal Facility is closed on a Work Day, the CONTRACTOR shall transport and dispose of the Solid Waste at such other legally permitted disposal facility as is approved by CITY. Failure to comply with this provision shall result in the levy of liquidated damages as specified in Article 22 of this Agreement and may result in the CONTRACTOR being in default under this Agreement.

3.10.2 Material Recovery Facility. All Recyclable Materials and C&D Debris Collected as a result of performing Recycling or C&D Debris Collection Services shall be delivered to a Materials Recovery Facility (MRF). In the event the MRF is closed on a Work Day, the CONTRACTOR shall transport and deliver the Recyclable Material to such other legally permitted MRF as is approved by CITY. Failure to comply with this provision shall result in the levy of liquidated damages as specified in Article 22 of this Agreement and may result in the CONTRACTOR being in default under this Agreement.

3.10.3 Organic Waste Processing Facility. CONTRACTOR shall deliver all Collected Organic Waste to a fully permitted Organic Waste Processing Facility. In the event the facility is closed on a Work Day, the CONTRACTOR shall transport and deliver the Organic Material to such other legally permitted facility as is approved by CITY. CONTRACTOR shall ensure that all Organic Waste Collected pursuant to this Agreement, except residue resulting from processing, is diverted from the Disposal Facility in accordance with AB 939 and subsequent

legislation and regulations. In no instance, except for residue resulting from processing, shall Organic Waste be used for ADC.

3.10.4 Large Item Processing and Disposal. CONTRACTOR shall process and Dispose of Large Items Collected from Service Units pursuant to this Agreement in accordance with the following hierarchy:

- 3.10.4.1 Reuse as is (where energy efficiency is not compromised)
- 3.10.4.2 Disassemble for reuse or Recycling
- 3.10.4.3 Recycle
- 3.10.4.4 Disposal

3.10.5 CONTRACTOR shall not Dispose such Large Items unless the Large Items cannot be Diverted.

3.10.5.1 White Goods shall be reused, Recycled, or Disposed by CONTRACTOR in accordance with requirements of applicable law.

3.10.6 CITY Direction of Large Items. CITY reserves the right to direct CONTRACTOR to take Large Items Collected pursuant to this Agreement to a designated site or sites for the purpose of permitting persons who will reuse or recycle such Large Items to obtain the Large Items at no cost. CONTRACTOR shall have no obligation to dispose of the Large Items or Large Item residue remaining at the directed site or sites after reusers and recyclers have removed reusable or recyclable Large Items.

CONTRACTOR shall encourage and facilitate the participation of Reuse Vendor(s) to select and sort out Reusable Materials at the point of Collection or at the Reuse Vendor, Disposal Facility, Materials Recovery Facility, Green Waste Processing Facility, or other such facility as may be appropriate.

3.10.7 Large Items Containing Freon. In the event CONTRACTOR Collects Large Items that contain Freon, CONTRACTOR shall handle such Large Items in a manner such that the Large Items are not subject to regulation as Hazardous Waste under applicable state and federal laws or regulations.

3.10.8 Used Oil Processing. CONTRACTOR shall recycle all Used Oil Collected pursuant to this Agreement to the extent feasible and shall properly dispose of all Used Oil and Used Oil Filters that are contaminated or otherwise cannot be recycled.

3.10.8.1 CONTRACTOR shall recycle the Used Oil only with persons who are authorized by the State of California to recycle oil. In the event the Used Oil or Used Oil Filters Collected pursuant to this Agreement is contaminated to the extent that the Used Oil or Used Oil Filters require disposal as a Hazardous Waste, CONTRACTOR shall dispose of such Used Oil or Used Oil Filters, at CONTRACTOR's own cost and expense in accordance with applicable state and federal law.

3.10.8.2 CONTRACTOR shall notify the City Representative, either by Fax or e-mail, of any contamination which renders the Used Oil unacceptable for recycling or which requires disposal of the Used Oil or Used Oil Filters as a Hazardous Waste.

3.10.8.3 Segregation of Used Oil. CONTRACTOR shall keep all Used Oil and Used Oil Filters Collected pursuant to this Agreement segregated from other materials.

3.11. Recycling - Improper Procedure. Except as set forth below, the CONTRACTOR shall not be required to Collect Recyclable Materials if the Service Recipient does not segregate the Recyclable Materials from Solid Waste. If Recyclable Materials are contaminated through commingling with Solid Waste, the CONTRACTOR shall, if practical, separate the Solid Waste from the Recyclable Materials. The Recyclable Materials shall then be Collected and the Solid Waste shall be left in the Recycling Cart or Bin along with a Non-Collection Notice explaining why the Solid Waste is not considered a Recyclable Material. However, in the event the Recyclable Materials and Solid Waste are commingled to the extent that they cannot easily be separated by the CONTRACTOR or the nature of the Solid Waste renders the entire Recycling Cart or Bin contaminated, the CONTRACTOR will leave the Recycling Cart or Bin un-emptied along with a Non-Collection Notice that contains instructions on the proper procedures for setting out Recyclable Materials.

3.12. Recycling - Changes to Work. Should changes in law arise that necessitate any additions or deletions to the work described herein including the type of items included as Recyclable Materials, the parties shall negotiate any necessary cost changes and shall enter into an Agreement amendment covering such modifications to the work to be performed and the compensation to be paid before undertaking any changes or revisions to such work.

3.13. Handy Hauler and Roll-Off Container Service. CONTRACTOR shall provide "Handy Hauler" bin service, C&D Debris Box, and Roll-Off Container service for the Collection of non-hazardous materials at the service rates set by the CITY under the terms of this Agreement. CONTRACTOR shall deliver and pick-up the bins and containers at the direction of the Service Recipient. The bins and containers shall be clean, free of graffiti and in good repair. The bins and containers must be clearly marked and identifiable as belonging to CONTRACTOR. Special consideration shall be given when determining the delivery and pickup area for the bins and containers to ensure that the flow of traffic is not impeded and that it does not result in aesthetic degradation of an area. If the Service Recipient and the CONTRACTOR cannot agree on a delivery and pick up area, the area shall be determined by the CITY. In addition, if, in the opinion of the CITY the delivery and pick-up area is inappropriate, CITY may require the CONTRACTOR to relocate the bin or container.

3.14. Inspections. The CITY shall have the right to inspect the CONTRACTOR's facilities or collection vehicles and their contents at any time while operating inside or outside the CITY.

3.15. Commingling of Materials.

3.15.1 Residential Waste and Recyclable Material. CONTRACTOR shall not at any time commingle Residential Waste, Collected pursuant to this Agreement with any Recyclable

Material separated for Collection pursuant to this Agreement without the express prior written authorization of the City Representative.

3.15.2 Residential Waste Collected in Dublin. CONTRACTOR shall not at any time commingle any Residential, Commercial or City Waste, Collected pursuant to this Agreement, with any other material Collected by CONTRACTOR inside or outside the City of Dublin without the express prior written authorization of the City Representative.

3.15.3 Recyclable Materials. CONTRACTOR shall not at any time commingle Recyclable Materials Collected pursuant to this Agreement, with any other material Collected by CONTRACTOR inside or outside the City of Dublin without the express prior written authorization of the City Representative.

3.15.4 C&D Debris. CONTRACTOR shall not at any time commingle C&D Debris Collected pursuant to this Agreement, with any other material Collected by CONTRACTOR inside or outside the City of Dublin without the express prior written authorization of the City Representative.

3.16. Spillage and Litter. The CONTRACTOR shall not litter premises in the process of providing Collection Services or while its vehicles are on the road. The CONTRACTOR shall transport all materials Collected under the terms of this Agreement in such a manner as to prevent the spilling or blowing of such materials from the CONTRACTOR's vehicle. The CONTRACTOR shall exercise all reasonable care and diligence in providing Collection Services so as to prevent spilling or dropping of Residential Waste, Commercial Waste, City Waste, DUSD Waste, C&D Debris, or Recyclable Materials and shall immediately, at the time of occurrence, clean up such spilled or dropped materials.

3.16.1 The CONTRACTOR shall not be responsible for cleaning up sanitary conditions caused by the carelessness of the Service Recipient; however, the CONTRACTOR shall clean up any material or residue that are spilled or scattered by the CONTRACTOR or its employees.

3.16.2 Equipment oil, hydraulic fluids, spilled paint, or any other liquid or debris resulting from the CONTRACTOR's operations or equipment repair shall be covered immediately with an absorptive material and removed from the street surface. When necessary, CONTRACTOR shall apply a suitable cleaning agent to the street surface to provide adequate cleaning.

3.16.3 The above paragraphs notwithstanding, CONTRACTOR shall clean up any spillage or litter caused by CONTRACTOR within two (2) hours upon notice from the CITY.

3.16.4 To facilitate such cleanup, CONTRACTOR's vehicles shall at all times carry sufficient quantities of petroleum absorbent materials along with a broom and shovel.

3.17. Ownership of Materials.

3.17.1 Title to Residential Waste, Commercial Waste, City Waste, DUSD Waste, C&D Debris, and Recyclable Materials shall pass to CONTRACTOR at such time as said materials are placed in the generator or CONTRACTOR's receptacle, including, without limitation, C&D

Debris Box, Compactor, Garbage Bin, Garbage Cart, Organic Waste Bin, Organic Waste Cart, Recycling Bin, Recycling Cart or Roll-Off Container.

3.17.2 Title to material Collected as part of the Neighborhood Clean-up Service or Special Collection Service shall pass to CONTRACTOR at the time the material is placed in the Roll-Off Container or other Collection vehicle or container approved for use at the event.

3.18. Hazardous Waste Inspection and Handling Program.

3.18.1 CONTRACTOR shall develop a Hazardous Waste inspection and handling program that includes the following components: (i) personnel training; (ii) load checking procedures; (iii) proper management of Hazardous Waste; (iv) record keeping and emergency procedures; and (v) public education program designed to educate generators regarding proper methods for handling and disposing of Hazardous Waste.

3.18.2 CONTRACTOR's load checking personnel, including its Collection vehicle drivers, shall be trained in (i) the effects of Hazardous Waste on human health and the environment; (ii) identification of Hazardous Waste; and (iii) emergency notification and response procedures. When practical, CONTRACTOR shall inspect Collection containers prior to Collection in order to identify Hazardous Waste.

3.18.3 Response to Hazardous Waste Identified during Collection. <mailto:> Under no circumstances shall CONTRACTOR's employees knowingly Collect Hazardous Waste, or remove unsafe or poorly containerized Hazardous Waste, from a Collection container. If CONTRACTOR determines that material placed in any container for collection is Hazardous Waste, or other material that may not legally be accepted at the Disposal Facility, or one of the Processing Facilities, or presents a hazard to CONTRACTOR's employees, the CONTRACTOR shall have the right to refuse to accept such material. The generator shall be contacted by the CONTRACTOR and requested to arrange for proper Disposal service. If the generator cannot be reached immediately, the CONTRACTOR shall, before leaving the premises, leave a Non-Collection Notice, which indicates the reason for refusing to Collect the material and lists the phone number for the Alameda County Household Hazardous Waste Facility. CONTRACTOR's environmental technician, on file with the CITY's Contract Manager, shall be notified to resolve the issue with the generator.

3.18.4 If Hazardous Waste is found in a Collection container that poses an imminent danger to people or property, the CONTRACTOR shall immediately notify the CITY Fire Department using the 911 emergency telephone number. The CONTRACTOR shall notify the CITY of any Hazardous Waste identified within twenty four (24) hours of identification of such material.

3.18.5 If Hazardous Waste is identified at the time of delivery to the Disposal Facility, or one of the processing facilities and the generator cannot be identified, CONTRACTOR shall be solely responsible for handling and arranging transport and disposition of the Hazardous Waste.

3.19. Regulations and Record Keeping. CONTRACTOR shall comply with emergency notification procedures required by applicable laws and regulatory requirements. All records required by regulations shall be maintained at the CONTRACTOR's facility. These records shall

include waste manifests, waste inventories, waste characterization records, inspection records, incident reports, and training records.

3.20. Transition. CONTRACTOR understands and agrees that the time between the formal Agreement signing and July 1, 2005 is intended to provide the CONTRACTOR with ample and sufficient time to, among other things, order equipment, prepare necessary routing schedules and route maps, obtain any permits and licenses, establish/build facilities, and begin the public awareness campaign as part of the CONTRACTOR's transition program as specified in Exhibit 7 which is attached to and included in this Agreement. CONTRACTOR shall be responsible for the provision of all Collection Services beginning July 1, 2005. CITY agrees that during the first three (3) months of the initial Agreement Year provision of SFD Organic Collection Service may consist of public awareness and education activities, service solicitation activities and the ordering and delivery of the "kitchen pails".

ARTICLE 4. Service Billing and Collection

4.01. CITY's Responsibility for Billing and Collection.

4.01.1 Minimum SFD Collection Service. The CITY has a mandatory system for SFD Service Units whereby the CITY collects the annual cost of the service on the annual property tax bill. Minimum SFD Collection Service includes:

- SFD Solid Waste Collection Service (32 gallon Cart);
- SFD Recycling Service (64 gallon Cart with option to change to 96 or 32 gallon cart or add one additional 32, 64 or 96 gallon cart);
- SFD Organic Waste Collection Service (64 gallon Cart with option to change to 96 or 32 gallon cart or add one additional 32, 64 or 96 gallon cart);
- Large Item Collection Service;
- Used Oil Collection Service; and
- Annual HHW drop-off event.

4.01.2 CITY Payments to CONTRACTOR. CITY will provide two (2) payments to CONTRACTOR for the provision of Minimum SFD Collection Service. The first payment will include services for the period from July 1st through December 31st of each year and will be made no later than the following January 15th. The second payment will include services for the period from January 1st through June 30th of each year and will be made no later than May 15 of that year. The payment shall be the minimum service rate multiplied by the number of customers assessed on the current tax roll multiplied by 6 (months).

4.01.3 CONTRACTOR's Responsibility for Billing and Collection.

4.01.3.1 SFD Service Units. Costs of larger Garbage Carts above the Minimum SFD Collection Service level shall be billed and collected by the CONTRACTOR. In addition, CONTRACTOR shall be responsible for the billing and collection of payments for all SFD Collection Services for those SFD Service Units added through annexation or new construction after the minimum service property tax has been finalized. Such billing shall be provided to customers quarterly in advance but no earlier than twentieth (20th) day of the month preceding the period for which the service is being billed. CONTRACTOR shall provide CITY with a list in electronic format of those SFD Service Units that have been added to CONTRACTORS customer base since the previous tax assessment by March 31st and again by June 30th of each Agreement Year.

4.01.3.2 MFD, C&D, and Commercial Service Units. The CONTRACTOR shall be responsible for the billing and collection of payments for MFD, C&D, DUSD, and Commercial Collection Services within the Service Area. Such billing shall be provided to the customer monthly in advance, except for C&D and Commercial Collection Services and MFD bin service, which will be billed in arrears. Notwithstanding the preceding provision, the CONTRACTOR shall not bill for City Collection Services.

4.02. Delinquent Service Accounts. The CONTRACTOR may report to the City Representative, on a regular basis, all Service Recipients who have received Collection Service and whose accounts are over one-hundred twenty (120) days past due. The CONTRACTOR may take such action as is legally available to collect or cause collection of such past due amounts. However, in no event, except upon notice in writing by the City Representative, shall the CONTRACTOR cease provision of Collection Services to any Service Unit due to non-payment.

4.03. Methods of Payment. CONTRACTOR shall provide the means for customers to pay bills through the following methods: cash, checks, credit cards, internet payment service or automatic withdrawal from bank account.

4.04. CONTRACTOR's Payments to CITY. CONTRACTOR shall make payment to the CITY of a franchise fee, administrative fee and such other fees as may be specified in this Section 4.04. Except as otherwise provided in Section 4.04.3, payment to the CITY shall be due, on the fifteenth (15th) day of the month following the month the revenues are collected. Each such payment shall be accompanied by an accounting, which sets forth CONTRACTOR's gross revenues collected during the preceding month.

4.04.1 Franchise Fee. The franchise fee shall be a percentage of CONTRACTOR's gross revenue collected each month under the terms of this Agreement. Gross revenue shall specifically include revenue received by the CONTRACTOR from any entity, including Federal, State, County or other local facilities within the Service Area for the provision of Collection Services by the CONTRACTOR. However, revenue received by the CONTRACTOR from the sale of recyclable materials and from related California Redemption Value (CRV) payments shall not be considered as gross revenues for purpose of the calculation of franchise fees. The franchise fee percentage shall be sixteen and thirty-five-hundredths percent (16.35%) with respect to revenue received for Services performed by CONTRACTOR after June 30, 2010 and during the remaining term of this Agreement unless adjusted by the CITY.

Notwithstanding the foregoing, for C&D Debris Collection Services provided beginning July 1, 2012 and ending June 30, 2013, the franchise fee percentage shall be thirteen and sixth-tenths percent (13.6%) with respect to revenue received for C&D Debris Collection Services performed by CONTRACTOR. Thereafter, and during the remaining term of this Agreement, the franchise fee percentage shall be sixteen and thirty-five-hundredths percent (16.35%) with respect to revenue received for C&D Debris Collection Services performed by CONTRACTOR unless adjusted by the CITY.

4.04.2 Administrative Fee. The administrative fee shall be a percentage of CONTRACTOR's gross revenue collected each month under the terms of this Agreement. Gross revenue shall specifically include revenue received by the CONTRACTOR from any entity, including Federal, State, County or other local facilities within the Service Area for the provision of Collection Services by the CONTRACTOR. However, revenue received by the CONTRACTOR from the sale of recyclable materials and from related CRV payments shall not be considered as gross revenues for purpose of the calculation of administrative fees. The administrative fee percentage shall be seven percent (7.00%) with respect to revenue received for Services performed by CONTRACTOR after June 30, 2010 and during the remaining term of this Agreement unless adjusted by the CITY.

Notwithstanding the foregoing, for C&D Debris Collection Services provided beginning July 1, 2012 and ending June 30, 2013, the administrative fee percentage shall be two percent (2.00%). Thereafter, and during the remaining term of this Agreement, the administrative fee percentage shall be seven percent (7.00%) with respect to revenue received for C&D Debris Collection Services performed by CONTRACTOR unless adjusted by the CITY.

4.04.3 Community Benefit Payment. For so long as CONTRACTOR shall have the exclusive right to collect C&D Debris in CITY (subject only to the specific exceptions contained in Dublin Municipal Code section 5.32.130 and State and federal law) and for so long as said exclusive rights are enforced by CITY, CONTRACTOR shall pay directly to a City-designated third-party Custodian ("CUSTODIAN") the sum of \$100,000 (one hundred thousand dollars) on an annual basis. Said payments shall be made in quarterly installments of \$25,000 (twenty-five thousand dollars) each, and shall be paid regardless of gross revenues collected by CONTRACTOR. Said payments shall not be included as a line item in the annual rate adjustment methodology as outlined in Section 5.05. Quarterly payments shall be due to the CUSTODIAN on the fifteenth (15th) day of March, June, September and December of each year during which this section applies.

4.04.4 Other Fees. CITY may set such other fees as it deems necessary.

4.04.5 No acceptance by CITY of any payment shall be construed as an accord that the amount is, in fact, the correct amount, nor shall such acceptance of payment be construed as a release of any claim CITY may have against CONTRACTOR for any additional sums payable under the provisions of this Agreement. All amounts paid shall be subject to independent audit and recompilation by CITY. If, after the audit, such recompilation indicates an underpayment CONTRACTOR shall pay to CITY the amount of the underpayment and shall reimburse CITY for all reasonable costs and expenses incurred in connection with the audit and recompilation within ten (10) Work Days of receipt of written notice from CITY that such is the case. If, after

audit, such recompilation indicates an overpayment, CITY shall notify the CONTRACTOR in writing of the amount of the overpayment, less costs and expenses incurred in connection with the audit and recompilation. CONTRACTOR may offset the amounts next due following receipt of such notice by the amount specified therein.

ARTICLE 5. Compensation and Rates

5.01. Collection Service Rates. The CONTRACTOR shall charge Service Recipients the service rates established by CITY under the terms of this Agreement.

5.02. Collection Service Compensation to CONTRACTOR. Collection Service compensation provided for in this Article shall be the full, entire and complete compensation due to CONTRACTOR pursuant to this Agreement for the provision of Collection Services as set forth herein.

5.03. Collection Service Compensation Elements. Collection Service compensation to the CONTRACTOR shall consist of the following elements; a Collection Compensation Element, a Disposal Compensation Element, a Container Compensation Element, a Fee Compensation Element, a Commercial Recycling Compensation Element, a Recyclable Materials Diversion Compensation Element, an Organic Waste Diversion Compensation Element, and a Vehicle and Administration Asset Element.

5.04. Compensation to CONTRACTOR. CONTRACTOR's compensation for the Agreement Year that begins July 1, 2020 shall not be less than \$23,930,176 as set forth in Exhibit 1 to this Agreement.

5.05. Annual Compensation Adjustments. Beginning on July 1, 2006, and annually thereafter, CONTRACTOR shall, subject to compliance with all provisions of this Article, be eligible to receive an adjustment, in the *Compensation Elements* as set forth in Exhibit 1 to this Agreement.

5.05.1 Adjustments to Collection Compensation Element. *The Collection Compensation Element* adjustment consists of two (2) factors, the Refuse Rate Adjustment (RRI) factor and the annual growth (AG) factor.

5.05.1.1 RRI Factor. Effective as of the adjustment of Service rates for July 1, 2010, the RRI factor shall be the lesser of ten percent (10%) or the sum of the weighted percentage change in the Annual Average of each RRI index number between the second (2nd) preceding calendar year (the "Initial Index Number") and the preceding calendar year (the "Subsequent Index Number"), as contained in the most recent release of the source documents listed in Exhibit 2, ("Compensation Model") which is attached to and included in this Agreement. Therefore, the first RRI factor will be based on the percentage change between the Annual Average of the RRI indices for the year ended December 31, 2004 (the second (2nd) preceding calendar year) and the Annual Average of the RRI indices for the year ended December 31, 2005, (the preceding calendar year). The RRI factor shall be calculated using the Compensation Model included in Exhibit 2. If, in any given year, the weighted percentage change is a negative value, the RRI factor shall be set at zero percent (0.00%) for that year. For

the purpose of calculating Service rate adjustments, the Initial Index Number shall be the number used as the Subsequent Index Number when the service rate adjustment calculation was made the year before.

5.05.1.2 Annual Growth Factor. Effective as of the adjustment of Service rates for July 1, 2010, the AG factor for each compensation adjustment shall be the percentage change in the beginning *Calculated Revenue* and the ending *Calculated Revenue*. If, in any given year, the percentage change is a negative value, the AG factor shall be set at zero percent (0.00%) for that year.

5.05.1.3 Initial Calculation. *Calculated Revenue* shall be the sum of the product of the Collection Service event census data multiplied by the appropriate Service rate. For purposes of determining the AG factor for the initial compensation adjustment of July 1, 2006, beginning *Calculated Revenue* shall be calculated using the Collection Service census data as shown on Exhibit 2 and rates as of July 1, 2005 and ending *Calculated Revenue* shall be calculated using the Collection Service census data as of December 31, 2005 and the rates as of July 1, 2005.

5.05.1.4 Subsequent Calculations. *Calculated Revenue* shall be the sum of the product of the Collection Service census data multiplied by the appropriate Service rate. For the purpose of determining the AG factor for all subsequent compensation adjustments, beginning *Calculated Revenue* shall be calculated using the Collection Service census data as of the second (2nd) preceding January 1st and rates as of the preceding July 1st, and ending *Calculated Revenue* shall be calculated using the Collection Service census data as of the preceding December 31st and the rates as of the preceding July 1st. Therefore, to determine the AG factor for the July 1, 2007 compensation adjustment, beginning *Calculated Revenue* shall be calculated using the Collection Service census data as of January 1, 2006 and rates as of July 1, 2006 and ending *Calculated Revenue* shall be calculated using the Collection Service census data as of December 31, 2006 and the rates as of July 1, 2006.

For the purpose of determining the AG factor for the July 1, 2011 compensation adjustment, and annually thereafter, the Service rates shall also include the imputed rates for multi-family and commercial recycling bins, which imputed rates shall be the same as the actual rates for the most comparable solid waste collection Service for such customers (by size of container and frequency of service), and the Collection Service census data shall include census data for multi-family and commercial recycling bins.

5.05.1.5 Collection Compensation Element Adjustment. The annual Collection Compensation Element adjustment shall be calculated by multiplying the sum of the Collection Compensation Element minus the Officer Compensation amount as shown in Exhibit 1, times (one (1) plus the AG Factor) and multiplying the result, (the Collection Compensation Element adjusted for growth) times (one (1) plus the RRI factor), plus the Exhibit 1 Officer Compensation amount, as shown in Exhibit 2.

5.05.2 Adjustments to Disposal Compensation Element. The *Disposal Compensation Element* adjustment consists of two (2) factors; the approved tip fee, (ATF), factor and annual tonnage, (AT), factor.

5.05.2.1 Approved Tip Fee Factor. The ATF factor shall be the percentage change in the approved tip fee of the Disposal Contractor in effect during the first (1st) month of the then current Agreement Year and the approved tip fee to be effective on the first (1st) day of the subsequent Agreement Year. Therefore the first (1st) ATF factor will be the percentage change in the approved tip fee as of July 1, 2005 and the approved tip fee as of July 1, 2006.

5.05.2.2 Annual Tonnage Factor. The AT factor shall be the percentage change in the *Prior Calculated Tonnage* and the *Current Calculated Tonnage*. For purposes of the initial compensation adjustment of July 1, 2006, the *Prior Calculated Tonnage* shall be the tonnage figure submitted by the CONTRACTOR as set forth in Exhibit 1 to this Agreement. The *Current Calculated Tonnage* shall be the actual tonnage disposed by the CONTRACTOR at the Disposal Facility for the first six (6) months of the Agreement Year divided by six (6) and multiplied by twelve (12).

5.05.2.3 For all subsequent compensation adjustments, the *Prior Calculated Tonnage* shall be the prior *Current Calculated Tonnage*. The *Current Calculated Tonnage* shall be the actual tonnage disposed by the CONTRACTOR at the Disposal Facility for the preceding twelve months ended December 31st. Therefore the AG factor for the July 1, 2007 compensation adjustment will be the percentage change between the prior *Current Calculated Tonnage* and the actual tonnage disposed by the CONTRACTOR at the Disposal Facility for the preceding twelve months ended December 31, 2006 (the *Current Calculated Tonnage*).

5.05.3 Disposal Compensation Element Adjustment. The annual *Disposal Compensation Element* adjustment shall be calculated by multiplying the *Disposal Compensation Element* times (one (1) plus the AT factor) and multiplying the result, (the *Disposal Compensation Element* adjusted for growth), times (one (1) plus the ATF factor) as shown in Exhibit 2.

5.05.4 Adjustments to Container Compensation Element. The *Container Compensation Element* represents the amortized cost of carts and bins over the life of the Collection Service Agreement and shall not be adjusted except to account for customer growth through the use of the AG factor as set forth in Section 5.05.1.2 above.

5.05.5 Container Compensation Element Adjustment. The annual *Container Compensation Element* adjustment shall be calculated by multiplying the *Container Compensation Element* times one (1) plus the AG factor as shown in Exhibit 2.

5.05.6 Fee Compensation Element Adjustment. The *Fee Compensation Element* shall always be equal to the sum of the *Collection Compensation Element*, *Disposal Compensation Element*, and *Container Compensation Element* (the "base compensation") divided by [1 minus the sum of the then current fee percentages] minus the *base compensation*. The *Fee Compensation Element* shall be adjusted annually at such time as the *Collection Compensation Element* is adjusted or at such time as CITY adjusts the franchise fee or administrative fee percentages or adds a new fee.

5.05.7 Adjustments to Commercial Recycling Compensation Element. The *Commercial Recycling Compensation Element* consists of two (2) factors: the Refuse Rate Adjustment (RRI) factor and the annual tonnage growth (ATG) factor.

5.05.7.1 RRI Factor. The RRI factor shall be determined in the manner described in Section 5.05.1.1.

5.05.7.2 Annual Tonnage Growth Factor. Effective as of the adjustment of Service rates for July 1, 2010, the ATG factor for each compensation adjustment shall be the percentage change in commercial recycling tonnage between the second (2nd) preceding calendar year and the preceding calendar year, as determined by adding the collection data for MFD and Commercial Recycling Service contained in the monthly recycling data reports described in Section 18.04.2. By way of illustration, the Calendar Year 2007 reported commercial recycling tonnage is 1,831.62, and the Calendar Year 2006 reported commercial recycling tonnage is 1,454.34. Therefore, the ATG factor used for the Agreement Year 2008-2009 adjustment to the *Commercial Recycling Element* is as follows: $(1831.62 - 1454.34) / 1454.34 = 0.2594$. If in any given year the percentage change is a negative value, the ATG factor shall be set at zero percent (0.00%) for that year.

5.05.7.3 Commercial Recycling Compensation Element Adjustment. The annual *Commercial Recycling Compensation Element* adjustment shall be calculated by multiplying the *Commercial Recycling Compensation Element* times (one (1) plus the sum of the RRI factor and the ATG factor). For example, if the *Commercial Recycling Compensation Element* is \$100,000, the RRI factor is .045 and the ATG factor is .12, the *Commercial Recycling Compensation Element* adjustment would be calculated using the following formula: $100,000 (1 + .045 + .12) = \$116,500$.

5.05.7.4 Commercial Recycling Compensation Element. For the Agreement Year beginning July 1, 2020, the Commercial Recycling Compensation Element shall be \$639,330 (the “Initial Element”) minus \$607,266 (the “Reduction Amount”). The Commercial Recycling Compensation Element for each subsequent Agreement Year shall be calculated with reference to the Initial Element as adjusted each Agreement Year in accordance with Section 5.05.7.3, minus the Reduction Amount.

5.05.8 Adjustments to Recyclable Materials Diversion Compensation Element. Beginning with the compensation adjustment for July 1, 2021, the City shall calculate the Recyclable Materials Diversion Compensation Element annually by multiplying (a) the actual tonnage of Recyclable Materials delivered by CONTRACTOR to the Tracy Materials Recovery and Solid Waste Transfer, Inc. (or other MRF used for processing of Recyclable Materials) in the prior calendar year (January 1 – December 31) by (b) the anticipated per-ton tip fee to be charged by such MRF during the subsequent Agreement Year.

5.05.9 Adjustments to Organic Waste Diversion Compensation Element. Beginning with the compensation adjustment for July 1, 2021, the City shall calculate the Organic Waste Diversion Compensation Element annually by multiplying (a) the actual tonnage of Organic Waste delivered by CONTRACTOR to the Organic Waste Processing Facility in the prior calendar year (January 1 – December 31) by (b) the anticipated per-ton tip fee to be charged by the Organic Waste Processing Facility during the subsequent Agreement Year.

5.06. Financial Information. On or before March 1, 2006, CONTRACTOR shall deliver to CITY financial information for the specific services performed under this Agreement for the

preceding fiscal period ended December 31, 2005. On or before March 1, 2007 and annually thereafter during the term of this Agreement, CONTRACTOR shall deliver to CITY financial information for the specific services performed under this Agreement for the preceding calendar year. Such financial information shall be in the format as set forth in Exhibit 2, or as may be further revised by CITY from time to time.

5.07. Collection Service Census Data. On or before August 20, 2005 and monthly thereafter during the term of this Agreement, CONTRACTOR shall deliver to CITY, Collection Service census data for all Service Units.

5.07.1 Census data for SFD Service Units shall consist of the number of SFD Service Units receiving SFD Collection Service above the minimum SFD Collection Service billed by the City. The census data shall be segregated by type of service and as appropriate, container size, number of containers and frequency of Collection.

5.07.2 Census data for MFD, Commercial, C&D, DUSD, and City Service Units shall consist of the number of service units receiving MFD, Commercial, C&D, DUSD or City Collection Service during the preceding month. The census data shall be segregated by type of service and as appropriate, container size, number of containers and frequency of Collection.

5.08. Tonnage Data. On or before August 20, 2005 and monthly thereafter during the term of this Agreement, CONTRACTOR shall deliver to CITY a listing of the actual tonnage disposed by the CONTRACTOR at the Disposal Facility for the preceding month sorted between SFD, MFD Commercial and CITY Service Units and between Roll-Off Containers and all other containers to the extent practical.

5.09. Rounding. Annual adjustments shall be made only in units of one cent (\$0.01). Fractions of less than one cent (\$0.01) shall not be considered in making adjustments. The indices shall be truncated at four (4) decimal places for the adjustment calculations.

5.10. Extraordinary Circumstances. If CONTRACTOR fails to submit the financial, customer base, or tonnage data in the required format and time due, it is agreed that CONTRACTOR shall be deemed to have waived the next scheduled *Collection Compensation Element* adjustment.

5.10.1 However, if CONTRACTOR's failure to submit the data required under this Article is the result of extraordinary or unusual circumstances as demonstrated by CONTRACTOR to the satisfaction of the City Representative, CITY, at its sole discretion, may consider the request for the annual *Collection Compensation Element* adjustment.

5.11. Extraordinary Adjustment

5.11.1 CONTRACTOR may petition the CITY in writing at any time for an additional compensation adjustment on the basis of extraordinary and unusual changes in the costs of operations or programs that satisfy all of the following conditions: (i) materially alters CONTRACTOR's operations or overall costs; (ii) could not reasonably have been foreseen by a prudent operator; (iii) which, by all reasonable expectations will continue for a period of at least six (6) months; and (iv) is not addressed pursuant to Article 27. CONTRACTOR's request shall

contain substantial proof and justification to support the need for the compensation adjustment. The CITY may request from the CONTRACTOR such further information as it deems necessary to fully evaluate the request and make its determination. The CITY shall in the exercise of its reasonable discretion approve or deny the request, in whole or in part, within sixty (60) calendar days of receipt of the written request and all other additional information requested by the CITY.

5.11.2 No Extraordinary Adjustment shall occur or additional compensation be provided due to the CONTRACTOR's use of any facility or service provider other than as set forth in Article 1 of this Agreement. Nor shall a variation from the CONTRACTOR's estimate for equipment and personnel required, or the tonnages of Solid Waste, Recyclable Materials or Organic Wastes be collected, processed or disposed provide a basis for an increase in compensation through an Extraordinary Adjustment or otherwise, except as specifically provided for by the Annual Compensation Adjustment Process set forth in Section 5.05.

5.12. Calculation of Service Rates. CITY shall calculate, set and maintain service rates at a level, based on the revenue forecasted to be received by CONTRACTOR from charging such rates that can reasonably be expected to provide compensation to the CONTRACTOR as calculated in Section 5.05 above. However, the calculation of forecasted revenue shall not include forecasts for multi-family or commercial recycling Services, or for Services provided to CITY.

5.13. Initial Calculation. In preparing the initial service rate calculations, CITY shall use the event census data shown on Exhibit 2. As part of the rate calculation process, CITY shall provide the rate calculations and assumptions to the CONTRACTOR for their review. However, the final decision of the rate structure rests solely with the CITY.

5.13.1 Subsequent Calculations. In preparing subsequent service rate calculations, CITY shall use either the census data as of the preceding December 31st or the most recent census data available as of any date after such December 31st. As part of the rate calculation process, CITY shall provide the rate calculations and assumptions to the CONTRACTOR for their review. However, authority to prepare and determine rate structures shall be at the sole discretion of the CITY.

5.14. Compensation Variances. CONTRACTOR shall retain any compensation in excess of that calculated in Section 5.05 above and shall not be entitled to any additional revenues if compensation is less than calculated in Section 5.05 above.

5.15. DUSD Service Rates. The rates established for DUSD Solid Waste Collection Services shall be capped at fifty percent (50%) of the regular rate for Commercial Solid Waste Collection Service for each corresponding service level. Additionally, DUSD Organics Collection Service shall be provided to DUSD Service Units at no cost. Notwithstanding the established rates charged to DUSD Service Units for DUSD Solid Waste Collection Services, the calculation of the AG Factor as outlined in Section 5.05.1 shall be made using one-hundred percent (100%) of the regular Commercial Solid Waste Collection Service rate multiplied by the appropriate census data, and the rate used for AG Factor revenue calculation for DUSD Organics Collection Services shall be seventy-five (75%) of the regular Commercial Solid Waste Collection Service rate. For the purposes of forecasting the revenue generated for DUSD Solid

Waste Collection Services, the rate used shall be fifty percent (50%) of the regular Commercial Solid Waste Collection Service rate, and no rate shall be used for forecasting revenue for DUSD Organics Collection Service. Beginning with the rate adjustment on July 1, 2013, and annually thereafter, CONTRACTOR agrees that the required Collection Service Compensation shall be reduced by forty-eight thousand seven-hundred and eighty-five dollars (\$48,875), offsetting the cost of DUSD Solid Waste Collection Services.

5.16. Commercial Organics Service Rates. The rates established for Commercial Organics Collection Service shall be capped at fifty percent (50%) of the regular Commercial Solid Waste Collection Service rate for each corresponding service level. Notwithstanding the established rates charged for Commercial Organics Collection Services, the calculation of the AG Factor as outlined in Section 5.05.1 shall be made using seventy-five percent (75%) of the regular Commercial Solid Waste Collection Service rate multiplied by the appropriate census data. For Agreement Year 8, beginning July 1, 2012, a flat rate of \$75,000 shall be added to the rate model as a cost recovery mechanism for Commercial Organics Collection Service, which \$75,000 shall be removed from subsequent rate calculations. For the purposes of forecasting the revenue generated for Commercial Organics Collection Services, the rate used shall be fifty percent (50%) of the regular Commercial Solid Waste Collection Service rate.

5.17. C&D Collection Service Rates. The initial rates for C&D Collection Service shall be established by CITY as set forth by City of Dublin Resolution 136-12 attached hereto as Exhibit 12 to this Agreement. The rates for C&D Collection Service shall be adjusted at the same times and by the same percentages as the rates for Commercial Solid Waste Collection Service are adjusted.

5.18. Vehicle and Administration Asset Element. For the Agreement Year beginning July 1, 2020, the Vehicle and Administration Asset Element (the “Baseline Vehicle and Administration Asset Element”) shall be \$1,595,575, which includes depreciation, interest expense and operating ratio on the assets acquired before June 30, 2020 and estimated expenses associated with assets to be acquired as set forth in Exhibit 13 to this Agreement. The portion of this Element reflected on Exhibit 13 includes (a) depreciation of the estimated purchase price of new vehicles acquired in equal annual amounts over the remaining term of this Agreement, (b) estimated interest expense over the periods for which an interest expense is scheduled, and (c) operating ratio on the purchase price and interest for the periods for which they are included. During the first and every subsequent compensation review under Section 27.07 below, the CITY will review CONTRACTOR’s expenses associated with the actual asset acquisitions included in Exhibit 13 and make corresponding adjustments in Rates to reflect those actual expenses in accordance with the new Exhibit referred to in Section 27.07 below (as further adjusted under this Section 5.18 and Section 5.18.1 below).

5.18.1 Adjustments to Vehicle and Administration Asset Element. From the Agreement Year that begins on July 1, 2021 until the Agreement Year that begins on July 1, 2029, CONTRACTOR may request, no more than once per Agreement Year, that the CITY consider the addition of vehicle or administration assets to the Baseline Vehicle and Administration Asset Element. In conjunction with such requests, CONTRACTOR shall provide (a) a narrative justification for the ratepayer-funded acquisition, including whether or not the acquisition replaces an existing asset; (b) a proposed estimated or actual cost of the acquisition (including

interest or other financing costs); and (c) a proposed schedule for amortization of the asset in the Baseline Vehicle and Administration Asset Element. If an asset is replaced, any remaining amortization or depreciation associated with the replaced asset shall be removed from the Baseline Vehicle and Administration Asset Element. Unless the City accepts CONTRACTOR's request as proposed, the Parties shall meet and confer to attempt to reach agreement on the need for the asset, the costs of the acquisition, and the amortization schedule. The Parties shall consider and analyze the useful life of the asset in relationship to the remaining term and how to address depreciation of any assets that will have a useful life that extends beyond the remaining Term. In the event that the parties fail to reach agreement on the need for the asset, the costs of its acquisition, or the amortization schedule during the meet and confer process, CONTRACTOR may elect to either withdraw all or any portion of the request or allow the City Manager to make the final determination.

ARTICLE 6. Diversion Requirements

6.01. Minimum Requirements. CONTRACTOR shall perform services under this Agreement in a manner which supports the CITY's environmental goals, and at all times complies with and supports the Alameda County Mandatory Recycling Ordinance and SB 1383. This includes, but is not limited to, providing services, education, and outreach to Customers and in the community which promote source reduction, reuse, Recycling, Composting, and other methods to reduce landfill Disposal. Contractor is expected to suggest opportunities for Customers to reduce their Solid Waste subscription levels and increase landfill diversion through reducing, recycling or composting their materials.

Contractor shall use commercially reasonable efforts to achieve the following minimum annual Diversion rates by the Agreement Year beginning July 1, 2025:

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

The parties shall meet annually within sixty (60) days of the due date for the annual report to discuss CONTRACTOR's progress toward meeting the minimum annual Diversion rates for the Agreement Year beginning July 1, 2025. If necessary to ensure adequate progress, CITY may establish reasonable interim Diversion rate objectives.

6.02. Failure To Meet Minimum Requirements. CONTRACTOR's failure to meet the minimum Diversion rates set forth in Section 6.01 above due to CONTRACTOR's failure to use commercially reasonable efforts to achieve such rates may result in the termination of this Agreement or the imposition of liquidated damages. In determining whether or not to assess

liquidated damages or terminate the Agreement, the CITY will consider the good faith efforts put forth by the CONTRACTOR to meet the minimum Diversion rates. This consideration will include the methods and level of effort of the CONTRACTOR to fully implement the public education and diversion plans attached to and included in this Agreement as Exhibits 8 and 9 respectively. The CONTRACTOR shall be held to the standards of an effective, professional, and prudently designed and operated diversion and public educational program within a similar municipal jurisdiction.

ARTICLE 7. Service Units

7.01. Service Units. Service Units shall include all the following categories of premises which are in the Service Area as of July 1, 2012, and all such premises which may be added to the Service Area by means of annexation, new construction, or as otherwise set forth in this Agreement during term of this Agreement:

7.01.1.1 SFD Service Units

7.01.1.2 MFD Service Units

7.01.1.3 Commercial Service Units

7.01.1.4 Commercial Organic Service Units

7.01.1.5 City Service Units

7.01.1.6 C&D Service Units

7.01.1.7 DUSD Service Units

7.01.1.8 Any question as to whether a premises falls within one of these categories shall be determined by the City Representative and the determination of the City Representative shall be final.

7.02. Service Unit Changes. The CITY and CONTRACTOR acknowledge that during the term of this Agreement it may be necessary or desirable to add or delete Service Units for which CONTRACTOR will provide Collection Services.

7.02.1 Additions and Deletions. CONTRACTOR shall provide services described in this Agreement to new Service Units within five (5) Work Days of receipt of notice from the CITY or new Service Unit to begin such service.

7.03. Annexation. If during the life of the Agreement, additional territory is acquired by the CITY through annexation, CONTRACTOR agrees to provide Collection Services in such annexed area in accordance with the provisions and service rates set forth in this Agreement. Such Collection Services shall begin within five (5) Work Days of receipt of written notice from the CITY. CONTRACTOR shall not begin Collection Service without written authorization from the CITY.

7.04. Route Map Update. CONTRACTOR shall revise the Service Unit route maps to show the addition of Service Units added due to annexation and shall provide such revised maps to the City Representative as requested.

ARTICLE 8. SFD Collection Services

8.01. SFD Collection Services. These services shall be governed by the following terms and conditions:

8.01.1 Conditions of Service. The CONTRACTOR shall provide SFD Collection Service to all SFD Service Units in the Service Area whose Solid Waste is properly containerized in Garbage Carts, Recyclable Materials are properly containerized in Recycling Carts, except as set forth in Section 8.05; and Organic Waste is properly containerized in Organic Waste Carts except as set forth in Section 8.06; where the Garbage, Recycling and Organic Waste Carts have been placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by the CONTRACTOR and Service Recipient, that will provide safe and efficient accessibility to the CONTRACTOR's Collection crew and vehicle.

8.02. On-Premises Service. Notwithstanding any term or definition set forth in this Agreement, CONTRACTOR shall provide on-premises Collection of Solid Waste, Recyclable Materials, and Residential Organic Waste to a SFD Service Unit if all adult Service Recipients residing therein have disabilities that prevent them from setting their Garbage, Recycling or Organic Waste Cart at the curb for Collection and if a request for on-premises service has been made to, and approved by, the City Representative in the manner required by CITY. The City Representative shall notify the CONTRACTOR in writing of any SFD Service Units requiring on-premises service, along with the date such service is to begin. No additional monies shall be due to the CONTRACTOR for the provision of on-premises service.

8.02.1 Collection Day. CONTRACTOR shall provide on-premises Collection Service on the same Work Day that curbside Collection would otherwise be provided to the SFD Service Unit.

8.03. Frequency and Scheduling of Service. Except as set forth in Sections 8.06 and 8.07, SFD Collection Services shall be provided one (1) time per week on a scheduled route basis. SFD Collection Services shall be scheduled so that a SFD Service Unit receives SFD Solid Waste Collection Service, SFD Recycling Service, SFD Organic Collection Service, and SFD Used Oil Collection Service on the same Work Day.

8.04. Non-Collection. Except as set forth in Sections 8.05 and 8.06 CONTRACTOR shall not be required to Collect any Solid Waste, Recyclable Material, or Organic Waste that is not placed in a cart. In the event of non-collection, CONTRACTOR shall affix to the cart a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain a copy of such notices during the term of this Agreement.

8.05. Overages. In the event the Recycling Cart is full, corrugated cardboard that is of a size to fit in an empty Recycling Cart may be placed beside the Recycling Cart for Collection.

8.06. Curbside Christmas Tree Collection. CONTRACTOR shall Collect Christmas trees from all SFD Service Units to supplement, but not replace, the collection program offered by the Boy Scouts in the CITY. CONTRACTOR shall offer SFD Service Units Collection of Christmas trees on an annual basis during the period commencing December 26th and ending on the last regularly scheduled Collection day of January for each specific collection route. Christmas trees shall be Collected on the regular Collection day for each SFD Service Unit.

8.06.1 Christmas Tree Drop-Off Sites. CONTRACTOR shall supply three (3) Roll-Off Containers, to be placed at three (3) different locations determined by the CITY, to provide a drop-off location for Christmas trees. The CONTRACTOR shall service the Christmas tree Roll-Off Containers on a regular basis and keep the surrounding area free of any debris. CONTRACTOR shall deliver the three (3) Roll-Off Containers to sites specified by the CITY on the first (1st) business day after Christmas day, and shall service the Roll-Off Containers until the third (3rd) Monday of January.

8.06.2 Contaminated Christmas Trees: Christmas trees that are flocked, contain tinsel or other decorations may be delivered to the Disposal Facility at the discretion of the CONTRACTOR.

8.07. Large Item Collection Service. This service will be governed by the following terms and conditions:

8.07.1 Conditions of Service. The CONTRACTOR shall provide Large Item Collection Service to all SFD Service Units in the Service Area whose Large Items have been placed by 6:00 a.m. on the day of Large Item Collection Service, within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such time and location agreed to by the CONTRACTOR and Service Recipient, that will provide safe and efficient accessibility to the CONTRACTOR's Collection crew and vehicle. The Service Recipient shall be limited to seven (7) cubic yards of Large Items per Collection. Accordingly, CONTRACTOR shall be compensated for the cost of Collecting Large Items in excess of this limitation in accordance with the "Additional Large Item Collection" service rate as set by the City and as may be adjusted under the terms of this Agreement. Each SFD Service Unit in the Service Area shall be entitled to receive Large Item Collection Service up to three (3) times per Agreement Year. Large Item Collection Service shall be provided within seven (7) Work Days of the SFD Service Unit's request on a day agreed to by CONTRACTOR and such SFD Service Unit. CONTRACTOR shall not be required to provide Large Item Collection Service if the items left for Collection include Exempt Waste, Used Oil, Construction and Demolition Debris, more than four (4) tires, or items that are not Large Items. CONTRACTOR may also develop rules and policies, subject to CITY approval, that allow it to reject Large Items that are not appropriately bundled or containerized.

8.07.2 Frequency of Service. Large Item Collection Service shall be provided within three (3) Work Days of receipt of the request.

8.07.3 Management and Promotion of Service. CONTRACTOR shall promote, manage, staff, operate and administer the Large Item Collection Service in a manner designed to encourage its wide use by residential occupants. More specifically, but without limiting the

generality of the foregoing, CONTRACTOR shall promote the Service annually in the annual collection brochure and on CONTRACTOR's website. CONTRACTOR shall obtain CITY approval of all public announcements related to the Large Item Collection Service.

CONTRACTOR shall also consider implementing other reasonable promotions of this Service suggested by CITY.

8.08. Used Oil Collection Service. This service will be governed by the following terms and conditions:

8.08.1 Conditions of Service. The CONTRACTOR shall provide Used Oil Collection Service to all SFD Service Units in the Service Area utilizing Used Oil Containers for the accumulation and set-out of their Used Oil, and Used Oil Filter Containers for the accumulation and set out of their Used Oil Filters where the Used Oil Containers and Used Oil Filter Containers have been placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by the CONTRACTOR and Service Recipient, that will provide safe and efficient accessibility to the CONTRACTOR's Collection crew and vehicle.

8.08.2 Non-Collection. CONTRACTOR shall not be required to Collect material placed in Used Oil or Used Oil Filter Containers unless the material is Used Oil or Used Oil Filters, as appropriate, and is free of contamination other than contamination normally expected to be present as a result of the use, storage or spillage of the oil or filter. In the event of non-collection, CONTRACTOR shall affix to the Used Oil or Used Oil Filter Container a Non-Collection Notice explaining why Collection was not made and maintain a copy of such notice during the term of this Agreement Prior to the end of each Work Day, CONTRACTOR shall notify the City Representative, either by Fax or e-mail, of any non-collection occurrences. If non-collection is because the Used Oil or Filter was placed in an improper container, CONTRACTOR shall also leave Used Oil or Used Oil Filter Containers in a number sufficient to contain the Used Oil or Used Oil Filters set out, but not exceeding sixteen (16) quarts, or two (2) Used Oil Filters along with the Non-Collection Notice.

8.08.3 Spillage. CONTRACTOR shall carry oil absorbent material on all Used Oil Collection vehicles and shall cleanup any Used Oil that spills during Collection, which has leaked from the Used Oil or Used Oil Filter Container, or which spills or leaks during the time the Used Oil or Used Oil Filter is in the Collection vehicle.

8.08.4 Used Oil and Used Oil Filter Containers. Within three (3) Work Days of receipt of a verbal request of CITY or a Service Recipient, CONTRACTOR shall, at CONTRACTOR's sole cost and expense, provide the SFD Service Unit where the Service Recipient resides with Used Oil Containers and Used Oil Filter Containers in the number requested by the CITY or the Service Recipient but not exceeding a number sufficient to hold sixteen (16) quarts of Used Oil and two (2) Used Oil Filters.

8.08.4.1 At the time CONTRACTOR Collects Used Oil from a SFD Service Recipient, CONTRACTOR shall, at CONTRACTOR's sole cost and expense, leave at the premises one (1) Used Oil Container for each Used Oil Container Collected and one (1) Used Oil Filter Container for each Used Oil Filter Container Collected. CONTRACTOR shall keep the

outside of all Used Oil and Used Oil Filter Containers clean and may re-use the containers until the condition of the container makes it inappropriate for re-use.

8.09. Quarterly Textile Collection. CONTRACTOR shall collect Textiles that are placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by the CONTRACTOR and Service Recipient, contained in Service Recipient-provided bags, during one (1) week periods quarterly, as mutually determined by the CITY and the CONTRACTOR. Textile Collection Service shall be provided during the one (1) week period quarterly. Service Recipient shall call CONTRACTOR seven (7) Work Days in advance to receive such Service. During the one (1) week period in which Textiles are collected, the CONTRACTOR will not be required to make Large Item Collection Service pick-ups. To the extent they are properly set out for collection, Textiles shall be collected and delivered to the Materials Recovery Facility for processing. CONTRACTOR shall develop and provide notification to Service Recipients that includes the Textile Collection schedule, an indication of acceptable and prohibited Textiles, and the placement requirements. Such notifications shall be provided in the annual collection brochure and on CONTRACTOR's website.

ARTICLE 9. MFD Collection Services

9.01. MFD Collection Services. These services will be governed by the following terms and conditions:

9.01.1 Conditions of Service. The CONTRACTOR shall provide MFD Solid Waste Collection Service, and MFD Recycling Service to all MFD Service Units in the Service Area whose Solid Waste and Recyclable Material are properly containerized in bins or carts as appropriate where the bins and carts are accessible as set forth in Section 9.01.3.

9.01.2 Frequency of Service. Each service shall be provided at least once every week on a scheduled route basis. However, in those instances where the scheduled Collection day falls on a holiday as set forth in Section 3.09 herein, the Collection day may be adjusted in a manner agreed to between the Service Recipient and the CONTRACTOR as long as service is received a minimum of one (1) time per week. The size of the bin or cart and the frequency (above the minimum) of Collection shall be determined between the customer and the CONTRACTOR. However, size and frequency shall be sufficient to provide that no Solid Waste or Recyclable Material need be placed outside the bin or cart on a regular basis.

9.01.3 Accessibility. CONTRACTOR shall Collect all Garbage Bins and Recycling Bins or Carts that are readily accessible to the CONTRACTOR's crew and vehicles and not blocked. However, CONTRACTOR shall provide "push services" as necessary during the provision of MFD Collection Services. Push services shall include, but not be limited to, dismounting from the Collection vehicle, moving the Garbage Bins or Recycling Bins or Carts from their storage location for Collection and returning the Garbage Bins or Recycling Bins or Carts to their storage location.

9.01.3.1 The CONTRACTOR may notify the City Representative daily, either by Fax or e-mail, of all situations that prevent or hinder Collection from any MFD Service Unit.

9.01.4 Non-Collection. CONTRACTOR shall not be required to Collect any Solid Waste or Recyclable Materials that are not placed in a bin or cart unless such Solid Waste or Recyclable Material is outside the bin or cart as a result of overflow. In the event of non-collection, CONTRACTOR shall affix to the bin or cart a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain copies of the Non-Collection Notice during the term of this Agreement.

9.01.5 Overflow. In the case of repeated overflows of Solid Waste or Recyclable Material CONTRACTOR shall contact the MFD Service Unit management to arrange for an appropriate change in bin or cart size, Collection frequency or both. In the event, CONTRACTOR cannot successfully contact the MFD Service Unit management after three (3) attempts, or cannot reach an agreement with such management regarding the change in service, CONTRACTOR shall advise the City Representative, either by Fax or e-mail, of the details of the overages, and the attempts at communication with the MFD Service Unit management. The City Representative shall respond to CONTRACTOR's report and make a final written determination. Within five (5) Work Days of receipt of the City Representative's written determination, CONTRACTOR shall change the Collection Service in accordance with such written determination.

9.02. Large Item Collection Service. This service will be governed by the following terms and conditions:

9.02.1 Conditions of Service. The CONTRACTOR shall provide Large Item Collection Service to all MFD Service Units in the Service Area at the times and in a manner agreed to between the CONTRACTOR and the MFD Service Unit management. The service shall be limited to the Collection of a maximum number of cubic yards of material per Agreement Year calculated by multiplying the number of Dwelling Units in the Service Unit by three (3) cubic yards. An MFD Service Unit management may schedule Large Item Collection Service up to three (3) times per Agreement Year for no cost up until the MFD Service Unit exceeds the three (3) cubic yard per Dwelling Unit annual maximum. Accordingly CONTRACTOR shall be compensated for the cost of Collecting Large Items in excess of this limitation in accordance with the "Additional Large Item Collection" service rate as set by the City and as may be adjusted under the terms of this Agreement. CONTRACTOR shall not be required to provide Large Item Collection Service if the items left for Collection include Exempt Waste, Used Oil, Construction and Demolition Debris, more than four (4) tires, or items that are not Large Items. CONTRACTOR may also develop rules and policies, subject to CITY approval, that allow it to reject Large Items that are not appropriately bundled or containerized.

CONTRACTOR may adopt reasonable regulations, subject to CITY approval, to ensure that Large Items are appropriately staged for efficient and economical Collection and processing. Such regulations may include a requirement that materials be placed in the agreed-upon location prior to 6:00 a.m. on pick-up day, that only Large Items be placed in the Roll-Off Container, and that the customer is liable for a reasonable extra handling charge for failure to conform to such regulations. Large Items may be collected in Roll-Off Containers. If a Roll-Off Container is used to collect non-working Large Items, CONTRACTOR and MFD Service Unit management must identify a separate location to stage Reusable Materials and Recyclable Materials for pick-up, including, but not limited to, E-waste, mattresses, and tires, for separate Collection using a flatbed truck.

9.02.2 Frequency of Service. Large Item Collection Service shall be provided within three Work Days of receipt of the request.

9.02.3 Management and Promotion of Service. CONTRACTOR shall promote, manage, staff, operate and administer the Large Item Collection Service in a manner designed to encourage its wide use by residential occupants. More specifically, but without limiting the generality of the foregoing, CONTRACTOR shall promote the service annually by direct mailing and emailing a Large Item Collection Service guide to each MFD Service Unit management. CONTRACTOR shall also provide an electronic Large Item Collection Service guide that the MFD Service Unit management can use to educate residents about the Large Item Collection Services. CONTRACTOR shall obtain CITY approval of all public announcements related to the Large Item Collection Service. CONTRACTOR shall also consider implementing other reasonable promotions of this Service suggested by CITY.

9.03. Used Oil and Filter Collection Service. This service will be governed by the following terms and conditions:

9.03.1 Conditions of Service. The CONTRACTOR shall provide Used Oil Collection Service to all participating MFD Service Units in the Service Area utilizing Used Oil Containers for the accumulation and set out of their Used Oil, and Used Oil Filter Containers for the accumulation and set out of their Used Oil Filters. Used Oil Containers and Used Oil Filter Containers shall be placed in a collection box at a location that has been agreed to by the CONTRACTOR, and management of the MFD Service Unit that will provide safe and efficient accessibility to the CONTRACTOR's Collection crew and vehicle.

9.03.2 Frequency of Service. This service shall be provided once every week on a scheduled route basis on the same Work Day as MFD Solid Waste or Recycling Collection Service. However, in those instances where the scheduled Collection day falls on a holiday as set forth in Section 3.09 herein, the Collection day may be adjusted in a manner agreed to between the Service Recipient and the CONTRACTOR as long as service is received a minimum of one (1) time per week.

9.03.3 Non-Collection. CONTRACTOR shall not be required to Collect material placed in Used Oil or Used Oil Filter Containers unless the material is Used Oil or Used Oil Filters, as appropriate, and is free of contamination other than contamination normally expected to be present as a result of the use, storage or spillage of the oil or filter. In the event of non-collection, CONTRACTOR shall affix to the Used Oil or Used Oil Filter Container a Non-Collection Notice explaining why Collection was not made. Prior to the end of the Work Day, CONTRACTOR shall notify the City Representative, either by Fax or e-mail, of any non-collection occurrences. If non-collection is because the Used Oil or Filter was placed in an improper container, CONTRACTOR shall also leave Used Oil or Used Oil Filter Containers in a number sufficient to contain the Used Oil or Used Oil Filters set out, but not exceeding sixteen (16) quarts, or two (2) Used Oil Filters per Dwelling Unit, along with the Non-Collection Notice.

9.03.4 Spillage. CONTRACTOR shall carry oil absorbent material on all Used Oil Collection vehicles and shall cleanup any Used Oil that spills during Collection, which has

leaked from the Used Oil or Used Oil Filter Container, or which spills or leaks during the time the Used Oil or Used Oil Filter is in the Collection vehicle.

9.03.5 Used Oil and Used Oil Filter Containers. Within three (3) Work Days of receipt of request for Used Oil Collection Services, CONTRACTOR shall, at CONTRACTOR's sole cost and expense, provide the Service Recipient or management of the MFD Service Unit with a sufficient number of collection boxes for the storage of Used Oil and Used Oil Filters. Each collection box shall contain six (6) Used Oil Containers, three (3) Used Oil Filter Containers, and one oil funnel.

9.03.5.1 At the time CONTRACTOR Collects Used Oil from a MFD Service Unit, CONTRACTOR shall, at CONTRACTOR's sole cost and expense, leave at the premises one (1) Used Oil Container for each Used Oil Container Collected and one (1) Used Oil Filter Container for each Used Oil Filter Container Collected. CONTRACTOR shall keep the outside of all Used Oil and Used Oil filter Containers clean and may re-use the containers until the condition of the container makes it inappropriate for re-use.

9.04. Quarterly Textile Collection. CONTRACTOR shall collect Textiles that are placed in a location agreed to by the CONTRACTOR and MFD Service Unit management, contained in Service Recipient-provided bags, during one (1) week periods quarterly, as mutually determined by the CITY and the CONTRACTOR. Textile Collection Service shall be provided during the one (1) week period quarterly. Service Recipient shall call CONTRACTOR seven (7) Work Days in advance to receive such Service. To the extent they are properly set out for collection, Textiles shall be collected and delivered to the Materials Recovery Facility for processing. CONTRACTOR shall develop and provide notification to MFD Service Unit management that includes the Textile Collection schedule, an indication of acceptable and prohibited Textiles, and the placement requirements. Such notifications shall be provided by direct mailing and emailing. CONTRACTOR shall develop educational material that can be distributed to property residents by the MFD Service Unit management to promote participation in the Textile Collection program.

ARTICLE 10. Commercial Collection Services

10.01. Commercial Collection Services. These services will be governed by the following terms and conditions:

10.01.1 Conditions of Service. The CONTRACTOR shall provide Commercial Solid Waste Collection Service and Commercial Recycling Service to all Commercial Service Units in the Service Area whose Solid Waste and Recyclable Material are properly containerized in bins or carts as appropriate where the bins and carts are accessible as set forth in Section 10.01.3. CONTRACTOR shall provide Commercial Organic Collection Service to all Commercial Service Units and Commercial Organic Service Units in the Service Area whose Commercial Organic Waste is properly containerized in bins or carts as appropriate where the bins and carts are accessible as set forth in Section 10.01.3.

10.01.2 Frequency of Service. Each service shall be provided at least once every week on a scheduled route basis. However, in those instances where the scheduled Collection day falls on

a holiday as set forth in Section 3.09 herein, the Collection day may be adjusted in a manner agreed to between the Service Recipient and the CONTRACTOR as long as service is received a minimum of one (1) time per week. The size of the bin or cart and the frequency (above the minimum) of Collection shall be determined between the customer and the CONTRACTOR. However, size and frequency shall be sufficient to provide that no Solid Waste, Recyclable Material, or Commercial Organic Waste need be placed outside the bin or cart on a regular basis.

10.01.3 Accessibility. CONTRACTOR shall Collect all bins and carts that are readily accessible to the CONTRACTOR's crew and vehicles and not blocked. However, CONTRACTOR shall provide "push services" as necessary during the provision of Commercial Collection Services. Push services shall include, but not be limited to, dismounting from the Collection vehicle, moving the bins or carts from their storage location for Collection and returning the bins or carts to their storage location.

10.01.3.1 The CONTRACTOR may notify the City Representative daily, either by Fax or e-mail, of all situations that prevent or hinder Collection from any Commercial Service Unit.

10.01.4 Non-Collection. CONTRACTOR shall not be required to Collect any Solid Waste, Recyclable Materials, or Commercial Organic Waste that are not placed in a bin or cart unless such Solid Waste or Recyclable Material is outside the bin or cart as a result of overflow. In the event of non-collection, CONTRACTOR shall affix to the bin or cart a Non-Collection Notice explaining why Collection was not made. CONTRACTOR shall maintain copies of the Non-Collection Notice during the term of this Agreement.

10.01.5 Overflow. In the case of repeated overflows of Solid Waste or Recyclable Material CONTRACTOR shall contact the Commercial Service Unit management to arrange for an appropriate change in bin or cart size, Collection frequency or both. In the event, CONTRACTOR cannot successfully contact the Commercial Service Unit management after three (3) attempts, or cannot reach an agreement with such management regarding the change in service, CONTRACTOR shall advise the City Representative, either by Fax or e-mail, of the details of the overages, and the attempts at communication with the Commercial Service Unit management. The City Representative shall respond to CONTRACTOR's report and make a final written determination. Within five (5) Work Days of receipt of the City Representative's written determination, CONTRACTOR shall change the Collection Service in accordance with such written determination.

10.02. Commercial Waste Audits. CONTRACTOR's full-time Recycling Coordinator shall develop an annual Commercial Waste audit plan and submit the plan to the CITY for review no later than August 1, 2008. Each year thereafter, the annual Commercial Waste Audit plan shall be submitted no later than July 1. The plan, as approved by the CITY, shall include information indicating each Commercial Service Unit's recycling potential and the savings probable from increasing recycling. Upon approval by the CITY, the annual plan shall be implemented by the CONTRACTOR. At a minimum the plan shall include the audit of at least two (2) and as many as five (5) Commercial Service Units per day depending on the needs of the commercial community. The audits shall be designed to analyze the amount of Recyclable

Materials that is being deposited in Solid Waste bins and containers in order to develop an effective strategy for reducing the amount of Recyclable Materials so disposed.

10.02.1 Commercial Waste Audit Form. The CONTRACTOR shall develop a Commercial Waste Audit form and submit it to the CITY for approval. The form shall indicate the results of each Commercial Waste Audit performed. The Commercial Waste Audit form shall include, but not be limited to, the name of the Service Recipient, date of the Commercial Waste Audit, person conducting the Commercial Waste Audit, an estimate of the weight of Recyclable Materials and Commercial Organic Waste disposed of in Solid Waste bins and containers, and the probable savings a Service Recipient would realize by both increasing the use of the Commercial Recycling Service and the Commercial Organic Collection Service and decreasing the use of the Commercial Solid Waste Collection Service. Upon completion of each Commercial Waste Audit, a copy thereof shall be submitted to the corresponding Service Recipient. The CONTRACTOR shall retain a copy of each Commercial Waste Audit so performed throughout the term of the Agreement.

ARTICLE 11. CITY Collection Services

11.01. CITY Collection Services. These services will be governed by the following terms and conditions and shall be provided at no additional cost to the City:

11.01.1 Conditions of Service. CONTRACTOR shall provide CITY with Solid Waste Collection Service, CITY Recycling Service, CITY Organic Collection Service and Roll-Off Container Service to all CITY Service Units in the Service Area where the bins and carts are accessible as set forth in Section 11.01.3 at no additional cost to CITY; provided, however, that C&D Collection Service will be provided at the applicable service rates.

11.01.2 Frequency of Service. Each service shall be provided at least once every week on a scheduled route basis. However, in those instances where the scheduled Collection day falls on a holiday as set forth in Section 3.09 herein, the Collection day may be adjusted in a manner agreed to between the Service Recipient and the CONTRACTOR as long as service is received a minimum of one (1) time per week. The size of the bin or cart and the frequency (above the minimum) of Collection shall be determined between the CITY and the CONTRACTOR.

11.01.3 Accessibility. CONTRACTOR shall Collect all bins and carts that are readily accessible to the CONTRACTOR's crew and vehicles and not blocked. However, CONTRACTOR shall provide "push services" as necessary during the provision of CITY Collection Services, provided that CONTRACTOR shall not be required to push bins or carts more than six (6) feet from their storage location. Push services shall include, but not be limited to, dismounting from the Collection vehicle, moving the bins or carts from their storage location for Collection and returning the bins or carts to their storage location.

11.01.3.1 The CONTRACTOR may notify the City Representative daily, either by Fax or e-mail, of all situations that prevent or hinder Collection from any CITY Service Unit.

11.02. Roll-Off Container Service. This service will be governed by the following terms and conditions:

11.02.1 Conditions of Service. Upon receipt of notice from the City Representative, CONTRACTOR shall provide Roll-Off Container Service for the Collection of Large Items at no additional cost to the CITY. CONTRACTOR shall deliver and pick-up the Roll-Off Containers at the direction of the City Representative. The notice to CONTRACTOR shall specify the date of delivery and Collection of the Roll-Off Containers, the CITY Service Unit location for delivery, and the number of and size of the Roll-Off Containers to be delivered. Roll-Off Container service shall be provided within three (3) working days of receipt of notice or on such date as indicated in the notice thereafter. The CONTRACTOR shall provide Roll-Off Container service to CITY Service Units in the Service Area up to fifteen (15) times per Agreement Year, and such Collection by the CONTRACTOR shall be limited to providing Roll-Off Containers with a cumulative total capacity of three hundred fifteen (315) cubic yards in any Agreement Year except as otherwise provided in this Section 11.02. The CITY Service Unit shall not deposit dirt, rock, concrete, Exempt Waste or Construction and Demolition Debris in the Roll-Off Containers.

11.02.2 Condition and Placement of Roll-Off Containers. The Roll-Off Containers shall be clean, free of graffiti and in good repair. The Roll-Off Containers must be clearly marked and identifiable as belonging to CONTRACTOR. Special consideration shall be given when determining the delivery and pickup area for the Roll-Off Containers to ensure that the flow of traffic is not impeded and that it does not result in aesthetic degradation of an area. If the Service Recipient and the CONTRACTOR cannot agree on a delivery and pick up area, the area shall be determined by the City Representative. In addition, if, in the opinion of the City Representative, the delivery and pick up area is inappropriate, the City Representative may require the CONTRACTOR to relocate the Roll-Off container.

11.02.3 Calculation of Maximum Cubic Yardage Capacity of Roll-Off Containers Per Agreement Year. The CITY may obtain a Roll-Off Container of any given capacity so long as the total cubic yards remaining to the CITY out of three hundred fifteen (315) total yards is greater than or equal to one-half (1/2) of the size of the container ordered, and further provided that the order will not result in the CITY receiving Roll-Off Container service more than fifteen (15) times in an Agreement Year. For example, if the CITY has received fourteen Roll-Off Containers with a total capacity of 300 cubic yards, the CITY could request a Roll-Off Container with a maximum capacity of 30 cubic yards.

11.03. Neighborhood Clean-Up Services.

11.03.1 CONTRACTOR shall, in response to the written request of the City Representative, deliver and collect Roll-Off Containers for use in residential neighborhood clean-up programs. Each clean-up event shall consist of a single Collection day beginning at 6:00 a.m. and ending at 6:00 p.m. The City Representative shall notify CONTRACTOR in writing not less than five (5) calendar days prior to the date of the service. The notice to CONTRACTOR shall specify the date of delivery and Collection of the Roll-Off Containers, the location(s) for delivery, and the number of and size of the Roll-Off Containers to be delivered. As part of this service, CONTRACTOR shall provide on-site supervision at all times the Roll-Off Containers are available for Neighborhood Clean-Up Services. At such time as the Roll-Off Container is full, but not later than the end of the Neighborhood Clean-Up Service day, CONTRACTOR shall transport and deliver the Collected materials to the Disposal Facility, the

Materials Recovery Facility, or such other facility as is appropriate for the disposition of the materials and approved by the City Representative.

11.03.2 With the prior written consent of the City Representative, CONTRACTOR may provide for the Collection of materials at a Neighborhood Clean-up Service event in a vehicle or container other than a Roll-Off Container. However, in the event the CONTRACTOR elects to utilize this alternative Collection process, CONTRACTOR is responsible for obtaining documentation of the weight of the materials Collected, diverted and disposed in a manner that is acceptable to the CITY.

11.04. Collection of CITY Containers. CONTRACTOR shall provide Collection, transporting and disposal or processing service to those public Solid Waste, Green Waste or recycling containers in place or placed by the CITY on sidewalks, in parks and other CITY properties during the term of this Agreement. Frequency of Collection may be designated by the CITY, not to exceed six (6) times per week per container. CONTRACTOR shall provide this service at no additional cost to CITY.

11.05. CITY Sponsored Events. CONTRACTOR shall provide Solid Waste Collection and Disposal services, Recycling Collection and processing services and portable toilets at up to three (3) CITY sponsored events as requested by CITY. Such services shall be provided in such a manner that all Solid Waste, Recycling and portable toilet needs of the event are adequately and properly provided for by CONTRACTOR at no cost of any kind to the CITY. Current events and requirements are set forth on Exhibit 6, which is attached to and included in this Agreement.

11.06. HHW Drop-Off Service. CONTRACTOR shall be responsible for promoting, managing, staffing, and operating an annual drop-off event to accept Household Hazardous Waste (HHW) from residents of the CITY. HHW to be collected at the event shall include at a minimum items such as: paint, stain, varnish, thinner and adhesives; auto products such as old fuel, motor oil, oil filters and batteries; household batteries; cleaners and sprays; and garden products, including pesticides and fertilizers.

11.07. HHW Disposal Event Plan. CONTRACTOR shall provide HHW Drop-Off Service in a manner consistent with the HHW Disposal Event Plan set forth in Exhibit 10, which is attached to and included in this Agreement and the provisions of Section 11.08 of this Agreement. The plan includes the use of Phillips Service Corporation (“PSC”) as a subcontractor to provide the actual services. CITY herein approves the use of PSC and CONTRACTOR agrees not to replace PSC without the approval of the CITY.

11.08. Except as set forth in Section 11.08.3 below, all costs, including but not limited to transportation, management, administration, site selection, processing and disposal, related to this event shall be the responsibility of the CONTRACTOR and no additional compensation will be provided by the CITY.

11.08.1 CONTRACTOR shall prepare and pay for publication of all advertisements and public announcements regarding the HHW event. All promotional material shall be approved by the CITY prior to release to the public. CONTRACTOR shall arrange for an appointment system to be in place to allow residents call in to make appointments to drop-off material at the HHW

event. The appointment system shall be designed to minimize waiting time for residents and to encourage participation.

11.08.2 The date and site of the HHW event shall be selected by the CONTRACTOR and approved by the CITY. The CITY shall assist the CONTRACTOR in locating a site as requested, however such site shall always be within the Municipal limits of the CITY. At such events, the CONTRACTOR shall accept HHW delivered by City residents during a seven (7) hour period. CONTRACTOR shall provide personnel that will assist with directing traffic; verifying residency of persons delivering HHW: documenting the number of residents delivering materials; and directing residents where to unload materials. In addition, CONTRACTOR shall be responsible for managing the HHW event; supervising and directing event personnel; inspecting materials delivered to the event; separating and packaging HHW: documenting the quantity of each material type; transporting HHW to reuse, Recycling, and/or processing locations; and cleaning- up the location at the end of the event.

11.08.3 CONTRACTOR shall be prepared to accept a maximum amount of twenty (20) tons of HHW at the initial event. In the event more than twenty (20) tons of HHW are collected at the initial event CITY will compensate COLLECTOR in accordance with the "HHW Additional Ton Rate as set by the CITY. Thereafter, the maximum amount to be collected without additional compensation shall be the prior year's maximum amount multiplied by one (1) plus the Annual Growth factor used to calculate the annual compensation adjustment as set forth in Section 5.05.1.2.

11.08.4 CONTRACTOR shall provide properly trained and qualified personnel to handle, unload, package and transport HHW to proper vendors for Recycling and Disposal. CONTRACTOR shall provide appropriate containers for the HHW. CONTRACTOR shall make a good faith effort to minimize waiting time for residents participating in the HHW Drop-off event.

11.08.5 CONTRACTOR shall provide CITY with a report within thirty (30) days of the event summarizing the number of participants and the total Tonnage collected by material type. In addition, the report shall provide detail financial data regarding the cost of the event including but not limited to administrative, training, setup and cleanup, transportation, and processing.

11.09. Abandoned Waste. CONTRACTOR shall direct its Collection vehicle drivers to note the address, or other location description, at which Solid Waste, Recyclable Material, C&D, and/or Organic Material has been dumped in an apparently unauthorized manner. CONTRACTOR shall deliver the address or description to CITY within three (3) Work Days of such observation. When requested by CITY, CONTRACTOR shall dispatch a truck to Collect any abandoned waste at locations in the CITY, whether or not identified by CONTRACTOR pursuant to the foregoing sentence. CONTRACTOR shall Collect abandoned waste from such location within two (2) Work Days of receiving the verbal or written request unless special circumstances warrant a longer period, in which case CONTRACTOR shall notify the CITY of such circumstances and the need for additional time to Collect materials within twenty-four (24) hours of the CITY's verbal or written notice to Collect abandoned waste. Contractor shall be responsible for Collection, transportation, and Recycling or Disposal of such material. CONTRACTOR shall record the date, time, location, and description of material Collected

including estimated volume of such material; location where such material was Disposed; and cost of Disposal.

ARTICLE 12. Collection Routes

12.01. Collection Routes. Ninety (90) days prior to commencement of Collection Services, the CONTRACTOR shall provide the CITY with maps precisely defining Collection routes, together with the days and the times at which Collection shall regularly commence. To the extent possible, CONTRACTOR will provide the map data in a GIS format that is compatible with the format used by the CITY.

12.02. Subsequent Collection Route Changes. The CONTRACTOR shall submit to the CITY, in writing, any proposed route change (including maps thereof) not less than sixty (60) calendar days prior to the proposed date of implementation. To the extent possible, CONTRACTOR will provide the map data in a GIS format that is compatible with the format used by the CITY. The CONTRACTOR shall not implement any route changes without the prior review of the City Representative. If the route change will change the Collection day for a Service Recipient, the CONTRACTOR shall notify those Service Recipients in writing of route changes not less than thirty (30) days before the proposed date of implementation.

12.02.1 Collection Route Audits. The CITY reserves the right to conduct audits of CONTRACTOR's Collection routes. The CONTRACTOR shall cooperate with the CITY in connection therewith, including permitting CITY employees or agents, designated by the City Representative, to ride in the Collection vehicles in order to conduct the audits. The CONTRACTOR shall have no responsibility or liability for the salary, wages, benefits or worker compensation claims of any person designated by the City Representative to conduct such audits.

ARTICLE 13. Intentionally blank.

ARTICLE 14. Collection Equipment

14.01. Equipment Specifications.

14.01.1 General Provisions. All equipment used by CONTRACTOR in the performance of services under this Agreement shall be of a high quality. The vehicles shall be designed and operated so as to prevent Collected materials from escaping from the vehicles. Hoppers shall be closed on top and on all sides with screening material to prevent Collected materials from leaking, blowing or falling from the vehicles. All trucks and containers shall be watertight and shall be operated so that liquids do not spill during Collection or in transit.

14.01.2 All Collection Service vehicles utilized by CONTRACTOR pursuant to this Agreement shall provide fully-automated Collection Service except where such service is not feasible because of topographic or other physical factors. Where fully-automated Collection Service is not feasible, CONTRACTOR shall consult with the City Representative regarding the Collection Service equipment to be utilized.

14.01.3 Alternate Fuel, Hybrid or Electric Vehicles. CONTRACTOR's fuel-based Collection Service vehicles shall utilize Compressed Natural Gas or Clean Diesel as a fuel. During the term of this Agreement, to the extent required by law, CONTRACTOR shall convert and/or retrofit its Collection Service vehicles to be in full compliance with local, State and federal clean air requirements that are adopted during the Term. CONTRACTOR shall be responsible for monitoring the market for alternative fuel, hybrid, and electric Collection Service vehicles and advising CITY of the availability of such vehicles that CONTRACTOR believes to be economical and of significant economic benefit. In the event that CITY determines it appropriate, it may direct that future acquisitions of Collection Service vehicles be of a specified alternative fuel, hybrid, or electric, subject to the provisions of section 5.18.1.

14.01.4 Lubricants. Except as approved in writing by the City Representative on an individual vehicle basis, CONTRACTOR shall utilize re-refined motor oil and re-refined hydraulic oil in all vehicles used in CONTRACTOR's performance of this Agreement unless the use of such lubricants would void the manufacturer's warranty.

14.01.5 Large Items. Vehicles used for Collection of Large Items shall not use compactor mechanisms or mechanical handling equipment that may damage reusable goods or release Freon or other gases from pressurized appliances.

14.01.6 Safety Markings. All Collection equipment used by COLLECTOR shall have appropriate safety markings including, but not limited to, highway lighting, flashing and warning lights, clearance lights, and warning flags. All such safety markings shall be subject to the approval of the CITY and shall be in accordance with the requirements of the California Vehicle Code, as may be amended from time to time.

14.01.7 Vehicle Signage and Painting. Collection vehicles shall be painted and numbered consecutively without repetition and shall have the CONTRACTOR's name, CONTRACTOR's customer service telephone number, and the number of the vehicle painted in letters of contrasting color, at least four (4) inches high, on each side and the rear of each vehicle. No advertising shall be permitted other than the name of the CONTRACTOR except promotional advertisement of the Recyclable Materials and Organic Waste programs. CONTRACTOR shall repaint all vehicles (including vehicles striping) during the term of this Agreement on a frequency as necessary to maintain a positive public image as reasonably determined by the City Representative.

14.01.8 Bin Signage, Painting, and Cleaning. All metal bins of any service type furnished by the CONTRACTOR shall be painted and galvanized. All bins shall display the CONTRACTOR's name, CONTRACTOR's customer service telephone number, and the number of the bin and shall be kept in a clean and sanitary condition. Such bins as are provided by the CONTRACTOR shall be steam cleaned by the CONTRACTOR as frequently as necessary to maintain them in a sanitary condition and in a manner that does not allow discharge of wash water into the storm drain system. Bins will be subject to periodic, unscheduled inspections by the CITY and determination as to sanitary condition shall be made by the CITY.

14.02. Collection Vehicle Noise Level. All Collection operations shall be conducted as quietly as possible and shall conform to applicable Federal, State, County and CITY noise level

regulations, including the requirement of Chapter 5.28 of the CITY's Municipal Code. In the event of repeat occurrences of noise levels in excess of the limit specified in the CITY's municipal code, CONTRACTOR shall pay liquidated damages in accordance with Section 22.

14.03. Vehicle Registration, Licensing and Inspection. On or before July 1, 2005 and annually thereafter during the term of this Agreement, CONTRACTOR shall submit documentation to the CITY Representative to verify that each of the CONTRACTOR's Collection vehicles is in compliance with all registration, licensing and inspection requirements of the California Highway Patrol, the California Department of Motor Vehicles, and any other applicable laws or regulations. CONTRACTOR shall not use any vehicle to perform Collection Services that is not in compliance with applicable registration, licensing and inspection requirements.

14.04. Equipment Maintenance. CONTRACTOR shall maintain Collection equipment in a clean condition and in good repair always. All parts and systems of the Collection equipment shall operate properly and be maintained in a condition reasonably satisfactory to CITY. CONTRACTOR shall wash all Collection vehicles at least once a week, in a manner that does not allow discharge of wash water into the storm drain system.

14.05. Maintenance Log. CONTRACTOR shall maintain a maintenance log for all Collection vehicles. The log shall at all times be accessible to CITY by physical inspection upon request of City Representative, and shall show, at a minimum, each vehicles CONTRACTOR assigned identification number, date purchased or initial lease, dates of performance of routine maintenance, dates of performance of any additional maintenance, and description of additional maintenance performed.

14.05.1 Equipment Inventory. On or before June 1, 2005, CONTRACTOR shall provide to CITY an inventory of Collection vehicles and major equipment used by CONTRACTOR for Collection or transportation and performance of services under this Agreement. The inventory shall indicate each Collection vehicle by CONTRACTOR assigned identification number, DMV license number, the age of the chassis and body, type of fuel used, the type and capacity of each vehicle, the number of vehicles by type, the date of acquisition, the decibel rating and the maintenance status. CONTRACTOR shall submit to the City Representative, either by Fax or e-mail, an updated inventory annually to the CITY or more often at the request of the City Representative. Each vehicle inventory shall be accompanied by a certification signed by CONTRACTOR that all Collection vehicles meet the requirements of this Agreement.

14.05.2 Reserve Equipment. The CONTRACTOR shall have available to it, at all times, reserve Collection equipment which can be put into service and operation within one (1) hour of any breakdown. Such reserve equipment shall correspond in size and capacity to the equipment used by the CONTRACTOR to perform the contractual duties.

14.06. Vehicle Tare Weights. Between the time this Agreement is executed and July 1, 2005, CONTRACTOR shall have the Disposal Contractor weigh and determine the unloaded ("tare") weight of each of CONTRACTOR's vehicles that will be used to deliver Solid Waste and other materials to the Disposal Facility. Before July 1, 2005, CONTRACTOR shall receive from the Disposal Contractor a report listing vehicle tare weight information, which shall

include, at a minimum, hauler name, tare weight, vehicle identification number, and the date the tare weight was determined. CONTRACTOR shall, at least every two (2) years, have the Disposal Contractor reweigh and revise tare weights for all CONTRACTOR's vehicles used to deliver Solid Waste and other materials to the Disposal Facility.

14.06.1 When new vehicles are placed into service and immediately after any significant repairs to vehicles by the CONTRACTOR, the CONTRACTOR shall have the Disposal Contractor promptly weigh such vehicles and determine the tare weight of each vehicle. Within ten (10) Working Days of weighing, CONTRACTOR shall receive from the Disposal Contractor, a report listing vehicle tare weight information. CONTRACTOR, CITY, and Disposal Contractor shall have the right to request re-tarring of vehicles up to two (2) times per year, unless there is reasonable suspicion or evidence that tare weights are not accurate, in which case, tare weights may be updated more frequently to ensure accuracy.

ARTICLE 15. Contractor's Office

15.01. CONTRACTOR's Office. The CONTRACTOR shall maintain an office in the CITY of Dublin which provides toll-free telephone access to residents of the City of Dublin and is staffed by a minimum of two (2) trained and experienced Customer Service Representatives (CSR's). Any proposed changes to the office location and/or staffing level must be approved by the CITY. Such office shall be equipped with sufficient telephones that all Collection Service related calls received during normal business hours are answered by an employee within five (5) rings, and shall have responsible persons in charge during Collection hours and shall be open during such normal business hours, 8:00 a.m. to 6:00 p.m., on all Work Days. The CONTRACTOR shall provide either a telephone answering service or mechanical device to receive Service Recipient inquiries during those times when the office is closed. Calls received after normal business hours shall be addressed the next Work Day morning .

15.01.1 Emergency Contact. The CONTRACTOR shall provide the City Representative with an emergency phone number where the CONTRACTOR can be reached outside of the required office hours.

15.01.2 Multilingual/TDD Service. CONTRACTOR shall at all times maintain the capability of responding to telephone calls in English and such other languages as CITY may direct. CONTRACTOR shall at all times maintain the capability or responding to telephone calls through Telecommunications Device for the Deaf (TDD) Services.

15.01.3 Service Recipient Calls. During office hours, CONTRACTOR shall maintain a telephone answering system capable of accepting at least fifteen (15) incoming calls at one time. CONTRACTOR shall record all calls including any inquiries, service requests and complaints into a customer service log.

15.01.4 All incoming calls will be answered within five (5) rings. Any call "on-hold" in excess of one and one half (1.5) minutes shall have the option to remain "on-hold" or to be switched to a message center where Service Recipient can leave a message. CONTRACTOR's customer service representative shall return Service Recipient calls. For all messages left before 3:00 p.m., all "call backs" shall be attempted a minimum of one time prior to 6:00 p.m. on the

day of the call. For messages left after 3:00 p.m., all “call backs” shall be attempted a minimum of one time prior to noon the next Work Day. CONTRACTOR shall make minimum of three (3) attempts within twenty-four (24) hours of the receipt of the call. If CONTRACTOR is unable to reach the Service Recipient on the next Work Day, the CONTRACTOR shall send a postcard to the Service Recipient on the second Work Day after the call was received, indicating that the CONTRACTOR has attempted to return the call.

15.01.5 Web Site. CONTRACTOR shall develop and maintain a web site describing services provided in the CITY that is accessible by the public. The site shall include answers to frequently asked questions, rates for Collection Services, Recyclable Materials and Organic Materials specifications, Collection Service schedules and maps, and other related topics. CONTRACTOR shall arrange for the CITY’s web site to include an e-mail link to CONTRACTOR and a link to CONTRACTOR’s web site. The CONTRACTOR’s web site shall provide the public the ability to e-mail complaints to CONTRACTOR.

15.01.6 Contract Manager. CONTRACTOR shall provide a half time contract manager during the term of the Agreement, whose sole function during half of all normal business hours of each Work Day shall be to provide services related to this Agreement.

ARTICLE 16. Other Services

16.01. Recycling Coordinator. CONTRACTOR shall provide a full-time Recycling Coordinator during the Term of this Agreement to conduct targeted outreach, and to coordinate and implement all public education and outreach activities required by this Agreement throughout the Agreement Term. CONTRACTOR shall add one (1) additional full-time equivalent staff member (Recycling Coordinator) during the Agreement Year that begins July 1, 2021, to be primarily focused on working with Customers to achieve the higher diversion and compliance with the requirements of SB 1383, including participation in edible food waste recovery. CONTRACTOR will meet with CITY annually to develop a work plan for the Recycling Coordinator, to be implemented in the following year, to address compliance with state law and CITY priorities. Beginning with the Rates for the Agreement Year in which the state’s final SB 1383 implementing regulations first take effect and annually thereafter, the Rates shall be adjusted to include the costs of such additional full-time equivalent staff person or persons. Such cost shall not exceed one hundred fifty thousand dollars (\$150,000) per FTE.

16.02. Public Outreach and Education Services. CONTRACTOR, at its own expense, shall prepare, submit and implement an annual (Agreement Year) Public Education and Outreach Program beyond the City’s Public Education and Outreach Program. The proposed action plan shall be created in consultation with the CITY and be submitted annually for City Approval no later than March 31st for the next Agreement Year. The program must include a minimum of twelve (12) campaigns per year, designed to increase diversion as well as residential and commercial participation. Campaigns should target certain Recyclable Materials or “problem areas” of the CONTRACTOR’s Service Area where improvements can be maximized. Targets of outreach should be based on local trends and recycling patterns based on information obtained by both the City Representative and CONTRACTOR staff.

16.02.1 Public School Education Programs. CONTRACTOR shall meet with the CITY's public school district at least two (2) times per year to inform teachers, administrators, and custodians about the recycling program(s) the CONTRACTOR is providing to the school district, as well as general concepts of source reduction, reuse, recycling and Composting.

16.02.2 Go Green Initiative. CONTRACTOR shall work with the CITY's public school district to implement the "Go Green Initiative" as part of its public education programs. CONTRACTOR agrees that the funding to implement and maintain the program during its first six (6) Agreement Years shall be provided by CONTRACTOR at no additional cost to the CITY or its residents.

16.02.3 Recycling Bins. CONTRACTOR shall offer to provide the public school district with a standardized classroom recycling bin for every classroom and office in the district that is imprinted with the logo of the school district and the words "Dublin Schools Recycle". To the extent that the City Representative has approved the purchase of the bins in writing, the CONTRACTOR will be reimbursed by the CITY for the cost of the bins.

16.02.4 Multi-Lingual Education Materials. The CONTRACTOR shall develop a multi-lingual approach to preparing all public education materials required in this Section. The multi-lingual approach may emphasize use of visual images and English descriptions supplemented with text on the bottom of the public education document in different languages.

CONTRACTOR shall allow the CITY to review and approve all public education materials prior to distribution.

16.03. Annual Collection Service Notice. Each calendar year during the term of this Agreement, the CONTRACTOR shall publish and distribute separate notices to all SFD Service Units regarding the SFD Collection Service programs, to all MFD Service Units regarding MFD Service Programs and to all Commercial Service Units regarding Commercial Service Programs. To the extent appropriate, based on the category of customer receiving the notice, it shall contain at a minimum; definitions of the materials to be Collected, procedures for setting out the materials, maps of the Service Area indicating the day that SFD Solid Waste Collection Services, Large Items Collection Service, Used Oil Collection Service, SFD Recycling Service, and SFD Organic Waste Collection Service will be provided, and the CITY customer service phone number. The notice shall be provided in English, and other languages as directed by the CITY, and shall be distributed by the CONTRACTOR no later than July 1, 2005 during the first year of the Agreement and no later than December 1st of each year thereafter.

16.04. Compost Give-Back. CONTRACTOR shall make available up to ten percent (10%) of the compost product (based on the weight of Organic Waste Collected) to the CITY in the following categories: (i) bulk compost for use in CITY parks and CITY facilities; and (ii) bulk compost for distribution to CITY residents at one (1) recurring annual compost give-away event.

16.04.1 Bulk Compost for CITY. CONTRACTOR shall make available to CITY bulk compost for use in CITY parks and facilities. CITY will notify CONTRACTOR as to the CITY's needs for delivery of finished compost throughout the Agreement Year. CONTRACTOR shall

deliver compost upon request of CITY at no additional cost to CITY. If CITY does not take delivery of compost made available by CONTRACTOR within thirty (30) days of the end of the Agreement Year, CONTRACTOR's obligation to deliver compost for said Agreement Year shall be deemed to be satisfied.

16.04.2 Bulk Compost for CITY Residents. CONTRACTOR shall make available bulk compost for distribution at one (1) recurring annual compost give-back event within the City of Dublin. CONTRACTOR shall work with the CITY Representative to determine the date and location of the give-back event. CONTRACTOR shall be responsible for all aspects related to planning, managing and staffing of the compost give-back event, including a suitable location and all labor, equipment, traffic control, permits and public notification. CONTRACTOR shall supply a front-end loader vehicle to load CITY resident pickup trucks during the compost give-back event. CONTRACTOR shall also provide appropriate sealable plastic bags and shovels for residents who wish to obtain small amounts of material.

16.05. Additional Programs and Services. CONTRACTOR shall provide additional services and programs as requested by CITY at a price to be mutually agreed upon between the CONTRACTOR and the City Representative. In the event the CONTRACTOR and the City Representative cannot reach a mutually agreed upon price for the requested service or program, CITY shall have the right to procure the service of other vendors or contractors to provide the requested service.

16.06. News Media Relations. CONTRACTOR shall notify the City Representative by Fax, e-mail or phone of all requests for news media interviews related to the Collection Services program within twenty-four (24) hours of CONTRACTOR's receipt of the request. Before responding to any inquiries involving controversial issues or any issues likely to affect participation or Service Recipient perception of services, CONTRACTOR will discuss CONTRACTOR's proposed response with the City Representative.

16.06.1 Copies of draft news releases or proposed trade journal articles shall be submitted to CITY for prior review and approval at least five (5) Work Days in advance of release, except where CONTRACTOR is required by any law or regulation to submit materials to any regulatory agency in a shorter period of time, in which case CONTRACTOR shall submit such materials to CITY simultaneously with CONTRACTOR's submittal to such regulatory agency.

16.06.2 Copies of articles resulting from media interviews or news releases shall be provided to the CITY within five (5) Work Days after publication.

16.07. Waste Generation and Characterization Studies. CONTRACTOR acknowledges that CITY must perform Solid Waste generation and characterization studies periodically to comply with AB 939 requirements. CONTRACTOR agrees to participate and cooperate with CITY and its agents and to perform studies and data collection exercises, as needed, to determine weights, volumes and composition of Solid Waste generated, disposed, transformed, diverted or otherwise processed to comply with AB 939.

ARTICLE 17. Emergency Service Provisions

17.01. Emergency Services. In the event of a tornado, major storm, earthquake, fire, natural disaster, or other such event, the City Representative may grant the CONTRACTOR a variance from regular routes and schedules. As soon as practicable after such event, the CONTRACTOR shall advise the City Representative when it is anticipated that normal routes and schedules can be resumed. The City Representative shall make an effort through the local news media to inform the public when regular services may be resumed. The clean-up from some events may require that the CONTRACTOR hire additional equipment, employ additional personnel, or work existing personnel on overtime hours to clean debris resulting from the event. The CONTRACTOR shall receive additional compensation, above the normal compensation contained in this Agreement, to cover the costs of rental equipment, additional personnel, overtime hours and other documented expenses based on the rates set forth in Exhibit 1 to this Agreement provided the CONTRACTOR has first secured written authorization and approval from the CITY through the City Representative.

ARTICLE 18. Record Keeping and Reporting Requirements

18.01. Record Keeping.

18.01.1 Accounting Records. CONTRACTOR shall maintain full, complete and separate financial, statistical and accounting records, pertaining to cash, billing, and provisions of all Collection Services provided under this Agreement, prepared on an accrual basis in accordance with generally accepted accounting principles. Such records shall be subject to audit, copy, and inspection. Gross revenues derived from provision of the Collection Services, including revenues from the sale of Recyclable Materials, including CRV revenue or revenue from the sale of Composted Material, whether such services are performed by the CONTRACTOR or by a subcontractor or subcontractors, shall be recorded as revenues in the accounts of the CONTRACTOR. These records shall be separate and segregated from other records maintained by CONTRACTOR for the provision of other services outside the scope of this Agreement as may be provided by CONTRACTOR. CONTRACTOR shall maintain and preserve all cash, billing and disposal records for a period of not less than five (5) years following the close of each of the CONTRACTOR's fiscal years.

18.01.2 Agreement Materials Records. CONTRACTOR shall maintain records of the (i) quantities of C&D Debris, Residential, Commercial and City Waste Collected and disposed under the terms of this Agreement, (ii) quantities of Recyclable Materials, by type, Collected, purchased, processed, sold, donated or given for no compensation, and residue disposed, and (iii) customer count for DUSD Waste collected under the terms of this Agreement.

18.01.3 Other Records. CONTRACTOR shall maintain all other records reasonably related to provision of Collection Services, whether or not specified in this Article 18 or elsewhere in the Agreement

18.02. Reporting Requirements.

18.03. Due Dates. Monthly reports shall be submitted no later than twenty (20) calendar days after the end of the reporting month. Quarterly reports shall be submitted no later than thirty (30) calendar days after the end of the reporting quarter and annual reports shall be submitted no later than forty-five (45) calendar days after the end of each Agreement Year. Monthly, quarterly and annual reports shall be submitted in hard copy, and shall be provided electronically via e-mail, on a 3.5" IBM-compatible diskette, or a compact disc using software acceptable to the CITY.

18.04. Monthly Reports. Monthly reports to the CITY shall include:

18.04.1 Solid Waste Data. The number of SFD, MFD, C&D, DUSD, City and Commercial Service Units and the number of C&D Debris Boxes, Garbage Bins and Carts distributed by size and Service Unit type. A listing of the actual tonnage from all Collection Services, including Large Item Collection Service, Collected, diverted and disposed by the CONTRACTOR at the Disposal Facility for the preceding month sorted between SFD, MFD, C&D, Commercial and CITY Service Units and between Roll-Off Containers and all other containers to extent practical (as required by Sections 5.07 and 5.08). All tonnage data should be compared to the corresponding tonnage data from the prior year comparable period.

18.04.2 Recycling Data. The number of gross tons Collected monthly on average by material type by route for C&D, SFD, MFD, City and Commercial Recycling Service, including Recyclable Materials Collected as part of Large Item Collection Service, for the preceding month. The average participation rates for each month relative to the total number of Service Units by Service Unit type. All tonnage data should be compared to the corresponding tonnage data from the prior year comparable period.

18.04.3 Organic Waste Data. The average daily gross tons Collected and average daily number of set-outs. Indicate average participation rates relative to the total number of Service Units in terms of weekly set-out counts. Indicate number of Organic Waste Bins and Carts distributed by size and Service Unit type. All tonnage data should be compared to the corresponding tonnage data from the prior year comparable period.

18.04.4 Customer Service Log. A copy of the customer service log, including a summary of the type and number of complaints and their resolution. Copies of a written record of all calls related to missed pickups and responses to such calls.

18.05. Quarterly Reports. Quarterly reports to the CITY shall include:

18.05.1 Monthly Data. All monthly reports in Sections 18.04.1 through 18.04.4 summarized by month and averaged for the quarter. All tonnage data should be compared to the corresponding tonnage data from the prior year comparable period.

18.05.2 Public Education And Information Activities. CONTRACTOR shall report on all public education and information activities undertaken during the period, including distribution of bill inserts, collection notification tags, community information and events, school visits, tours and other activities related to the provision of Collection Services. This report shall discuss the impact of these activities on Recycling and Organic program participation and provide details of events and activities planned for the next period.

18.05.3 Recycling and Organic Waste Programs. An analysis of any Recycling and Organic Waste Collection, processing and marketing issues or conditions occurring during the previous quarter (such as participation, setouts, contamination, etc.) and possible solutions, discussed separately for C&D, DUSD, SFD, MFD, Commercial and CITY programs.

18.05.4 Customer Service Data. A summary narrative of problems encountered with Collection and processing activities and actions taken. Indicate type and number of Non-Collection Notices left at Service Recipient locations. Indicate instances of property damage or injury, significant changes in operation, market factors, publicity conducted, needs for publicity. Include description of processed material loads rejected for sale, reason for rejection and disposition of load after rejection.

18.05.5 Customer Base Data. CONTRACTOR shall provide, customer base data consisting of the number of SFD Service Units billed for additional services above the minimum service billed by the City, and the number of C&D, DUSD, MFD and Commercial Service Units billed, sorted by service type, container size, number of containers and frequency of Collection.

18.05.6 Special Events. Summary of each special event activity, (CITY sponsored or drop-off) including; the name and date of the event, the Tonnage Collected, diverted and disposed by material type, and other services provided. CONTRACTOR shall also provide information regarding the logistics of the event and suggestions for improving future events.

18.05.7 Summary of Historical and Proposed Activities. CONTRACTOR shall provide a narrative of activities undertaken during the quarter and those planned or proposed for the upcoming quarter.

18.05.8 Commercial Waste Audit. All daily commercial waste audits required by the annual Commercial Waste audit plan in Section 10.02 shall be summarized and averaged for the quarter. The quarterly report shall also summarize the audit results by the various segments of Service Recipients who produce Commercial Waste including, but not limited to, MFD, large commercial, small commercial and schools.

18.06. Annual Reports. The annual report to the CITY shall include:

18.06.1 Quarterly Data. All quarterly reports in Sections 18.05.1 through 18.05.07 summarized by quarter and averaged for the year. For all annual reports beginning with the report for the second (2nd) Agreement Year, the CONTRACTOR shall include a historical comparison of the last Agreement Year and the average of all Agreement Years.

18.06.2 Recycling Data. Indicate, by material type (and grade where appropriate), the monthly totals of Recyclable Materials processed and Diverted, including facility name and location, average price received or paid per ton and total recycling revenue, expenditures, and total net costs or proceeds. Indicate any quantities, by material type, donated or otherwise Diverted without compensation. Indicate number of Recycling Bins and Carts distributed by size and Service Unit type. Also provide the location for residue Disposed. Tons of Recyclable Materials Diverted and of residue Disposed may be based on average amounts for such items published by the relevant Processing or Disposal Facility or on waste characterization studies by such Facilities.

18.06.2.1 Used Oil Program. CONTRACTOR shall provide detailed financial data regarding the cost of providing Used Oil Collection Service. To the extent practical segregate the program costs between the SFD and MFD programs. Financial data should include but not be limited to costs in the following four categories, administration, collection, transportation and disposal.

18.06.3 Organic Waste. Indicate the monthly totals of Organic Waste processed and Diverted, including facility name and location, average price received or paid per ton and total Organic Waste revenue, expenditures, and total net costs or proceeds. Indicate total tons provided to CITY, to CITY residents or otherwise Diverted without compensation. Indicate number of Organic Waste Bins and Carts distributed by size and Service Unit type. Indicate number of Organic Waste Pails (“kitchen pails”) and commercial indoor organic containers distributed. Also provide the location for residue Disposed. Tons of Organic Waste Diverted and of residue Disposed may be based on average amounts for such items published by the relevant Processing or Disposal Facility or on waste characterization studies by such Facilities.

18.06.4 Special Events. Provide a summary of each special event activity, (CITY sponsored or drop-off) including; the name and date of the event, the Tonnage Collected, diverted and disposed by material type, and other services provided. CONTRACTOR shall also provide information regarding the logistics of the event and suggestions for improving future events. For all annual reports beginning with the report for the second (2nd) Agreement Year, the CONTRACTOR shall include a historical comparison of the last Agreement Year and the average of all Agreement Years.

18.06.5 Summary of Historical and Proposed Activities. In compliance with Article 16 of this Agreement, CONTRACTOR shall provide a narrative of activities undertaken during the year and those planned or proposed for the upcoming year. CONTRACTOR shall provide information describing if the activity was undertaken in the previous Agreement Year or not, and if not, why it was added. CONTRACTOR shall describe the reason for the discontinuation of any activity and shall describe what activity is replacing it. The CITY shall approve or reject any proposed discontinuation of activities.

18.06.6 Diversion Plan. CONTRACTOR shall provide a plan for approval by the CITY which describes the measures CONTRACTOR intends to take in the upcoming year to comply with Section 6.01. The diversion plan shall also provide a summary of the actual diversion achieved during the prior year. The diversion plan shall analyze all current diversion programs and activities. In order to ensure that progress is made in achieving the minimum annual diversion rate, the diversion plan shall also recommend, and project the impact of, programmatic improvements for all services provided under in this Agreement.

18.07. Additional Reporting. The CONTRACTOR shall furnish the CITY with any additional reports as may reasonably be required, such reports to be prepared within a reasonable time following the reporting period.

18.08. Large Item Service Collection, Textiles, and New Programs. Indicate, by material type (and grade where appropriate), the monthly totals of items and materials processed and Diverted through Large Item Collection Service, Textile Collection and/or any new program

added after the Effective Date, including facility name and location, average price received or paid per ton and total revenue, expenditures, and total net costs or proceeds. Indicate any quantities, by material type, donated or otherwise Diverted without compensation. Indicate number of Roll-Off Containers, Recycling Bins and Carts distributed by size and Service Unit type. Also provide the location for residue Disposed. Tons of materials Diverted and of residue Disposed may be based on average amounts for such items published by the relevant Processing or Disposal Facility or on waste characterization studies by such Facilities.

ARTICLE 19. Nondiscrimination

19.01. Nondiscrimination. In the performance of all work and services under this Agreement, CONTRACTOR shall not discriminate against any person on the basis of such person's race, sex, color, national origin, religion, marital status or sexual orientation. CONTRACTOR shall comply with all applicable local, state and federal laws and regulations regarding nondiscrimination, including those prohibiting discrimination in employment.

ARTICLE 20. Worker Retention

20.01. Worker Retention. CONTRACTOR acknowledges that when Collection Services are transferred to CONTRACTOR, workers who perform services for CITY's current contractor will be displaced from their employment. CONTRACTOR shall make a good faith effort in accordance with the terms of its agreement with Teamsters Local 70 to offer employment to all qualified displaced workers. However, CONTRACTOR shall not be required to create additional positions that CONTRACTOR does not need, displace any of its current employees, or modify its employee selection requirements.

ARTICLE 21. Service Inquiries and Complaints

21.01. CONTRACTOR's Customer Service. All service inquiries and complaints shall be directed to the CONTRACTOR. A representative of the CONTRACTOR shall be available to receive the complaints during normal business hours. All service complaints will be handled by the CONTRACTOR in a prompt and efficient manner. In the case of a dispute between the CONTRACTOR and a Service Recipient, the matter will be reviewed and a decision made by the City Representative.

21.01.1 The CONTRACTOR will utilize the Customer Service Log to maintain a record of all inquiries and complaints in a manner prescribed by the CITY.

21.01.2 For those complaints related to missed Collections that are received by 3:00 p.m. on a Work Day, the CONTRACTOR will return to the Service Unit address and Collect the missed materials before leaving the Service Area for the day. For those complaints related to missed Collections that are received after 3:00 p.m. on a Work Day, the CONTRACTOR shall have until the end of the following Work Day to resolve the complaint. For those complaints related to repair or replacement of carts or bins, the appropriate Sections of this Agreement shall apply

21.01.3 CONTRACTOR agrees that it is in the best interest of the CITY that all Solid Waste and Recyclable Materials be Collected on the scheduled Collection day. Accordingly, missed Collections will normally be Collected as set forth above regardless of the reason that the Collection was missed. However, in the event a Service Recipient requests missed Collection service more than two (2) times in any consecutive two (2) month period the City Representative will work with the CONTRACTOR to determine an appropriate resolution to that situation. In the event the CONTRACTOR believes any complaint to be without merit, CONTRACTOR shall notify the City Representative, either by Fax or e-mail. The City Representative will investigate all disputed complaints and render a decision.

ARTICLE 22. Quality of Performance of Contractor

22.01. Intent. CONTRACTOR acknowledges and agrees that one of CITY's primary goals in entering into this Agreement is to ensure that the Collection Services are of the highest caliber, that Service Recipient satisfaction remains at the highest level, that maximum diversion levels are achieved, and that materials Collected are put to the highest and best use to the extent feasible.

22.02. Service Supervisor. CONTRACTOR has named John Repetto as the supervisor to be in charge of the Collection Service within the Service Area. At least thirty (30) calendar days prior to replacing Mr. Repetto, CONTRACTOR shall notify CITY in writing of the name and qualifications of the new Service Supervisor. CONTRACTOR shall insure that such replacement is an individual with like qualifications and experience. The supervisor shall be physically located in the Service Area and available to the City Representative through the use of telecommunication equipment at all times that CONTRACTOR is providing Collection Services. In the event the supervisor is unavailable due to illness or vacation, CONTRACTOR shall designate an acceptable substitute who shall be available and who has the authority to act in the same capacity as the supervisor. The service supervisor shall provide the CITY with an emergency phone number where the supervisor can be reached outside of normal business hours.

22.03. Liquidated Damages. The parties further acknowledge that consistent and reliable Collection Service is of utmost importance to CITY and that CITY has considered and relied on CONTRACTOR's representations as to its quality of service commitment in awarding the Agreement to it. The parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The parties further recognize that if CONTRACTOR fails to achieve the performance standards, or fails to submit required documents in a timely manner, CITY, and City's residents and businesses will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages. Therefore, without prejudice to CITY's right to treat such non-performance as an event of default under Article 26, the parties agree that the liquidated damages amount defined in this Section represent reasonable estimates of the amount of such damages considering all of the circumstances existing on the effective date of this Agreement, including the relationship of the sums to the range of harm to CITY, customers and the community as a whole that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. In placing their initials at the places provided, each party specifically confirms the accuracy of the statements made above and the fact that each

party has had ample opportunity to consult with legal counsel and obtain an explanation of the liquidated damage provisions at the time that the Agreement was made.

CITY Initial Here _____ CONTRACTOR Initial Here _____

22.03.1 CONTRACTOR agrees to pay (as liquidated damages and not as penalty) the following amounts:

LIQUIDATED DAMAGES		
	Item	Amount
a.	Failure or neglect to resolve each complaint within the time set forth in this Agreement.	\$100.00 per incident per Service Recipient.
b.	Failure to clean up spillage or litter caused by CONTRACTOR.	\$300.00 per incident per location.
c.	Failure to repair damage to customer property caused by CONTRACTOR or its personnel.	\$500.00 per incident per location.
d.	Failure to maintain equipment in a clean, safe, and sanitary manner.	\$100.00 per incident per day.
e.	Failure to have a vehicle operator properly licensed.	\$500.00 per incident per day.
f.	Failure to maintain office hours as required by this Agreement.	\$100.00 per incident per day.
g.	Failure to maintain or timely submit to CITY all documents and reports required under the provisions of this Agreement.	\$100.00 per incident per day.
h.	Failure to properly cover materials in Collection vehicles.	\$500.00 per incident.
i.	Failure to display CONTRACTOR's name and customer service phone number on Collection vehicles.	\$100.00 per incident per day.
j.	Failure to comply with the hours of operation as required by this Agreement	\$100.00 per incident per day.
k.	Failure or neglect to complete at least ninety percent (90%) of each route on the regular scheduled Collection Service Work Day.	\$1,000 for each route not completed.
l.	Changing routes without proper notification to the City Representative.	\$500.00 per incident per day.
m.	Commingling Solid Waste with Recyclable Materials.	\$1,000.00 per incident.
n.	Commingling of materials Collected inside and outside the City of Dublin.	\$1,000.00 per incident.
o.	Failure to repair or replace damaged carts or bins within the time required by this Agreement.	\$100.00 per incident per day.

p.	Failure to deliver or exchange carts or bins within the time required by this Agreement.	\$100.00 per incident per day.
q.	Failure to provide adequate primary and alternate capacity to accept and process Recyclable Materials or Organic Waste.	\$1,000.00 per day.
r.	Failure to have CONTRACTOR personnel in proper uniform.	\$100.00 per incident per day.
s.	Disposal of Recyclable Materials or Organic Waste in the Disposal Facility without first obtaining the required permission of the CITY.	\$1,000.00 per load.
t.	Failure to provide required communications equipment.	\$100.00 per incident per day.
u.	Failure to deliver any Collected materials to the CITY approved Disposal Facility, Materials Recovery Facility, or Organic Waste Processing Facility, as appropriate, except as otherwise expressly provided in this Agreement.	\$5,000 first failure. \$25,000 each subsequent failure.
v.	Delivery to the Disposal Facility of any Solid Waste Collected outside of the City boundaries of Dublin commingled with that Collected as part of this Agreement.	\$5,000 first delivery. \$25,000 each subsequent delivery.
w.	Failure to meet the minimum diversion requirements of this Agreement (calculated per Agreement Year).	Shortfall of 0.001% - 2%: \$10,000. Shortfall of 2.001% or greater: \$25,000
x.	Failure to meet vehicle noise requirements.	\$100.00 per incident per day.

22.04. Procedure for Review of Liquidated Damages. The City Representative may assess liquidated damages pursuant to this Article 22 on a monthly basis. At the end of each month during the term of this Agreement, the City Representative shall issue a written notice to CONTRACTOR (“Notice of Assessment”) of the liquidated damages assessed and the basis for each assessment.

22.04.1 The assessment shall become final unless, within ten (10) calendar days of the date of the notice of assessment, CONTRACTOR provides a written request for a meeting with the City Manager to present evidence that the assessment should not be made.

22.04.2 The City Representative shall schedule a meeting between CONTRACTOR and the City Manager or the Manager’s designee as soon as reasonably possible after timely receipt of CONTRACTOR’s request.

22.04.3 The Manager or the Manager’s designee shall review CONTRACTOR’s evidence and render a decision sustaining or reversing the liquidated damages as soon as reasonably possible after the meeting. Written notice of the decision shall be provided to CONTRACTOR.

22.04.4 In the event CONTRACTOR does not submit a written request for a meeting within ten (10) calendar days of the date of the Notice of Assessment, the City Representative's determination shall be final and CONTRACTOR shall submit payment to CITY no later than that tenth (10th) day. Or at the sole option of CITY, if monies are owed to CONTRACTOR, CITY may deduct the liquidated damages from amounts otherwise due to CONTRACTOR.

22.04.5 CITY's assessment or collection of liquidated damages shall not prevent CITY from exercising any other right or remedy, including the right to terminate this Agreement, for CONTRACTOR's failure to perform the work and services in the manner set forth in this Agreement.

ARTICLE 23. Performance Bond

23.01. Performance Bond. Within ten (10) calendar days from the date of the execution of this Agreement, the CONTRACTOR shall furnish to the CITY, and keep current, a performance bond in a form as set forth in Exhibit 4 which is included in and attached to this Agreement, for the faithful performance of this Agreement and all obligations arising hereunder in an amount of one million dollars (\$1,000,000).

23.01.1 The performance bond shall be executed by a surety company licensed to do business in the State of California; having an "A-" or better rating by A. M. Best or Standard and Poors; and included on the list of surety companies approved by the Treasurer of the United States.

23.02. Letter of Credit. As an alternative to the performance bond required by this Section 23.01, at CITY's option, CONTRACTOR may deposit with CITY an irrevocable letter of credit in an amount as set forth in Section 23.01. If allowed, the letter of credit must be issued by an FDIC insured banking institution chartered to business in the state of California, in the CITY's name, and be callable at the discretion of the CITY. Nothing in this Section shall, in any way, obligate the CITY to accept a letter of credit in lieu of the performance bond.

ARTICLE 24. Insurance

24.01. Insurance Policies. CONTRACTOR shall secure and maintain throughout the term of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with CONTRACTOR's performance of work or services under this Agreement. CONTRACTOR's performance of work or services shall include performance by CONTRACTOR's employees, agents, representatives and subcontractors.

24.01.1 Minimum Scope of Insurance. Insurance coverage shall be at least this broad:

24.01.1.1 Insurance Services Office Form No. GL 0002 (Ed. 1/96) or, if approved by CITY, its equivalent, covering Comprehensive General Liability and Insurance Services Office Form No. GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 0001), including X, C, U where applicable.

24.01.1.2 Insurance Services Office Form No. CA 0001 (Ed. 12/93) covering Automobile Liability, code 1 "any auto", or code 2 "owned autos" and endorsement CA 0025. Coverage shall also include code 8, "hired autos" and code 9 "non-owned autos".

24.01.2 Workers' Compensation insurance as required by the California Labor Code and Employers Liability Insurance.

24.01.3 Hazardous Waste and Environmental Impairment Liability Insurance.

24.02. Minimum Limits of Insurance. CONTRACTOR shall maintain insurance limits no less than:

24.02.1 Comprehensive General Liability: \$3,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement or the general aggregate limit shall be \$5,000,000.

24.02.2 Automobile Liability: \$3,000,000 combined single limit per accident for bodily injury and property damage.

24.02.3 Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the California Labor Code and Employers Liability limits of \$3,000,000 per accident.

24.02.4 Hazardous Waste and Environmental Impairment Liability: \$3,000,000 per occurrence.

24.03. Deductibles and Self-Insured Retention. Any deductibles or self-insured retention must be declared to, and approved by, CITY's Risk Manager.

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

24.04.1 General Liability: and Automobile Liability Coverage.

24.04.1.1 The CITY, its officers, employees, agents and contractors are to be covered as additional insureds as respects: liability arising out of activities performed by, or on behalf of, CONTRACTOR; products and completed operations of CONTRACTOR; premises owned, leased or used by CONTRACTOR; and automobiles owned, leased, hired or borrowed by CONTRACTOR. The coverage shall contain no special limitations on the scope of protection afforded to CITY, its officers, employees, agents and contractors.

24.04.1.2 CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officers, employees, agents and contractors. Any insurance, or self-insurance maintained by CITY, its officers, employees, agents or contractors shall be in excess of CONTRACTOR's insurance and shall not contribute with it.

24.04.1.3 Any failure to comply with reporting provisions of the policies shall not affect CONTRACTOR's obligations to CITY, its officers, employees, agents, or contractors.

24.04.1.4 Coverage shall state that 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.

24.04.2 All Coverage. Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in limits except after thirty (30) calendar days prior written notice has been given to CITY.

24.05. Acceptability of Insurers. Insurance is to be placed with insurers acceptable to CITY's Risk Manager.

24.06. Verification of Coverage. CONTRACTOR shall furnish CITY with certificates of insurance and with copies of endorsements affecting coverage required by this Agreement. The certificates and endorsement for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. CONTRACTOR shall furnish CITY with a new certificate of insurance and endorsements on each renewal of coverage or change of insurers.

24.06.1 Proof of insurance shall be mailed to the following address or any subsequent address as may be directed in writing by the CITY's Risk Manager:

CITY OF DUBLIN
Risk Management
100 Civic Plaza
Dublin, CA 94568

24.07. Subcontractors. CONTRACTOR shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor.

24.08. Modification of Insurance Requirements. The insurance requirements provided in this Agreement may be modified or waived by CITY's Risk Manager, in writing, upon the request of CONTRACTOR if the CITY's Risk Manager determines such modification or waiver is in the best interest of CITY considering all relevant factors, including exposure to CITY.

24.09. Rights of Subrogation. All required insurance policies shall preclude any underwriter's rights of recovery or subrogation against CITY with the express intention of the parties being that the required insurance coverage protects both parties as the primary coverage for any and all losses covered by the above-described insurance. CONTRACTOR shall ensure that any companies issuing insurance to cover the requirements contained in this Agreement agree that they shall have no recourse against CITY for payment or assessments in any form on any policy of insurance. The clauses 'Other Insurance Provisions' and 'Insured Duties in the Event of an Occurrence, Claim or Suit' as it appears in any policy of insurance in which CITY is named as an additional insured shall not apply to CITY.

ARTICLE 25. Indemnification

25.01. Indemnification. CONTRACTOR shall indemnify and hold harmless CITY, CITY's contractors, and the public officials, officers, directors, employees, agents and other contractors of each of them, from and against any and all claims, costs, losses and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals as well as all Court or other dispute resolution costs), liabilities, expenditures or causes of action of any kind (including negligent, reckless, willful or intentional acts or omissions of the CONTRACTOR, any subcontractor, any supplier, any person or organization directly or indirectly employed by any of them to perform or furnish any services or anyone for whose acts any of them may be liable), arising from, relative to or caused by the performance of the services. This indemnity includes but is not limited to claims attributable to bodily injury, personal injury, sickness, disease or death and to injury or destruction of property. CONTRACTOR agrees, at CONTRACTOR's expense, after written notice from the CITY, to defend any action against the CITY that falls within the scope of this indemnity, or the CITY, at the CITY's option, may elect not to tender such defense and may elect instead to secure its own attorneys to defend any such action and the reasonable costs and expenses of such attorneys incurred in defending such action shall be payable by CONTRACTOR. Additionally, if CONTRACTOR, after receipt of written notice from the CITY, fails to make any payment due under this Agreement to the CITY, CONTRACTOR shall pay any reasonable attorneys' fees or costs incurred by the CITY in securing any such payment from CONTRACTOR. Payment of any amount due pursuant to the foregoing indemnity shall, after receipt of written notice by CONTRACTOR from the CITY that such amount is due, be made by CONTRACTOR prior to the CITY being required to pay same, or in the alternative, the CITY, at the CITY's option, may make payment of an amount so due and CONTRACTOR shall promptly reimburse the CITY for same, together with interest thereon at the rate of 12% per annum simple interest from the date of receipt by CONTRACTOR of written notice from the CITY that such payment is due.

25.02. Subject to Public Resources Code Section 40059.1, CONTRACTOR agrees to protect and defend CITY with counsel selected by CONTRACTOR and approved by CITY, to pay all attorneys' fees, and to indemnify and hold CITY harmless from and against all fines or penalties imposed by the California Integrated Waste Management Board if the diversion goals specified in California Public Resources Code Section 41780 as of the date hereof and hereafter throughout are not met by the CITY with respect to the Materials Collected by CONTRACTOR and if the lack in meeting such goals are attributable to the failure of the CONTRACTOR to implement and operate the recycling or diversion programs or undertake the related activities required by this Agreement.

25.03. Consideration. It is specifically understood and agreed that the consideration inuring to the CONTRACTOR for the execution of this Agreement consists of the promises, payments, covenants, rights and responsibilities contained in this Agreement.

25.04. Obligation. The execution of this Agreement by the CONTRACTOR shall obligate the CONTRACTOR to comply with the foregoing indemnification provision; however, the collateral obligation of providing insurance must also be complied with as set forth in Article 24 above.

25.05. Subcontractors. CONTRACTOR shall require all subcontractors that control, are controlled by or are under common control with CONTRACTOR to enter into an agreement containing the provisions set forth in the preceding subsection in which agreement the subcontractor fully indemnifies the CITY in accordance with this Agreement.

25.06. Exception. Notwithstanding Sections 25.01, 25.02 and 25.03, CONTRACTOR's obligation to indemnify, hold harmless and defend CITY, its officers and employees shall not extend to any loss, liability, penalty, plain, damage, action or suit arising or resulting from acts or omissions constituting willful misconduct or sole negligence on the part of the CITY its officers or employees.

25.07. Damage by CONTRACTOR. If CONTRACTOR's employees or subcontractors cause any injury, damage or loss to CITY property, including but not limited to CITY streets or curbs. CONTRACTOR shall reimburse CITY for CITY's cost of repairing such injury, damage or loss. Such reimbursement is not in derogation of any right of CITY to be indemnified by CONTRACTOR for any such injury, damage or loss. With the prior written approval of CITY, CONTRACTOR may repair the damage at CONTRACTOR's sole cost and expense.

ARTICLE 26. Default of Contract

26.01. Termination. The CITY may cancel this Agreement, except as otherwise provided below in this Section, by giving the CONTRACTOR thirty (30) calendar days advance written notice, to be served as provided in Article 42, upon the happening of any one of the following events:

26.01.1 The CONTRACTOR shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy (court) or a petition or answer seeking an arrangement for its reorganization or the readjustment of its indebtedness under the Federal bankruptcy laws or under any other law or statute of the United States or any state thereof, or consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

26.01.2 By order or decree of a Court, the CONTRACTOR shall be adjudged bankrupt or an order shall be made approving a petition filed by any of its creditors or by any of the stockholders of the CONTRACTOR, seeking its reorganization or the readjustment of its indebtedness under the Federal bankruptcy laws or under any law or statute of the United States or of any state thereof, provided that if any such judgment or order is stayed or vacated within sixty (60) calendar days after the entry thereof, any notice of default shall be and become null, void and of no effect unless such stayed judgment or order is reinstated in which case, said default shall be deemed immediate; or

26.01.2.1 By, or pursuant to, or under the authority of any legislative act, resolution or rule or any order or decree of any Court or governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator shall take possession or control of all or substantially all of the property of the CONTRACTOR, and such possession or control shall continue in effect for a period of sixty (60) calendar days; or

26.01.3 The CONTRACTOR has defaulted, by failing or refusing to pay in a timely manner the liquidated damages or other monies due the CITY and said default is not cured within thirty (30) calendar days of receipt of written notice by CITY to do so; or

26.01.4 The CONTRACTOR has defaulted by allowing any final judgment for the payment of money to stand against it unsatisfied and said default is not cured within thirty (30) calendar days of receipt of written notice by CITY to do so; or

26.01.5 In the event that the monies due the CITY under Section 26.01.3 above or an unsatisfied final judgment under Section 26.01.4 above is the subject of a judicial proceeding, the CONTRACTOR shall not be in default if the sum of money is bonded. All bonds shall be in the form acceptable to the CITY Attorney; or

26.01.6 The CONTRACTOR has defaulted, by failing or refusing to perform or observe the terms, conditions or covenants in this Agreement, including satisfactory conformance with the service levels prescribed herein, or any of the rules and regulations promulgated by the CITY pursuant thereto or has wrongfully failed or refused to comply with the instructions of the City Representative relative thereto; provided that said default is not cured within thirty (30) calendar days of receipt of written notice by the CITY to do so, or if by reason of the nature of such default, the same cannot be remedied within thirty (30) calendar days following receipt by the CONTRACTOR of written demand from the CITY to do so, the CONTRACTOR fails to commence the remedy of such default within said thirty (30) calendar days following such written notice or having so commenced shall fail thereafter to continue with diligence the curing thereof. In any dispute concerning failure to remedy or diligence in pursuing a cure, the CONTRACTOR shall have the burden of proof to demonstrate (a) that the default cannot be cured within thirty (30) calendar days, and (b) that it is proceeding with diligence to cure said default, and such default will be cured within a reasonable period of time. However, notwithstanding anything contained herein to the contrary, for the failure of the CONTRACTOR to provide Collection Services for a period of three (3) consecutive Work Days, on the fourth (4th) Work Day the CITY may secure the CONTRACTOR's land, equipment, records and other property used or useful in providing Collection Services under this Agreement in order to provide interim Collection Services until such time as the matter is resolved and the CONTRACTOR is again able to perform pursuant to this Agreement: provided, however, if the CONTRACTOR is unable for any reason or cause to resume performance at the end of thirty (30) calendar days all liability of the CITY under this Agreement to the CONTRACTOR shall cease and this Agreement may be deemed terminated by the CITY.

26.02. Violations. Notwithstanding the foregoing and as supplemental and additional means of termination of this Agreement under this Article, in the event that the CONTRACTOR's record of performance show that the CONTRACTOR has frequently, regularly or repetitively defaulted in the performance of any of the covenants and conditions required herein to be kept and performed by the CONTRACTOR, in the opinion of the CITY and regardless of whether the CONTRACTOR has corrected each individual condition of default, the CONTRACTOR shall be deemed a "habitual violator", shall be deemed to have waived the right to any further notice or grace period to correct, and all of said defaults shall be considered cumulative and collectively shall constitute a condition of irredeemable default. The CITY shall thereupon issue the CONTRACTOR a final warning citing the circumstances therefore, and any

single default by the CONTRACTOR of whatever nature, subsequent to the occurrence of the last of said cumulative defaults, shall be grounds for immediate termination of the Agreement. A history of liquidated damages imposed pursuant to Article 22 may be used as a basis for deeming the CONTRACTOR to be a habitual violator; however, any failure to have imposed liquidated damages where applicable shall not prevent use of the CONTRACTOR's underlying failures from consideration for determining a habitual violator. In the event of any such subsequent default, the CITY may terminate this Agreement upon giving of written final notice to the CONTRACTOR, such cancellation to be effective upon the date specified in the CITY's written notice to the CONTRACTOR, and all contractual fees due hereunder plus any and all charges and interest shall be payable to said date, and the CONTRACTOR shall have no further rights hereunder. Immediately upon the specified date in such final notice the CONTRACTOR shall proceed to cease any further performance under this Agreement.

26.03. Effective Date. In the event of the aforesaid events specified above, and except as otherwise provided in said subsections, termination shall be effective upon the date specified in the CITY's written notice to the CONTRACTOR and upon said date this Agreement shall be deemed immediately terminated and upon such termination all liability of the CITY under this Agreement to the CONTRACTOR shall cease, and the CITY shall have the right to call the performance bond and shall be free to negotiate with other contractors for the operation of the herein specified services. The CONTRACTOR for failure to perform shall reimburse the CITY all direct and indirect costs of providing interim Collection Services.

26.04. Immediate Termination. CITY may terminate this Agreement immediately upon written notice to CONTRACTOR in the event CONTRACTOR fails to provide and maintain the performance bond as required by this Agreement, CONTRACTOR fails to obtain or maintain insurance policies endorsements as required by this Agreement, CONTRACTOR fails to provide the proof of insurance as required by this Agreement, or CONTRACTOR offers or gives any gift prohibited by CITY administrative policy.

26.05. Termination Cumulative. CITY's right to terminate this Agreement is cumulative to any other rights and remedies provided by law or by this Agreement.

26.06. Excuse From Performance.

26.06.1 The parties shall be excused from performing their respective obligations hereunder in the event they are prevented from so performing by reason of Uncontrollable Circumstances. 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 Collection Services due to the unwillingness or failure of the third party to provide reasonable assurance of the safety of CONTRACTOR's employees while providing Collection Services or to 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 and provided further that the foregoing excuse shall be conditioned on CONTRACTOR's cooperation in making Collection at different times and in different locations.

26.06.2 The party claiming excuse from performance shall, within a reasonable period of time under the circumstances but no later than 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.

26.06.3 In the event that either party validly exercises its rights under this Section, the other party hereby waives any claim against the exercising party for any damages sustained thereby, including, without limitation, liquidated damages.

26.06.4 The partial or complete interruption or discontinuance of CONTRACTOR's services caused by one or more of the Uncontrollable Circumstances described in this Article shall not constitute a default by CONTRACTOR under this Agreement. Notwithstanding the foregoing, however, (1) the existence of an excuse from performance will not affect CITY's right to perform Collection Services under Section 26.01.6; and (2) if CONTRACTOR is excused from performing its obligations hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more, other than as the result of third party labor disputes where service cannot be provided for reasons described earlier in this Section, CITY shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) calendar days' notice, in which case the provisions of Article 26 shall apply.

ARTICLE 27. Modifications to the Agreement

27.01. Agreement Modifications and Changes in Law. The CITY and the CONTRACTOR understand and agree that the California Legislature has the authority to make comprehensive changes in Solid Waste Management legislation and that these and other changes in law in the future which mandate certain actions or programs for counties or municipalities may require changes or modifications in some of the terms, conditions or obligations under this Agreement. The CITY and CONTRACTOR acknowledge that, as of the date of this Agreement, legislation (including, but not limited to, SB 1383) has been enacted into law and that upon its implementation by regulatory agencies will have a significant impact on the manner in which Collection Services are provided. The CITY and CONTRACTOR agree that, as the appropriate regulatory bodies continue to develop final rules and regulations implementing such legislation, the CITY and CONTRACTOR will meet and confer as requested by CONTRACTOR or the CITY Contract Manager or their designees to discuss how such rules and regulations may impact the services provided and CONTRACTOR's costs under this Agreement. Prior to such meet and confer period, CONTRACTOR agrees to minimize actions (such as replacement of Collection vehicles) that may be affected by such rules and regulations.

The CONTRACTOR agrees that the terms and provisions of the City of Dublin Municipal Code, as it now exists or as it may be amended in the future, shall apply to all of the provisions of this Agreement and the Service Recipients of the CONTRACTOR located within the Service Area. In the event any future change in any law or regulation applicable to this Agreement (including, without limitation, pursuant to the preceding paragraph), modifications to the Municipal Code, or directed changes by the CITY materially alters the obligations of the CONTRACTOR, then the affected compensation as established under this Agreement shall be adjusted. Nothing contained in this Agreement shall require any party to perform any act or function contrary to law. The CITY and CONTRACTOR agree to enter into good faith

negotiations regarding modifications to this Agreement which may be required in order to implement changes in the interest of the public welfare or due to change in law. When such modifications are made to this Agreement, the CITY and the CONTRACTOR shall negotiate in good faith, a reasonable and appropriate compensation adjustment for any increase or decrease in the services or other obligations required of the CONTRACTOR due to any modification in this Agreement under this Article. The CITY and the CONTRACTOR shall not unreasonably withhold agreement to such compensation adjustment.

27.02. City-Directed Changes. CITY may direct CONTRACTOR to perform additional services (including new diversion programs, additional public education activities, etc.), eliminate programs, or modify the manner in which it performs existing services. Changes in the minimum diversion requirement set forth in Article 6 of this Agreement, direction of Residential Waste, Commercial Waste, City Waste or Recyclable Materials to a disposal or processing other than that selected by the CONTRACTOR, pilot programs and innovative services, which may entail new Collection methods, targeted routing, different kinds of services, different types of Collection vehicles, and/or new requirements for Service Recipients are included among the kinds of changes which CITY may direct. CONTRACTOR shall be entitled to an adjustment in its compensation for providing such additional or modified services but not for the preparation of its proposal to perform such services.

27.03. Service Proposal. Within thirty (30) calendar days of receipt of a request for a service change from the CITY, CONTRACTOR shall submit a proposal to provide such service. At a minimum, the proposal shall contain a complete description of the following:

27.03.1 Collection methodology to be employed (equipment, manpower, etc.).

27.03.2 Equipment to be utilized (vehicle number, types, capacity, age, etc.).

27.03.3 Labor requirements (number of employees by classification).

27.03.4 Type of carts or bins to be utilized.

27.03.5 Provision for program publicity, education, and marketing.

27.03.6 Five (5) year projection of the financial results of the program's operations in an 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.

27.04. CONTRACTOR acknowledges and agrees that CITY may permit other contractors or companies besides CONTRACTOR to provide additional Collection Services and such other services not otherwise contemplated if CONTRACTOR and CITY cannot agree on terms and conditions, including compensation adjustments, of such services in one hundred twenty (120) calendar days from the date when CITY first requests a proposal from CONTRACTOR to perform such services.

27.05. Monitoring and Evaluation. If the CITY requests, the CONTRACTOR shall meet with the CITY to describe the progress of each new program and other service issues. If

applicable, CONTRACTOR shall document the results of the new programs on a monthly basis, including at a minimum the tonnage diverted by material type, the end use or processor of the diverted materials and the cost per Ton for transporting and processing each type of material and other such information requested by the CONTRACTOR and/or CITY necessary to evaluate the performance of each program.

27.05.1 At each meeting, the CITY and CONTRACTOR shall have the opportunity to discuss revisions to the program. The CITY shall have the right to terminate a program if, in its sole discretion, the CONTRACTOR is not cost effectively achieving the program's goals and objectives. Prior to such termination, the CITY shall meet and confer with the CONTRACTOR for a period of up to ninety (90) calendar days to resolve the CITY's concerns. Thereafter, the CITY may utilize a third party to perform these services if the CITY reasonably believes the third party can improve on CONTRACTOR's performance and/or cost. Notwithstanding these changes, CONTRACTOR shall continue the program during the ninety (90) day period and, thereafter, until the third party takes over the program.

27.06. Agreement Performance Review. The CITY may conduct, and CONTRACTOR shall cooperate with, one or more performance reviews at any point during the Term of this Agreement to verify CONTRACTOR has fulfilled operational obligations under this Agreement. The purpose of such review shall be, without limitation, to determine if CONTRACTOR has met the performance standards described in this Agreement. CITY may choose to enlist professional service providers that are reasonably acceptable to CONTRACTOR to perform such reviews, and CONTRACTOR shall be required to pay CITY's actual costs for such services up to fifty thousand dollars (\$50,000) per performance review, which shall be a pass-through cost included in the Collection Service Rates in the subsequent Agreement Year. CONTRACTOR shall cooperate with the CITY and its agents during the review process. If any noncompliance with the Agreement is found, the CITY may direct the CONTRACTOR to correct the inadequacies. Performance and service quality review hearings may be scheduled by the CITY at its discretion throughout the Term of this Agreement.

27.07. Agreement Compensation Review. Once every three (3) years, the CONTRACTOR may request that CITY, or CITY may on its own initiative, conduct a compensation review to verify CONTRACTOR's compensation is and will be consistent with an operating ratio not greater than 90%. CONTRACTOR shall fully cooperate with CITY's review. The purpose of such review shall be, without limitation, to review all of CONTRACTOR's actual costs and revenues, excluding any costs contained in the Recyclable Materials Diversion Compensation Element and in the Organic Waste Diversion Compensation Element, and compare them to the compensation received over the same time period. CITY may choose to enlist professional service providers that are reasonably acceptable to CONTRACTOR to perform such reviews, and CONTRACTOR shall be required to pay CITY's actual costs for such services up to fifty thousand dollars (\$50,000) per review, which shall be a pass-through cost through the Collection Service Rates. CONTRACTOR shall cooperate with the CITY and its agents during the review process. The review shall be used to adjust the estimated costs that are used to calculate Rates in the next rate setting, and the next rate setting shall include an adjustment by an amount necessary to ensure that CONTRACTOR's compensation was and is consistent with an operating ratio not greater than 90%. The Parties acknowledge that the review may result in an increase or decrease in Rates to reflect actual costs and revenues. A new Exhibit

that describes the methodology for performing such review and is mutually agreeable to CITY and CONTRACTOR will be added to the Agreement within one hundred and eighty (180) days after the effective date of this Agreement.

ARTICLE 28. Legal Representation

28.01. Acknowledgement. It is acknowledged that each party was, or had the opportunity to be, represented by counsel in the preparation of and contributed equally to the terms and conditions of this Agreement and, accordingly, the rule that a contract or Agreement shall be interpreted strictly against the party preparing the same shall not apply herein due to the joint contributions of both parties.

ARTICLE 29. Financial Interest

29.01. Representation. CONTRACTOR warrants and represents that no elected official, officer, agent or employee of the CITY has a financial interest, directly or indirectly, in this Agreement the compensation to be paid under it and, further, that no CITY employee who acts in the CITY as a “purchasing agent” as defined in the appropriate Section of California statutes, nor any elected or appointed officer of the CITY, nor any spouse or child of such purchasing agent, employee or elected or appointed officer, is a partner, officer, director or proprietor of the CONTRACTOR and, further, that no such CITY employee, purchasing agent, CITY elected or appointed officer, or the spouse or child of any of them, alone or in combination, has a material interest in the CONTRACTOR. Material interest means direct or indirect ownership of more than five percent (5%) of the total assets or capital stock of the CONTRACTOR.

ARTICLE 30. Contractor's Personnel

30.01. Personnel Requirements. The CONTRACTOR shall employ and assign qualified personnel to perform all services set forth herein. The CONTRACTOR shall be responsible for ensuring that its employees comply with all applicable laws and regulations and meet all federal, state and local requirements related to their employment and position.

30.01.1 The CITY may request the transfer of any employee of the CONTRACTOR who materially violates any provision hereof, or who is wanton, negligent, or discourteous in the performance of his duties.

30.01.2 CONTRACTOR's field operations personnel shall be required to wear a clean uniform shirt bearing the CONTRACTOR's name. CONTRACTOR's employees, who normally come into direct contact with the public, including drivers, shall bear some means of individual photographic identification such as a name tag or identification card.

30.01.3 Each driver of a Collection vehicle shall at all times carry a valid California driver's license and all other required licenses for the type of vehicle that is being operated.

30.01.4 Each driver of a Collection vehicle shall at all times comply with all applicable state and federal laws, regulations and requirements.

30.01.5 CONTRACTOR's employees, officers, and agents shall at no time be allowed to identify themselves or in any way represent themselves as being employees of the CITY.

30.01.6 The CONTRACTOR's name and the Customer Service telephone number shall be properly displayed on all Collection vehicles.

ARTICLE 31. Exempt Waste

31.01. The CONTRACTOR shall not be required to Collect or dispose of Exempt Waste, but may offer such services. All such Collection and disposal of Exempt Waste is not regulated under this Agreement, but if provided by the CONTRACTOR shall be in strict compliance with all federal, state and local laws and regulations.

ARTICLE 32. Independent Contractor

32.01. In the performance of services pursuant to this Agreement, CONTRACTOR shall be an independent contractor and not an officer, agent, servant or employee of CITY. CONTRACTOR shall have exclusive control of the details of the services and work performed and over all persons performing such services and work. CONTRACTOR shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. Neither CONTRACTOR nor its officers, employees, agents, contractors or subcontractors shall obtain any right to retirement benefits, Workers Compensation benefits, or any other benefits which accrued to CITY employees and CONTRACTOR expressly waives any claim it may have or acquire to such benefits.

ARTICLE 33. Laws to Govern

33.01. The law of the State of California shall govern the rights, obligations, duties and liabilities of CITY and CONTRACTOR under this Agreement and shall govern the interpretation of this Agreement.

ARTICLE 34. Consent to Jurisdiction

34.01. The parties agree that any litigation between CITY and CONTRACTOR concerning or arising out of this Agreement shall be filed and maintained exclusively in the Municipal or Superior Courts of Alameda County, State of California, or in the United States District Court for the Northern District of California to the fullest extent permissible by law. Each party consents to service of process in any manner authorized by California law.

ARTICLE 35. Assignment

35.01. No assignment of this Agreement or any right occurring under this Agreement shall be made in whole or in part by the CONTRACTOR without the express written consent of the CITY. The CITY shall have full discretion to approve or deny, with or without cause, any proposed or actual assignment by the CONTRACTOR. Any assignment of this Agreement made by the CONTRACTOR without the express written consent of the CITY shall be null and void and shall be grounds for the CITY to declare a default of this Agreement and immediately

terminate this Agreement by giving written notice to the CONTRACTOR, and upon the date of such notice this Agreement shall be deemed immediately terminated, and upon such termination all liability of the CITY under this Agreement to the CONTRACTOR shall cease, and the CITY shall have the right to call the performance bond and shall be free to negotiate with other contractors, the CONTRACTOR, or any other person or company for the service which is the subject of this Agreement. In the event of any assignment, the assignee shall fully assume all the liabilities of the CONTRACTOR.

35.02. The use of a subcontractor to perform services under this Agreement shall not constitute delegation of CONTRACTOR's duties provided that CONTRACTOR has received prior written authorization from the City Representative to subcontract such services and the City Representative has approved a subcontractor who will perform such services. CONTRACTOR shall be responsible for directing the work of CONTRACTOR's subcontractors and any compensation due or payable to CONTRACTOR's subcontractor shall be the sole responsibility of CONTRACTOR. The City Representative shall have the right to require the removal of any approved subcontractor for reasonable cause. The subcontractors listed in Exhibit 5, which is attached to and incorporated in this Agreement, are hereby approved by the CITY.

35.03. For purposes of this Article when used in reference to CONTRACTOR, "assignment" shall include, but not be limited to (i) a sale, exchange or other transfer of at least fifty-one percent (51%) of CONTRACTOR's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange or other transfer of outstanding common stock of CONTRACTOR to a third party provided said sale, exchange or transfer results in a change of control of CONTRACTOR (with control being defined as ownership of more than fifty percent (50%) of CONTRACTOR's voting securities); (iii) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation, subcontracting or lease-back payments, or other transaction which results in a change of control of CONTRACTOR; (iv) any assignment by operation of law, including insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of CONTRACTOR's property, or transfer occurring in the event of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of control of CONTRACTOR.

35.03.1 Notwithstanding the foregoing, "assignment" shall not include a sale, exchange or other transfer of outstanding voting securities of CONTRACTOR to other Members in CONTRACTOR, or from an existing Member to his or her family members or trusts of which his or her family members are the beneficiaries.

35.04. CONTRACTOR acknowledges that this Agreement involves rendering a vital service to CITY's residents and businesses, and that CITY has selected CONTRACTOR to perform the services specified herein based on (i) Contractor's experience, skill and reputation for conducting its Solid Waste management operations in a safe, effective and responsible fashion, at all times in keeping with applicable environmental laws, regulations and best Solid Waste management practices, and (ii) CONTRACTOR's financial resources to maintain the required equipment and to support its indemnity obligations to CITY under this Agreement.

CITY has relied on each of these factors, among others, in choosing CONTRACTOR to perform the services to be rendered by CONTRACTOR under this Agreement.

ARTICLE 36. Compliance with Laws

36.01. In the performance of this Agreement, CONTRACTOR shall comply with all applicable laws, regulations, ordinances and codes of the federal, state and local governments, including without limitation the Municipal Code of the City of Dublin.

36.02. CITY shall provide written notice to CONTRACTOR of any planned amendment to Chapter 5.32 of the Dublin Municipal Code that would substantially affect the performance of CONTRACTOR's services pursuant to this Agreement. Such notice shall be provided at least thirty (30) calendar days prior to the City Council's approval of such an amendment.

ARTICLE 37. Permits and Licenses

37.01. CONTRACTOR shall obtain, at its own expense, all permits and licenses required by law or ordinance and maintain same in full force and effect throughout the term of this Agreement. CONTRACTOR shall provide proof of such permits, licenses or approvals and shall demonstrate compliance with the terms and conditions of such permits, licenses and approvals upon the request of the City Representative.

ARTICLE 38. Ownership of Written Materials

38.01. All reports, documents, brochures, public education materials, and other written, printed, electronic or photographic materials developed by CITY or CONTRACTOR in connection with the services to be performed under this Agreement, whether developed directly or indirectly by CITY or CONTRACTOR shall be and shall remain the property of CITY without limitation or restrictions on the use of such materials by CITY. CONTRACTOR shall not use such materials in connection with any project not connected with this Agreement without the prior written consent of the City Representative. This Article 38 does not apply to ideas or concepts described in such materials and does not apply to the format of such materials.

ARTICLE 39. Waiver

39.01. Waiver by CITY or CONTRACTOR of any breach for violation of any term covenant or condition of this Agreement shall not be deemed to be a waiver of any other term, covenant or condition or any subsequent breach or violation of the same or of any other term, covenant or condition. The subsequent acceptance by CITY of any fee, tax, or any other monies which may become due from CONTRACTOR to CITY shall not be deemed to be a waiver by CITY of any breach for violation of any term, covenant or condition of this Agreement.

ARTICLE 40. Prohibition Against Gifts

40.01. CONTRACTOR represents that CONTRACTOR is familiar with CITY's prohibition against the acceptance of any gift by a CITY officer or designated employee.

CONTRACTOR shall not offer any CITY officer or designated employee any gifts prohibited by the CITY.

ARTICLE 41. Point of Contact

41.01. The day-to-day dealings between the CONTRACTOR and the CITY shall be between the CONTRACTOR and the City Representative.

ARTICLE 42. Notices

42.01. Except as provided herein, whenever either party desires to give notice to the other, it must be given by written notice by personal delivery, U.S. mail or nationally-recognized courier addressed to the party for whom it is intended, at the place last specified and to the place for giving of notice in compliance with the provisions of this paragraph. For the present, the parties designate the following as the respective persons and places for giving of notice:

As to the CITY:

Linda Smith
City Manager
City of Dublin
100 Civic Plaza
Dublin, CA 94568
Telephone: (925) 833-6650
Fax: (925) 833-6651
E-Mail: linda.smith@dublin.ca.gov

As to the CONTRACTOR:

Robert J. Molinaro
President
Amador Valley Industries, LLC.
P.O. Box 1048
Pleasanton, CA 94566
Telephone: (925) 846-4062
Fax: (925) 846-8058
E-Mail: Debbie@pleasantongarbageservice.com

42.02. Notices shall be effective when received at the address as specified above. Changes in the respective contact name, title or address to which such notice is to be directed may be made by written notice. Facsimile or electronic mail transmission is acceptable notice, effective when received, however, facsimile or electronic mail transmissions received (i.e., printed or sent) after 4:30 p.m. or on weekends or holidays, will be deemed received on the next business day. The original of items that are transmitted by facsimile or electronic mail must also be sent by personal delivery, U.S. mail or nationally-recognized courier as required herein.

42.03. Notice by CITY to CONTRACTOR of a Collection or other Service Recipient problem or complaint may be given to CONTRACTOR orally by telephone at

CONTRACTOR's local office with confirmation sent as required above by the end of the Work Day.

ARTICLE 43. Transition to Next Contractor

43.01. In the event CONTRACTOR is not awarded an Agreement to continue to provide Collection Services following the expiration or early termination of this Agreement, CONTRACTOR shall cooperate fully with CITY and any subsequent contractors to assure a smooth transition of services described in this Agreement. Such cooperation shall include but not be limited to transfer of computer data, files and tapes; providing routing information, route maps, vehicle fleet information, and list of Service Recipients; providing a complete inventory of all carts and bins; providing adequate labor and equipment to complete performance of all Collection Services required under this Agreement; taking all actions necessary to transfer ownership of carts and bins, as appropriate, to CITY; including transporting such containers to a location designated by the City Representative; coordinating Collection of materials set out in new containers if new containers are provided for a subsequent Agreement and providing other reports and data required by this Agreement.

ARTICLE 44. Contractor's Records

44.01. CONTRACTOR shall maintain any and all letters, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to Service Recipients for a minimum period of five (5) years, or for any longer period required by law, from the date of final payment to CONTRACTOR pursuant to this Agreement.

44.02. CONTRACTOR shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of five (5) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

44.03. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Representative, the City Attorney, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such documents shall be provided to CITY for inspection at the CITY offices when it is practical to do so. Otherwise, unless an alternative site is mutually agreed upon, the records shall be available at CONTRACTOR's address indicated for receipt of notices in this Agreement.

44.04. Where CITY has reason to believe that such records or documents may be lost or discarded due to the dissolution, disbandment or termination of CONTRACTOR's business, CITY may, by written request or demand of any of the above named officers, require that custody of the records be given to CITY and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by CONTRACTOR, CONTRACTOR's representatives, or CONTRACTOR's successor-in-interest.

ARTICLE 45. Entire Agreement

45.01. This Agreement and the Exhibits attached hereto constitute the entire Agreement and understanding between the parties hereto, and it shall not be considered modified, altered, changed or amended in any respect unless in writing and signed by the parties hereto.

ARTICLE 46. Severability

46.01. If any provision of this Agreement or the application of it to any person or situation shall to any extent be held invalid or unenforceable, the remainder of this Agreement and the application of such provisions to persons or situations other than those as to which it shall have been held invalid or unenforceable, shall not be affected, shall continue in full force and effect, and shall be enforced to the fullest extent permitted by law.

ARTICLE 47. Right to Require Performance

47.01. The failure of the CITY at any time to require performance by the CONTRACTOR of any provision hereof shall in no way affect the right of the CITY thereafter to enforce same. Nor shall waiver by the CITY of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of any provision itself.

ARTICLE 48. All Prior Agreements Superseded, Intent to Restate Agreement

48.01. This document incorporates and includes all prior negotiations, correspondence, conversations, agreements, contracts and understandings applicable to the matters contained in this Agreement and the parties agree that there are no commitments, agreements, contracts or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, it is agreed that no deviation from the terms of this Agreement shall be predicated upon any prior representations, agreements or contracts, whether oral or written.

48.02. It is the parties' intent to restate the Collection Service Agreement in the form that it was following the June 16, 2020 Sixth Amendment. It is possible that during the process of preparing the restatement the drafters made unidentified errors that do not reflect text of the Collection Service Agreement as of the Sixth Amendment. Therefore, notwithstanding the foregoing Section 48.01, it is the parties' intent that to the extent that any such errors are later discovered, any portion of this Agreement (to the extent that it is part of the restatement) shall be read and interpreted to have the meaning set forth in the Collection Service Agreement as amended through the Sixth Amendment. To the extent necessary, the City Manager is hereby authorized to enter into amendments to this Agreement that correct such errors.

ARTICLE 49. Headings

49.01. Headings in this document are for convenience of reference only and are not to be considered in any interpretation of this Agreement.

ARTICLE 50. Exhibits

50.01. Each Exhibit referred to in this Agreement forms an essential part of this Agreement. Each such Exhibit is a part of this Agreement and each is incorporated by this reference.

ARTICLE 51. Effective Date

51.01. This Agreement shall become effective at such time as it is properly executed by the CITY and the CONTRACTOR and the CONTRACTOR shall begin Collection Services, as covered herein, as of July 1, 2005.

ARTICLE 52. C&D Debris Collection Services

52.01. C&D Debris Collection Services. These services will be governed by the following terms and conditions:

52.01.1 Conditions of Service. The CONTRACTOR shall provide C&D Debris Collection Service to all C&D Service Units in the Service Area whose C&D Debris is properly containerized in C&D Debris Boxes and where the C&D Debris Boxes are accessible as set forth in Section 52.01.3. CONTRACTOR shall provide C&D Debris Collection Service at the service rates set by the CITY under the terms of this Agreement. CONTRACTOR shall deliver and pick-up the C&D Debris Boxes at the direction of the Service Recipient. The C&D Debris Boxes shall be clean, free of graffiti and in good repair. The containers and/or bins must be clearly marked and identifiable as belonging to CONTRACTOR. Special consideration shall be given when determining the delivery and pickup area for the C&D Debris Boxes to ensure that the flow of traffic is not impeded and that it does not result in aesthetic degradation of an area. If the Service Recipient and CONTRACTOR cannot agree on a delivery and pick up area, the area shall be determined by the CITY. In addition, if, in the opinion of the CITY the delivery and pickup area is inappropriate, CITY may require the CONTRACTOR to relocate the containers and/or bins.

52.01.2 Frequency of Service. Each service shall be provided on an on-call basis. The size of the container and/or bin and the frequency of Collection shall be determined between the customer and the CONTRACTOR. However, size and frequency shall be sufficient to provide that no C&D Debris need be placed outside the container and/or bin on a regular basis.

52.01.3 Accessibility. CONTRACTOR shall collect all C&D Debris Boxes that are readily accessible to the CONTRACTOR's crew and vehicles and not blocked.

52.01.3.1 CONTRACTOR may notify the City Representative daily, either by Fax or e-mail, of all situations that prevent or hinder Collection from any C&D Service Unit.

52.01.4 Non-Collection. CONTRACTOR shall not be required to Collect any C&D Debris that is not placed in a C&D Debris Box unless such C&D Debris is outside the Debris Box as a result of overflow. In the event of non-collection, CONTRACTOR shall affix to the container and/or bin a Non-Collection Notice explaining why Collection was not made.

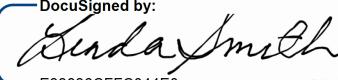
CONTRACTOR shall maintain copies of the Non-Collection Notice during the term of this Agreement.

52.01.5 Overflow. In the case of repeated overflows of C&D Debris, CONTRACTOR shall contact the C&D Service Unit management to arrange for an appropriate change in container and/or bin size, Collection frequency or both. In the event CONTRACTOR cannot successfully contact the C&D Service Unit management after three (3) attempts, or cannot reach an agreement with such management regarding the change in service, CONTRACTOR shall advise the City Representative, either by Fax or e-mail, of the details of the overages, and the attempts at communication with the C&D Service Unit management. The City Representative shall respond to CONTRACTOR's report and make a final written determination. Within five (5) Work Days of receipt of the City Representative's written determination, CONTRACTOR shall change the Collection Service in accordance with such written determination.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the CITY and the CONTRACTOR have executed this Agreement on the day and year first written above.

CITY OF DUBLIN
A Municipal Corporation

DocuSigned by:

E33836CEFC044E0...

LINDA SMITH
CITY MANAGER

CONTRACTOR
Amador Valley Industries, LLC



ROBERT J. MOLINARO
PRESIDENT
Amador Valley Industries, LLC

Attest:

DocuSigned by:

9BB70815D22F40A...

Marsha Moore, City Clerk

Approved as to Form:

DocuSigned by:

5ED7F38973DG484...

John Bakker, City Attorney

3537050.9

Exhibit 1
City of Dublin, CA
COMPENSATION AND RATES

CONTRACTOR Compensation	
	Agreement Year
	July 1, 2020 - June 30, 2021
Collection Compensation Element**	\$12,560,248
Collection Comp. Element - Officer Compensation*	\$840,000
Commercial Recycling Compensation Element	\$639,330
Com. Recycling Comp. Element Reduction Amount	-\$607,266
Disposal Compensation Element	\$1,379,947
Container Compensation Element	\$312,244
Recyclable Materials Diversion Compensation Element	\$1,272,002
Organic Waste Diversion Compensation Element	\$350,399
Vehicle and Administration Asset Element**	\$1,595,576
Fee Compensation Element	\$5,587,696
Total Costs	\$23,930,176

*Set amount not updated annually

** Fee includes operating ratio per Section 27.07

Exhibit 1 (Cont)
City of Dublin, CA
COMPENSATION AND RATES
EMERGENCY SERVICE RATES

EMERGENCY SERVICES RATES - EMPLOYEES			
Page 1 of 1 Pages			
Labor Position	Hourly Rate		Hourly Rate
	Monday - Saturday		Sunday
Operations Manager	\$	300.00	\$ 390.00
Route Supervisor	\$	300.00	\$ 390.00
Driver	\$	225.00	\$ 255.00
Recycling Coordinator	\$	225.00	\$ 255.00
Clerical	\$	105.00	\$ 105.00

EMERGENCY SERVICE RATES - EQUIPMENT		
Page 1 of 1 Pages		
Equipment Type	Make & Model	Hourly Rate
Vehicle	Roll Off	\$ 168.00
Vehicle	Rear Loader	\$ 228.00
Vehicle	Front End Loader	\$ 228.00
Vehicle	Automated Side Loader	\$ 228.00

Amended and Restated Collection Service Agreement

Exhibit 2

City of Dublin, CA

Compensation Adjustment RRI Financial Statement Format

Operating Costs

Labor: Series ID: Teamsters Union Local 70 Contract

List all administrative, officer, operation and maintenance salary accounts

List all pension, benefits, and workers compensation insurance expenses.

List payroll tax accounts directly related to the above salary accounts.

Vehicle Maintenance: Series ID: wpu11440378 Machinery & Equipment-Parts,

Attachments and Accessories

List all Collection and Collection related vehicle parts accounts.

All Other: Series ID: cuuss49bsa0 Consumer Price Index - All Urban Consumers, as published and maintained by the United States Bureau of Labor Statistics for San Francisco-Oakland-Hayward, CA (1982-84=100)

List all other expense accounts related to the services provided under this Agreement.

This category includes all insurance including general liability, fire, truck damage, and extended coverage but excluding workers compensation and employee group insurance; rent on property, truck licenses and permits; real and personal property taxes; telephone and other utilities; employee uniforms; safety equipment; general yard repairs and maintenance; office supplies; postage; trade association dues and subscriptions; advertising; and miscellaneous other expenses.

The annual compensation adjustment is calculated in accordance with the procedures set forth in Article 5 of the Collection Service Agreement. This exhibit is provided as an example of how the individual calculations are used to develop the overall compensation.

Step		Collection Compensation Element		
1		Calculate RRI Factor		
1a		Use "RRI Input" Module to input current year indices		
Indices				
Labor-Teamsters Union Local 70 Contract (Summation of monthly average perperson of salary + benefits + pension)		2019	2020	
Series ID: wpu11440378 Ind. Truck and Tractor MFG. -Parts for Industrial work trucks		11,236.42	11,500.00	
Series ID: CUUSS49BSA0 - CPI- All Urban Consumers - CUUSS49BSA0		276.90	282.00	
1b Model calculates % change in current and prior year indices				
Delta % Previous Year to Year				
Labor - Teamsters Union Local 70 Contract		2019	2020	
Series ID: wpu11440378 Ind. Truck and Tractor MFG. -Parts for Industrial work trucks		7.53%	2.35%	
Series ID: CUUSS49BSA0 - CPI- All Urban Consumers - CUUSS49BSA0		4.01%	1.84%	
1c Use "RRI Input" Module to input CONTRACTOR financial data				
Contractor Financial Data		Calendar Year		
Labor		2019	2020	
Vehicle Maintenance		\$ 4,738,408	\$ 4,800,000	
All Other		\$ 2,374,551	\$ 2,400,000	
		\$ 3,872,450	\$ 3,900,000	
		\$ 10,985,409	\$ 11,100,000	
1d Model calculates weighting factor for each category				
Contractor Weighting %				
Labor		2019	2020	
Vehicle Maintenance		43.13%	43.24%	
All Other		21.62%	21.62%	
Total		35.25%	35.14%	
1e Model multiplies index change (1b) by weighting factor (1d)				
RRI % (Limited to 10%)				
Labor - Teamsters Union Local 70 Contract		2019	2020	
Series ID: wpu11440378 Ind. Truck and Tractor MFG. -Parts for Industrial work trucks		3.25%	1.02%	
Series ID: CUUSS49BSA0 - CPI- All Urban Consumers - CUUSS49BSA0		0.87%	0.40%	
		1.17%	0.24%	
RRI Factor		5.29%	1.66%	
2 Calculate Annual Growth Factor				
Annual Growth %		Average Monthly Revenue		
		2019	2020	
Beginning Calculated Revenue		\$ 2,189,135	\$ 2,200,000	
Ending Calculated Revenue		\$ 2,215,739	\$ 2,215,739	
Annual Growth Factor		1.22%	0.72%	
3 Calculate Collection Compensation Element Adjustment (((Collection Compensation (-)\$840,000) x Annual Growth Factor) x RRI factor +840,000)				
		2019	2020	
AG Factors		1.22%	0.72%	
RRI Factors		5.29%	1.66%	
Total RRI & AG Factors		6.51%	2.38%	

4	Tipping Fee Factor	2.87% 2.37%
5	Calculate Annual Tonnage Factor	
	Calculated Tonnage %	2019 31,554
	Prior Calculated Tonnage	2020 32,662
	Current Calculated Tonnage	32,662 33,770
	Tonnage Factor	3.51% 3.39%
6	Calculate Disposal Compensation Element Adjustment ((Annual Tonnage Factor x Disposal Compensation) x Tip Fee Factor)	
		2019 2.87% 3.51%
	Tip Fee Factor	2020 2.37%
	Annual Tonnage Factor	3.39%
7	Commercial Recycling Compensation	
	Annual Commercial Tonnage Diverted	2019 3,162.94
	Prior Calculated Tonnage	2020 3,007.27
	Current Calculated Tonnage	3,007.27 3,100.00
	Tonnage Factor	-4.92% 3.08%
8	Calculate Commercial Recycling Element Adjustment ((Annual Tonnage Factor x Commercial Recycling Compensation) x RRI Factor (-) \$607,266)	
		2019 5.29% 0.00%
	RRI Factor	2020 1.66%
	Annual Tonnage Factor (Cannot be less than zero)	3.08%
9	Recyclable Materials Diversion Compensation Element	
		2019 8,480.01
	Tonnage	2020 8,500.00
	Tipping Fee	\$ 150.00 \$ 155.00
	Total	\$ 1,272,002 \$ 1,317,500
10	Organic Waste Diversion Compensation Element	
		2019 9,470.23
	Tonnage	2020 9,500.00
	Tipping Fee	\$ 37.00 \$ 38.00
	Total	\$ 350,399 \$ 361,000
11	Vehicle and Admin Asset Replacement Element	
		2020 \$ 1,595,576
	Annual Amount	2021 \$ 1,595,576
	Section 5.18 Adjustment	\$ - \$ -
	Total	\$ 1,595,576 \$ 1,595,576
12	Calculate Fee Element Adjustment	
	Fee %	
		2020 16.35%
	Franchise Fee %	2021 16.35%
	Administrative Fee %	7.00% 7.00%
	Fee Percentage	23.35% 23.35%
	Collection Service Compensation	
		2020 \$ 13,400,248
	Collection Compensation Element	\$ 13,700,683
	Commercial Recycling Compensation Element	639,330 669,984
	Commercial Recycling Element Reduction Amount (fixed)	(607,266) (607,266)
	Disposal Compensation Element	1,379,947 1,460,541
	Container Compensation Element	312,244 314,492
	Recyclable Materials Diversion Compensation Element	1,272,002 1,317,500
	Organic Waster Diversion Compensation Element	350,399 361,000
	Vehicle and Administration Element	1,595,576 1,595,576

Collection Service Agreement

Exhibit 2		
City of Dublin, CA		
Monthly Diversion Report Format		
Solid Waste Collection Service	January	%
Residential		
Commercial		
City		
Roll-off		
Total Collected		
Disposed		
Diverted		
SFD Recycling Service	January	%
List Material Type		
Total Collected		
Disposed		
Diverted		
MFD Recycling Service	January	%
List Material Type		
Total Collected		
Disposed		
Diverted		
City Recycling Service	January	%
List Material Type		
Total Collected		
Disposed		
Diverted		
Commercial Recycling Service	January	%
List Material Type		
Total Collected		
Disposed		
Diverted		
Organic Waste Collection Service	January	%
Residential		
Commercial		
Total Collected		
Disposed		
Diverted		
Used Oil Collection Service	January	%
Total Collected		
Disposed		
Diverted		
Large Item Collection Service	January	%
Green Waste		
Wood Waste		
E-Waste		
White Goods		
Brown Goods		
List other materials		
Total Collected		
Disposed		
Diverted		
Total		
Disposed		
Diverted		

Note: This table is to be completed by material type and facility, regardless of number of lines.



Collection Service Agreement

Exhibit 2 (Cont)
City of Dublin, CA
Compensation Adjustment Model
Collection Service Events

Service	SFD
35 Gallon Garbage Cart Weekly (Billed on Tax Roll)	8,139
Additional 64 Gallon Garbage Cart	2,552
Additional 96 Gallon Garbage Cart	294
35 Gallon Garbage Cart Weekly (Billed by Contractor)	294
64 Gallon Garbage Cart Weekly (Billed by Contractor)	98
96 Gallon Garbage Cart Weekly (Billed by Contractor)	12
Service	MFD & Commercial
35 Gallon Garbage Cart Weekly	23
35 Gallon Garbage Cart Twice Weekly	0
64 Gallon Garbage Cart Weekly	28



Collection Service Agreement

Exhibit 2 (Cont)
City of Dublin, CA
Compensation Adjustment Model
Collection Service Events

Monthly Bin Collection Service Events								
Cu Yds	Frequency	Garbage	Organic	Cu Yds	Frequency	Garbage	Organic	
1	1	92	0	4	1	83	0	
1	2	5	8	4	2	66	0	
1	3	0	0	4	3	28	0	
1	4	0	0	4	4	7	0	
1	5	0	0	4	5	18	0	
1	6	0	0	4	6	4	0	
Monthly Small Compactor Collection Events								
Cu Yds	Frequency	Garbage		Cu Yds	Frequency	Garbage		
3	1	166	0	7	1	30	0	
3	2	44	4	7	2	4	0	
3	3	7	0	7	3	5	0	
3	4	15	0	7	4	1	0	
3	5	2	0	7	5	2	0	
3	6	0	0	7	6	0	0	
Monthly Organic Compactor Collection Events								
Cu Yds	Frequency	Organics						
30	1	1						

Collection Service Agreement

Exhibit 2 (Cont)
City of Dublin, CA
Compensation Adjustment Model
Collection Service Events

Roll-off Containers	Size	SFD	MFD & Commercial Pulls
	6 Cu Yds		185
	14 Cu Yds		0
	20 Cu Yds		511
	25 Cu Yds		0
	30 Cu Yds		383
	40 Cu Yds		180
	50 Cu Yds		0
<hr/>			
Roll-off Compactors	Size	SFD	MFD & Commercial Pulls
	20 Cu Yds		40
	25 Cu Yds		155
	30 Cu Yds		546
	40 Cu Yds		76
<hr/>			
Handy Haulers	Size	SFD Pulls	MFD & Commercial Pulls
Removal	4 Cu Yds	624	
Pull/Return	4 Cu Yds	277	
<hr/>			
Service		SFD Events	MFD & Commercial Events
Additional Large Items	1 Cu Yd	0	
Push Service			0
Lock & Key Service			0
Excess Waste Service		0	0
Excess Cart Exchange			0
Excess Bin Exchange			0
Excess Bin Cleaning			0
Roll-off Container Relocation			0
Handy Hauler Extra Week Rental		0	
Roll-off Extra Week Rental		0	0



Exhibit 3

[Deleted by Section 13 of Fourth Amendment, dated June 1, 2010]

Collection Service Agreement

Exhibit 4

City of Dublin, CA
COLLECTION SERVICE
PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that _____, as Principal, hereinafter called Company, and _____, as Surety, a corporation organized and existing under the laws of the State of _____, hereinafter called Surety, are held and firmly bound unto the City of Dublin, California, 100 Civic Plaza, Dublin, CA 94568, as Obligee, hereinafter called Owner, in the full and just sum of One Million Dollars (\$ 1,000,000), for the payment of which sum of money well and truly to be made, Company and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, said amount to include payment of actual costs and damages and for attorneys' fees, accounting fees, testing fees, consulting fees, administrative costs, court costs, interest and any other fees and expenses resulting from or incurred by reason of Company's failure to promptly and faithfully perform its contract with Owner, said contract being more fully described below, and to include attorneys' fees, court costs and administrative and other expenses necessarily paid or incurred in successfully enforcing performance of the obligation of Surety under this bond.

WHEREAS, Company has entered into a written agreement dated _____, 2005 with Owner entitled "Collection Service Agreement" Between the City of Dublin and Amador Valley Industries, LLC, ("Agreement"), the terms and conditions of which are by this reference incorporated herein as though fully set forth herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT if Company shall well, truly, and promptly perform all the undertakings, covenants, terms, conditions, and agreements of said Company under the Agreement, including, but not limited to, Company's obligations under the Agreement: (1) to provide, perform and complete in the manner specified in the Agreement all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the Collection, Transfer, Transport, Disposal, Recycling, and Processing of Solid Waste, Recyclable Materials, Green Waste, Organic Waste and other materials and the performance of other services related to meeting the diversion goal of 50% by the year 2000 and beyond, and other requirements of the California Integrated Waste Management Act; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith; (3) to procure and furnish all bonds, certificates, and policies of insurance specified in the Agreement; (4) to pay all applicable federal, state, and local taxes; (5) to do all other things required of Company by the Agreement; and (6) to provide, perform, and complete all of the foregoing in a proper and competent manner and in full compliance



Collection Service Agreement

with, and as required by and pursuant to, the Agreement; all of which is herein referred to as "Collection Services."

Surety, for value received, hereby stipulates and agrees that no changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of either Owner or Company to the other in or to the terms of said Agreement; in or to the schedules or specifications; in or to the method or manner of performance of the Section 7 Services; equipment, material, service, or sites; or in or to the mode or manner of payment therefor, shall in any way release Company and Surety or either or any of them, or any of their heirs, executors, administrators, successors or assigns or affect the obligations of Surety on this bond, all notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time or forbearances, and notice of any and all defaults by Company or of Owner's termination of Company being hereby waived by Surety.

Notwithstanding anything to the contrary in the foregoing paragraph, in no event shall the obligations of Surety under this bond in the event of Company's default be greater than the obligations of Company under the Agreement in the absence of such Company default.

In the event of a default or defaults by Company, Owner shall have the right to take over and complete the Agreement pursuant to the provisions of Article 25 of the Agreement and upon 30 calendar days' written notice to Surety, in which event Surety shall pay Owner all costs incurred by Owner in taking over and completing the Agreement.

At its option, Owner may instead request that Surety take over and complete the Agreement, in which event Surety shall take reasonable steps to proceed promptly with performance no later than 30 calendar days from the date on which Owner notifies Surety that Owner wants Surety to take over and complete the Agreement.

Owner shall have no obligation to actually incur any expense or correct any deficient performance of Company in order to be entitled to receive the proceeds of this bond.

No right of action shall accrue on this bond to or for the use of any person or corporation other than Owner or the heirs, executors, administrators or successors of Owner.

Signed and sealed this _____ day of _____, 2005.

Attest/Witness: **PRINCIPAL**

By: _____ By: _____

Title: _____ Title: _____

Attest/Witness: **SURETY**

By: _____ By: _____

Title: _____ Title: _____

Collection Service Agreement

Exhibit 5

City of Dublin, CA

Approved Subcontractors

1. Phillips Service Corporation for HHW Collection Event Services



Collection Service Agreement

Exhibit 6

City of Dublin, CA

City Sponsored Events

Day on the Glen

Portable Restroom Requirements

- 10 - Single skid toilets
- 1 - VIP portable restroom trailer
- 3 - Handicap toilets
- 2 - 2-person hand wash systems

1 -50 gallon holding tank

Solid Waste and Recycling Container Requirements

To be set by City based on the needs of the event.

St. Patrick's Day Portable Restroom Requirements

- 24 -Standard toilets
- 1 - Double VIP portable restroom trailer
- 7 - Handicap toilets
- 7 - 2-person hand wash systems
- 1 - 250 gallon holding tank

Solid Waste and Recycling Container Requirements

To be set by City based on the needs of the event.

Collection Service Agreement

Exhibit 7

City of Dublin, CA

AMADOR VALLEY INDUSTRIES TRANSITION PLAN FOR THE CITY OF DUBLIN
2004

1. Order CNG vehicles Dec.
13 CNG vehicles ordered 12/14/04
2. Secure performance bond Dec.
3. Develop AVI logo Dec.
Met with graphic artist logo is in the development stage
4. Establish AVI phone number Dec.
Phone number (925-479-9545) established 12/15/04. Number will go live 3/15/05
5. Establish PO Box Dec.
Application for PO Box being processed
6. Audit/survey service areas and current routes Dec.
Route Supervisor has been observing route activity and productivity and will continue throughout start-up and transition phase.

2005

7. Submit transition, diversion and public education plans Jan.
Plans submitted for approval by City
8. Meet with W.M. to discuss coordination of cart removal and other items Jan.
Meeting scheduled with WM
9. Sign and execute Collection Services Agreement Jan.
AVI will sign contract on January 12, 2005
10. Establish meeting schedule with City representatives Jan and Ongoing
Transition meetings bi-weekly for start-up phase and monthly thereafter. This will help to ensure good communication for a smooth transition and ongoing program success.
11. Begin development of website Jan.
One page website is being developed by Tri Valley Internet for initial start-up and introduction to community. Information will include services, program



Collection Service Agreement

start date and email capability. Website will be updated and expanded throughout program implementation.

12. Obtain sample of customer service data	Jan
<i>Information to be provided by City and Waste Management so AVI can test ability to transfer data files from current database into RAMS.</i>	
13. Begin public education outreach (see detailed plan)	Feb.
<i>See separate plan submitted for Public Education Plan</i>	
14. Hire and begin training of one of two CSR's	March.
<i>Begin training CSR in Dublin contract requirements as well as begin input of customer account information once obtained.</i>	
15. Fine tune routes	March
<i>After observation any minor changes will be made prior to finalizing route maps</i>	
16. Finalize route maps	March
<i>Route maps will be finalized and ready to submit to the City by April</i>	
17. Order solid waste, recycling and organic carts	April
<i>Carts will be ordered as specified in contract with adequate inventory stock</i>	
18. Order food scrap pails	April
<i>Upon approval by City one gallon pails will be ordered</i>	
19. Order front end loader containers	April
<i>Select vendor and provide specs and quantities for containers needed</i>	
20. Order roll-off boxes	April
<i>Select vendor and provide specs and quantities for containers needed</i>	
21. Set up rate codes	April
<i>Once approved rates are received from City rate codes will be set up.</i>	
22. Obtain data files and transfer to RAMS	April
<i>Customer information, routing information and current service level is needed</i>	
23. Audit data files	April
<i>Check system information to verify customer information</i>	
24. Begin search for Dublin office location	April
<i>Contact Realtor in Dublin to find appropriate, convenient location</i>	
25. Finalize website	April
<i>Approve final enhancements to website to meet all contract requirements</i>	

Collection Service Agreement

26. Make employment offers to current WM Local 70 drivers	May
<i>Work with Teamster Local 70 representative to make employment offers to qualified displaced workers who apply.</i>	
27. Secure Dublin office location	May
<i>Secure and sign lease for Dublin office location</i>	
28. Secure liability insurance	May
<i>Contact insurance carrier to secure liability insurance</i>	
29. Arrange for installation of phone lines/message center	May
<i>in new office location</i>	
<i>Test system for reliability</i>	
30. Accept delivery of CNG trucks	May
<i>Secure licenses, paint, signage as required in Contract. Install radios in all trucks for communication with CSR's.</i>	
31. Accept delivery of carts	May
<i>Carts delivered to staging area, prepare for delivery</i>	
32. Hire and train 2 nd CSR	May
<i>CSR's will be fully trained in program guidelines and all customer service procedures.</i>	
33. Procure office equipment	May
<i>Includes desk, chairs, computer equipment as well as all daily supplies.</i>	
34. Hire and train collection drivers	June
<i>Provide safety training and assign routes for on route training</i>	
35. Order used oil containers	June
<i>Order appropriate one gallon rigid plastic containers with screw on lids</i>	
36. Test billing system and customer account information	June
<i>Conduct test billing and verify customer account information</i>	
37. Begin cart distribution to SFD	June
<i>Cart distribution will be conducted by outside experienced vendor. All carts will be delivered with comprehensive "How-To" Brochure. Coordination with Waste Management will result in the least disruption to residents. As new carts are delivered Waste Management will remove existing carts</i>	
38. Begin delivery of oil collection boxes to MFD	June
<i>Oil collection boxes and containers will be delivered to buildings who have requested. Number of collection boxes will be determined by number of units.</i>	



Collection Service Agreement

39. Continue route truck driver training	June
<i>Driver training will continue as necessary</i>	
40. Place signage and decals on all truck equipment	June
<i>Proper signage and lettering will be affixed to all collection trucks</i>	
41. FEL containers delivered with proper signage applied	June
<i>FEL containers will be delivered by container supply company. Containers will already have all proper safety and identification decals affixed at time of delivery.</i>	
42. Final training of CSR's	June
<i>Review all collection service agreement provisions to make sure CSR's are knowledgeable and feel confident in their ability to answer customer inquiries.</i>	
43. Final hiring of all Local 70 displaced workers	June
<i>Coordinate the start date of any Waste Management drivers.</i>	
44. Continue to update website	June and Ongoing
<i>Update website to reflect up to date program implementation information.</i>	
45. Continue cart distribution to SFD	Month of June
<i>Monitor cart delivery company and insure every eligible resident receives new carts and program information.</i>	
46. Begin distribution of compactors and roll-off boxes	June
<i>Coordinate with manufacturer to coordinate delivery of new waste collection equipment. All customers will have collection equipment by July 1, 2005.</i>	
47. Final update of customer transaction history	
<i>Receive final download of information to update files to most current information.</i>	
48. START SERVICE	Friday, July 1, 2005

Collection Service Agreement**Exhibit 8**

City of Dublin, CA

AMADOR VALLEY INDUSTRIES**PUBLIC EDUCATION PLAN FOR THE CITY OF DUBLIN
2005**

1. Meet with graphic design company	Jan
2. Develop Phase I Website	Jan.
3. Send email and electronic Go Green Initiative (GGI) newsletter to Dublin Principals to announce program	Jan.
4. Send email to announce Earth Summit and announce Go Green meeting in March	Feb
5. Draft 1 st mailer to residents	Feb
6. Submit 1 st mailer to City	Feb
7. Run ad in local newspaper announcing AVI to community	Feb.
8. Mail initial mailer to residents with cart size request	March
9. Draft "How-To" brochure	March
10. GGI informational meeting @ library	March
11. Finalize cart size request responses so carts can be ordered	April
12. Go Green Earth Summit	April
13. Develop Phase II Website	April
14. Draft cart delivery reminder postcard	April
15. Submit delivery postcard to City	April
16. Submit "How-To" brochure to City	April
17. Mail cart delivery postcard to residents	May
18. Assist schools for Sept. start of GGI	May-August
19. Develop Correction Action Notice	May
20. Corrective Action Notice to City	May
21. Develop 1 st mailer to commercial customers	May
22. Submit 1 st commercial mailer to City	May
23. Begin media blitz to community	May



Collection Service Agreement

24. Develop Commercial Recycle Brochure	May
25. Begin reporting development in conjunction with City	June
26. Submit Commercial Recycle Brochure to City	June
27. Mail initial commercial letter	June
28. Conduct two community workshops	June
29. Begin residential cart delivery with "How-To" Brochure	June
30. Begin meeting with Dublin Recycling Leaders	June
31. Update website for Program Start-Up	June
32. Respond to Commercial mailer requests	June
33. Begin requested business/organization presentations Ongoing	June-
34. Begin requested waste audits	July
35. Begin development of quarterly on-line residential newsletter	July
36. Develop commercial bill insert	July
37. Submit commercial bill insert to City	July
38. Insert commercial bill insert for 1st monthly billing	August
39. Mail Phase I Commercial Recycle Brochures	August
40. Begin to issue Corrective Action Notice as necessary	August
41. Mail Phase II Commercial Recycle Brochures	Sept.
42. Perform waste audits	Sept.
43. Post quarterly residential on-line newsletter	Oct.
44. Mail Phase III Commercial Recycle Brochures	Oct.
45. Perform waste audits	Oct.
46. Meet with recycling Leaders	Nov.
47. Develop postcard to residents regarding Xmas tree pickup	Nov.
48. Submit Xmas tree pickup postcard to City	Nov.
49. Mail Xmas tree pickup postcard to residents	Dec.

Collection Service Agreement**PUBLIC EDUCATION PLAN NARRATIVE****Public Education and Community Outreach**

There are multiple public education and outreach materials and activities that need to be developed and distributed to businesses and residences prior to start-up of services on July 1, 2005. These items are detailed below.

Public Education and Outreach Plan

Like the City of Dublin, AVI places the utmost importance on effective public education and promotion. Effective outreach efforts are the key to helping residents and businesses understand the importance of source reduction, reuse, recycling, and buying recycled-content products. Our commitment to education is reflected in the samples of education materials provided in the Appendix of our proposal. These samples represent public education materials developed and distributed by various companies owned and operated by AVI principals.

AVI will provide a strong public education program in the City of Dublin, including sophisticated public education materials, education programs and materials beyond those required by the City. AVI's public education budget for the start-up of the Collection Service programs is \$130,000 with an additional \$75,000 for the first year.

The focus of AVI's public education and outreach program will be to introduce new programs to residents and businesses as well as to increase awareness of the need to reduce, reuse, and recycle, as well as the importance of buying recycled-content products. This awareness will result in increased program participation and decreased waste generation to help the City of Dublin obtain and maintain AB 939 and Measure D compliance. The AVI principals also believe in a total involvement and commitment to the community in all activities, not just industry-related activities. This level of involvement is practiced in all the communities serviced by the companies owned and operated by the principals of AVI and will continue to be practiced in the City of Dublin as well.

In addition to education and information about recycling, AVI will educate residents and businesses about other solid waste handling issues such as the correct setout of refuse and the proper handling of household hazardous waste. This information will help preserve a clean, healthy, and safe environment throughout Dublin.

AVI's public education and outreach program will be clear and comprehensive and will consistently relay the 4 R's message. This will be done through:

1. Initial start-up activities

Introducing AVI as the new provider of solid waste and recycling programs, and



Collection Service Agreement

2. Continuing education activities throughout the agreement term

Providing ongoing education and promotion to encourage continued program participation and to promote reuse, waste reduction, and buying recycled-content products.

AVI has extensive, recent experience with successful start-ups for new programs, including single stream recycling collection, automated compostable materials collection, automated refuse collection, and business recycling programs. Each of these programs experienced smooth implementations — due in major part to the extensive public education and outreach as well as superior operations and customer service — with no confusion or complaint from the public.

A description of the public education and outreach program for residents and businesses is provided below. The timeline for these activities has been included in the implementation plan timeline. Costs for these activities have been included in the cost proposal.

Residential Education Program

Start-Up Activities

Initial Mailing

AVI will mail an introductory public education piece to all single-family residences. This initial mailing will introduce AVI as the new collection contractor. It will provide residents with information about local AVI staff who will be directly involved with the ongoing day-to-day operations in the City of Dublin and how to contact them, including AVI's website address.

The initial mailing will include information about program changes highlighting the addition of the Food Scrap Recycling Program. AVI key staff members have extensive experience in implementing a food scrap program. Our sister company Pleasanton Garbage Service conducted a pilot food scrap recycling program for eighteen months. The program went City wide in March 2004 and has been extremely successful. We attribute this success to the public education program that was conducted before and continues to this day.

The brochure will also inform residents about the enhancements made to the Large Item Cleanup and the addition of the ability to recycle household batteries through their curbside recycling program. The information will be presented in a positive, upbeat manner to assure residents that the new programs will be cleaner, easier, and more attractive. The ease of participating in this program and the benefits obtained not only by the resident but also in helping the City meet their required diversion goal will be highlighted in the brochure.

The mailer will inform residents of the cart delivery schedule. It will explain to residents that specific program information will be delivered with the residents'

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carts. The mailer will inform residents of the dates, times, and locations of the ~~two scheduled community workshops~~ to be held throughout the City and invite residents to attend one or more of these workshops for more information about the new programs.

The initial mailer will include information about available cart sizes (32, 64, and 96 gallon). The mailer will explain that residents may select their refuse cart size and that a 64-gallon cart for recyclables and a 64-gallon cart for organic materials will be provided unless they indicate otherwise. A tear-off, return postcard will be part of the initial mailer for residents to order carts. Residents who do not respond and send back their postcard will be delivered the same size cart that they presently have. Residents will be encouraged to use the smallest size possible for refuse and the largest size they will fill for recyclables and organic materials. These carts will be on display at the community workshops (discussed later in this section) so that residents can make informed decisions about their preferred cart size. Further, residents will be told that they may order a different size cart or an additional recycling or organics cart.

The brochure will highlight the used motor oil and filter-recycling program. Residential customers will have the ability to request up to two one gallon used motor oil jugs. These jugs will be similar to a plastic milk jug but will be made of a heavier gauge plastic. The jugs will be clearly labeled with the instructions of how to participate in the used motor oil program. Residents will also be instructed that they may recycle their used motor oil filters by placing them in a heavy gauge plastic zip lock bag and placing the bag next to their motor oil jug at the curb. The recycling route driver will collect the motor oil and filter and place them into a holding rack on their truck. The driver will provide the resident with the same number of motor oil jugs as picked up for their next use.

Finally, the initial mailing will invite residents to volunteer as City of Dublin Recycling Leaders in their neighborhood, homeowners' association, duplex, or triplex. A box will be provided on the tear-off return postcard that residents can check to get more information about this program. During the start-up, recycling leaders will be given special training to answer new program questions raised by their neighbors. Recycling leaders will be given program information materials to provide to their neighbors if needed. Recycling leaders will become an integral part of AVI's ongoing education activities.

"How-to" Brochure

A detailed program "how-to" brochure will be delivered when carts are delivered. This brochure will contain set out instructions for refuse carts, information regarding materials that can (and cannot) be placed in recycling carts, setout information for used oil and oil filters, and information about what can (and cannot) be placed in the compostable materials carts. As reflected in the sample public education materials, AVI will rely heavily on graphics and pictures as the



Collection Service Agreement

primary way to convey this message in a simple and understandable way. Text is used minimally and presents information in a concise manner. The number of brochures will be determined based on the customer count with a 10% over run. The "how-to" brochure (as well as other public education materials) will provide supplemental information in other languages and made available to households as needed.

The brochure will include an explanation of the on-call cleanup's, and AVI's contact information. The brochure will be printed on heavy, coated stock and residents will be encouraged to save the contact information to hang in a convenient location for future reference. All educational materials distributed before the events will encourage a variety of reuse and recycling alternatives instead of disposal. AVI will contract with Goodwill Industries, Salvation Army, or similar local reuse organizations to provide an outlet for materials that are collected in the cleanup but still have reuse ability.

Community Workshops

AVI will conduct two community workshops prior to the start of collection services. These workshops will be scheduled in separate geographic areas of the City, making it convenient for all residents to attend at least one workshop. AVI will work with the City and local community organizations to determine the location of these workshops.

City of Dublin staff is invited to join AVI staff at these workshops to present new program information and answer questions about the program. AVI will ensure that all public education and outreach materials are at these events, as well as one sample of each cart size. AVI will provide refreshments, make an initial presentation of the program highlighting any changes from the City's current program, and facilitate a question and answer period.

Print Media

In addition to the public education and outreach required in the RFP, AVI proposes to run print ads in local newspapers as part of the start-up activities. These print ads will correspond with the direct mail piece campaign (i.e., initially introducing AVI and then describing program changes, informing residents of delivery of carts, letting residents know about scheduled community workshops, etc.) These print ads will also include AVI contact information and our website address.

Residential Continuing Education Activities

Program Presentations

AVI will conduct presentations on our program to homeowners associations or other community groups as requested by the public or by the City. In addition, we

Collection Service Agreement

will take the initiative to contact various groups and offer to do presentations on a regular basis throughout the term of the agreement.

On-Line Quarterly Newsletter

AVI will develop and display a quarterly residential newsletter on our website. We feel there's no more effective way to promote source reduction than to make our newsletter available to residents on-line. AVI uses the newsletter format to convey multiple types of information to residents, including source reduction, reuse, recycling, and buying products made with recycled materials. Newsletters will also reflect currently asked questions (and their answers), status reports on diversion levels, information regarding what is being done with the recyclables collected, information about hard-to-market materials, and other program and industry information that will encourage residents to preserve our natural resources.

The quarterly newsletter will also be a vehicle to provide information about Alameda County's Household Hazardous Waste Program and to address any issues with refuse collection.

Corrective Actions Notice

As part of AVI's ongoing operations and customer services, all collection drivers will be trained in the use of Corrective Actions Notices. These Notices will be bright-colored and of sufficient size to be easily seen and recognized by the public. The tone of these Notices will also be informative and educational rather than punitive. (Perhaps a play on the acronym of "Corrective Actions Notice" or "CAN" could be used — "You CAN do it.")

The Notices will be used in instances where the resident sets out inappropriate materials and will clearly reflect the nature of the setout problem. As a courtesy to our customers, and to eliminate frustration, drivers will be trained to clean up materials at curbside and go ahead and collect materials, leaving the Corrective Actions Notice to educate and inform the resident. The exception to this will be in the case of hazardous materials placed in containers or frequent contamination of materials at a particular site. In either case, the City will be notified of the non-collection and the resident will be instructed how to resume collection of materials.

School Education Programs

AVI strongly believes in the education of children. The children of this generation have grown up with recycling as a mainstream. Further, children's behavior patterns are more easily changed than adult behavior patterns and there is an extra benefit of children carrying the message home to their parents. Our sister company Pleasanton Garbage Service was the first corporate sponsor of the Go Green Initiative. We have partnered with the founder of the Go Green Initiative,



Collection Service Agreement

Jill Buck, to develop a comprehensive, full-service recycling program for Dublin schools, which will allow them to achieve maximum waste diversion via on-campus recycling. Together with the Go Green Initiative, we will create a tailor-made public education and recycling system for Dublin schools, based upon the market research techniques that Jill and our company employed with Pleasanton school administrators and custodians. We invest the time and resources necessary to create community pride and enthusiasm for environmentally responsible waste reduction.

Non-Program Related Information

In all of our public education and outreach materials and activities, AVI will present non-program related information such as source reduction, material reuse, junk mail reduction, proper handling of household hazardous waste, grass cycling, backyard composting, and other integrated waste management techniques. The Alameda County Waste Management Authority, the California Integrated Waste Management Board, and other city and county jurisdictions have developed materials that relay important messages that can easily be adapted to City of Dublin needs. AVI will use such materials when possible to maximize the impact of the education budget or to present a consistent message for countywide programs such as household hazardous waste.

Attendance at Community Events

AVI will ensure that a portable display, program information, and any other appropriate items (e.g., recycling trucks, carts, etc.) are available at a minimum of three community events each year. AVI's staff will be available to answer questions from the public and to encourage participation in the programs. This personal involvement with the community is important to our culture and is an intrinsic part of the culture of AVI.

Committed to the Community

AVI knows how important it is to support the community and be personally involved. We are an active member of the Dublin Chamber of Commerce and have supported local programs such as GFWC Dublin/San Ramon Women's Club, Friends of the Dublin Library, Green and White Gala Ball, as well as a Corporate Sponsor for the Dublin Chamber of Commerce Golf Tournament held at the new Dublin Ranch Golf Course. We recently co-sponsored the Dublin Chamber BBQ held at Rowell Ranch. Not only have we supported these events monetarily but also AVI staff have volunteered and participated in many of these events.

Recycling Leader Network

AVI will work diligently to establish a network of residential recycling leaders. This type of program has worked successfully in many jurisdictions. Recycling leaders

Collection Service Agreement

will be trained to provide program information and non-program information (such as source reduction) to their neighbors. Recycling leaders will always have a full supply of all education materials to provide to residents.

AVI will meet with recycling leaders a minimum of three times each year to address any program concerns or questions, discuss the status of each of the programs, and develop a community-based, grass-roots network of recycling enthusiasts. Upon award of the contract, AVI would like to discuss with the City ways to publicly recognize recycling leaders or incentives to encourage residents to volunteer as recycling leaders.

Large Item Clean Up Events

AVI will inform residents of the three annual on-call cleanup events available to each resident. This information will be included in all brochures and newsletters that AVI produces. The brochure will explain how easy it is for residents to pick up the phone and request the cleanup at their convenience.

Quarterly Report of Education Activities

As required by the Agreement, AVI will provide the City of Dublin with a quarterly report of education activities. The report will, at a minimum, include public education materials and the total numbers distributed; dates, times, and group names of all meetings attended and presentations given; and all other public education activities for the preceding quarter.

Commercial Education Programs

AVI understands that a new approach is being launched through the new commercial recycling program. Commercial and industrial refuse customers will receive information that clearly explains the benefits of recycling with AVI. Since the fee for all recycling services is included in the solid waste rate a simple message can be sent such as "More Recycling = Cost Savings"

Initial Maller

AVI will mail an introductory public education piece to businesses, including property owners and managers of multi-family complexes who utilize a common garbage bin. This initial mailing will introduce AVI as the new collection contractor. It will provide businesses with information about the local AVI staff who will be directly involved with the ongoing day-to-day operations in Dublin and how to contact them, including AVI's website address. The number of brochures will be determined based on the customer count with a 10% over run.

Multi-family complexes will now have the ability to recycle used motor oil and filters. AVI will provide those buildings that request this service with a motor oil-recycling caddy. Each caddy will be constructed to hold ten (10) one gallon jugs. The building manager will request the appropriate number of caddies needed for



Collection Service Agreement

their specific building. This will allow building managers to place the caddy in a convenient location for tenants. The building manager must place the motor oil-recycling caddy by the recycling containers when ready for collection. The recycling route driver will collect the full used motor oil jugs and filters from the caddy and replace with the appropriate empty jugs.

Businesses will be informed that staff from AVI will be contacting them soon to offer any help possible in setting up a recycling program or improve an existing recycling program if necessary. The mailer will also inform businesses that AVI will be providing new refuse collection containers (bins, debris boxes, compactors) and/or recycling carts to businesses.

A tear-off return postcard will be part of the initial mailer for businesses to ask questions, request that the recycling coordinator contact them, or request that the recycling coordinator make a presentation at their business. Those businesses that request assistance will be put at the top of the list for the recycling coordinator to contact.

Finally, the initial mailing will invite businesses to enroll an employee in the City of Dublin's Business Recycling Leader Network. Business recycling leaders will meet quarterly as explained in the Continuing Education Activities Section of this proposal. Business recycling leaders will become an integral part of AVI's ongoing business education activities.

"How-To" Brochure

AVI will oversee design of the "How-To Recycle" Brochure specific to the business types described in the RFP (multi-family dwellings, restaurants, office/commercial buildings, strip malls, and large commercial businesses) and any other business type identified during start-up activities.

AVI proposes to do the initial mailing of the "How-To-Recycle" brochure in phases to ensure that businesses receive a timely follow-up if they ask for immediate assistance. Receipt of this brochure will trigger a desire for action in some businesses. If too many responses come in at once (which may happen if the brochure is sent out Citywide), it will delay our ability to respond to interested businesses in a timely manner. This would not be good customer service and may result in a business not setting up a recycling program at all.

These brochures will be delivered to businesses as follows.

Phase 1

Each business that requested information by sending the return postcard from the initial mailer will receive the "How-To-Recycle" brochure. The recycling coordinator will follow up with these businesses to perform a waste audit and offer any technical assistance needed to set up a recycling program.

Collection Service Agreement

Phase 2

Based on data obtained from the City, the former franchise hauler, mail house(s), the Chamber of Commerce, etc. during start-up activities, AVI will build a database of businesses by business type. This database will reflect the size of the business and note those businesses that currently have a recycling program. "How-To-Recycle" brochures will be sent to the 50 largest businesses based on subscripted solid waste services. The recycling coordinator will follow-up with these businesses to perform a waste audit and provide technical assistance in setting up a recycling program. The database will be updated accordingly.

Phase 3

"How-To-Recycle" brochures will be sent to the next 50 largest businesses, based on subscripted solid waste services, in each business type. Again, the recycling coordinator will follow-up with the businesses who respond to perform a waste audit and provide technical assistance in setting up a recycling program.

Mailing of the "How-To-Recycle" brochure will continue in phases until all businesses have been contacted and those businesses responding have been followed up on by the recycling coordinator.

Promote and Conduct Training Meetings

In the initial mailing to businesses (described above), AVI will promote the availability of staff to do recycling presentations at businesses. As described above, businesses can indicate their interest in this type of presentation by returning the tear-off postcard. The recycling coordinator will follow-up with these requests and conduct recycling training meetings.

In addition, as responses are received to the "How-To-Recycle" brochures, the recycling coordinator will offer to make recycling presentations at businesses and will follow-up with any requests to do so.

If the combination of these two contacts with businesses does not result in conducting a significant number to attend training meetings, the recycling coordinator will call businesses and offer this service.

Business Association Groups

The commercial/industrial recycling coordinator will contact the Chamber of Commerce and other business organizations in the City to offer to do presentations to educate businesses on the recycling program available to businesses. AVI's principals are actively involved in local business organizations and will be able to facilitate these presentations. A minimum of four presentations will be made to local business association organizations within the first six months of the new agreement.



Collection Service Agreement

Commercial/Industrial Continuing Education Activities

Waste Audits

AVI is proficient in conducting business waste audits in all of the companies owned and operated by its principals. We will work cooperatively with the Alameda County Waste Management Authority and the Stop Waste Program. The Stop Waste Program has successfully assisted businesses to greatly reduce their solid waste bills by identifying areas not only for recycling but also for source reduction.

The businesses to be audited will be identified, in part, through the distribution of the initial mailing and "How-To-Recycle" brochures as discussed in the start-up activities section earlier in this proposal. In addition, businesses will continually be made aware of the availability of this service through the business newsletters that will be produced and distributed by AVI.

Reports of the results of these waste audits will be provided to the City on a quarterly basis.

Business Newsletter

AVI will produce and distribute a business newsletter with invoices sent to Dublin businesses and post this newsletter on-line as well. The newsletter will include pertinent program information, frequently asked questions and answers, tips for waste reduction for businesses, information regarding handling of hazardous waste for small business generators, and other information pertinent to businesses and the season in which the newsletter is published. This newsletter will also be used as a vehicle to recognize businesses that have made particularly notable progress in recycling or source reduction programs.

Corrective Actions Notice

One of the unique challenges in collection programs for businesses and multi-family complexes is the increased level of contamination in recyclables and the lack of good housekeeping in the centralized collection site area. This is due in part to the transient nature of the persons sharing this site (either as tenants of multi-family complexes or employees of businesses) and the anonymity that comes with using a centralized site. It is nearly impossible to determine who is contaminating recyclables or dumping refuse on the ground in a centralized collection center.

These same issues make it difficult to change behavior or reach program compliance by leaving a Corrective Actions Notice. Many individuals may see the notice but it is possible that no one will take personal responsibility in complying with the notice.

Collection Service Agreement

AVI will implement a process used in the other companies owned and operated by its principals. When a Corrective Actions Notice is left for a business or multi-family complex, a follow-up call will be made to the business (to a specific contact person, if known) or to the multi-family complex manager or owner to discuss the nature of the Corrective Actions Notice and offer assistance in reaching compliance with the notice.

As in the residential cart collection program, drivers will clean-up the contamination and collect the materials prior to leaving the Corrective Actions Notice. If the problem is recurring, or hazardous waste materials are present in the refuse or recyclables, the driver will leave the materials and the Corrective Actions Notice and contact the City immediately. AVI staff will contact the appropriate person at the collection location to explain why the materials were left and what needs to be done to resume collection.

Public Education Summary

We hope it is apparent from the public education programs described above, the sample materials provided in the Appendix, and the strength of our public education staff that AVI takes public education and outreach seriously. We are convinced that public education is the only way to maximize diversion and ensure compliance with collection guidelines. Further, we believe that this is best done through establishing a partnership with our customers. Lastly, the above-proposed public education programs represent the baseline for AVI's programs. As our experience in the City of Dublin develops, other needs for public education and outreach will become apparent and will be met.



Collection Service Agreement

Exhibit 9

City of Dublin, CA

AMADOR VALLEY INDUSTRIES DIVERSION PLAN FOR THE CITY OF DUBLIN

Diversion Programs

The following is an outline of diversion programs that Amador Valley Industries will implement at the start of the Dublin Solid Waste, Recycling and Organics Collection Agreement:

Residential Single Stream Curbside Recycling & Organics Program

Residents will receive a 64-gallon cart for recyclables, a 64-gallon cart for organic materials and a one gallon food scrap pail. A tear-off, return postcard will be part of the initial mailer for residents to order carts other than default cart sizes. Residents will be encouraged to use the smallest size possible for refuse and the largest size they feel they will fill weekly for recyclables and organic materials. These carts will be on display at the community workshops so that residents can make informed decisions about their preferred cart size. Further, residents will be told that they may order a different size cart or an additional recycling or organics cart. A comprehensive and on-going public education plan will continually remind residents about the 4 R's and other waste diversion programs such as home composting, buy recycled, smart packaging ideas, just to name a few.

Residential Used Motor Oil & Filter Collection Program

Residential customers will have the ability to request up to two one gallon used motor oil jugs. These jugs will be similar to a plastic milk jug but will be made of a heavier gauge plastic. The jugs will be clearly labeled with the instructions of how to participate in the used motor oil program. Residents will also be instructed that they may recycle their used motor oil filters by placing them in a heavy gauge plastic zip lock bag and placing the bag next to their motor oil jug at the curb. The recycling route driver will collect the motor oil and filter and place them into a holding rack on their truck. The driver will provide the resident with the same number of motor oil jugs as picked up for their next use.

Large Item Collection Service

AVI recognizes that a significant amount of material is collected in the clean-up events. We are committed to recycling the highest percentage of the materials possible. Using resale organizations to donate reusable items to and processing the remaining materials at the Pleasanton Transfer Station/MRF will significantly reduce the amount of discarded material taken to the landfill. AVI will inform residents of the three annual on-call cleanup events available to each resident.

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This information will be included in all brochures and newsletters that AVI produces.

Residential Curbside Christmas Tree Recycling Program

Christmas trees will be collected from all SFD service units on their regular service day. AVI will not compete with the Boy Scouts Program but will provide an opportunity to publicize their program as well. The Christmas Tree Collection Program will begin the first collection day after Christmas Day and continue through the last collection day in January. All non contaminated trees will be recycled; all contaminated (flocked, tinsel, decorations) will be disposed of.

Drop-Off Christmas Tree Recycling Program

Three different drop-off sites each supplied with a drop-off box will be available for Christmas tree drop-off from the first business day after Christmas Day until the third Monday of January. These roll off boxes as well as the area surrounding them will be monitored and boxes will be emptied as necessary and the area will be kept free of debris.

Multi-Family Recycling Program

Recycling service will be made available to all eligible MFD service units. A site survey will be conducted and the type and number of recycling container(s) will be determined. In addition the building owner or manager will be made aware of the Organics Program that is available.

Multi-Family Used Oil & Filter Collection Program

Multi-family complexes will now have the ability to recycle used motor oil and filters. AVI will provide those buildings that request this service with a motor oil-recycling caddy. Each caddy will be constructed to hold ten (10) one gallon jugs. The building manager will request the appropriate number of caddies needed for their specific building. This will allow building managers to place the caddy in a convenient location for tenants. The building manager must place the motor oil-recycling caddy by the recycling containers when ready for collection. The recycling route driver will collect the full used motor oil jugs and filters from the caddy and replace with the appropriate empty jugs.

Commercial Recycling & Organics Recycling Program

Businesses will be informed that staff from AVI will be contacting them soon to offer any help possible in setting up a recycling program or improve an existing recycling program if necessary. The recycling coordinator will meet with customers to explain the various services and containers available. Single stream or source separated recycling will be available with either carts or bins depending on the quantity of materials. The organics/food scrap recycling



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service may require additional training with employees and will be conducted by the AVI staff.

A tear-off return postcard will be part of the initial mailer for businesses to ask questions, request that the recycling coordinator contact them, or request that the recycling coordinator make a presentation at their business. Those businesses that request assistance will be put at the top of the list for the recycling coordinator to contact.

The following outlines the Phases that will be implemented to set up recycling at a business:

Phase 1

Each business that requested information by sending the return postcard from the initial mailer will receive the "How-To-Recycle" brochure. The recycling coordinator will follow up with these businesses to perform a waste audit and offer any technical assistance needed to set up a recycling program.

Phase 2

Based on data obtained from the City, the former franchise hauler, mail house(s), the Chamber of Commerce, etc. during start-up activities, AVI will build a database of businesses by business type. This database will reflect the size of the business and note those businesses that currently have a recycling program. "How-To-Recycle" brochures will be sent to the largest 50 businesses. The recycling coordinator will follow-up with these businesses to perform a waste audit and provide technical assistance in setting up a recycling program. The database will be updated accordingly.

Phase 3

"How-To-Recycle" brochures will be sent to the next largest 50 businesses in each business type. Again, the recycling coordinator will follow-up with the businesses who respond to perform a waste audit and provide technical assistance in setting up a recycling program.

Mailing of the "How-To-Recycle" brochure will continue in phases until all businesses have been contacted and those businesses responding have been followed up on by the recycling coordinator.

Household Hazardous Waste Drop-Off Program

AVI will conduct an annual Household Hazardous Waste Drop-Off Program for residents of Dublin. The location for the event will be determined in conjunction with the City. AVI will utilize Phillips Service Corporation (PSC) as the sub-contractor to provide the actual services. Please see separate attachment with PSC scope of services.

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City Facility Recycling

AVI will provide recycling, organic and large item collection to all City service units. Site visits will be conducted and the level and type of recycling service will be determined to maximize recycling services.

Special Events Recycling

Solid waste, recycling and portable toilet service will be made available for up to three city sponsored events at no cost to the City. Services will be based on the needs of the event.



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Exhibit 10

City of Dublin, CA

HHW Disposal Event Plan

A. Operation of Reservation System

AVI, through PSC, will provide and maintain a complete reservation system. The system will consist of a toll-free phone number and e-mail address for residents to access for information on the event and to schedule an appointment. The hotline will be manned during regular business hours by a dedicated HHW customer service representative. If the hotline is on another line or unavailable, callers will have access to an automated voice mail system. The voice mail system (Panasonic KX-TVS200) includes two dedicated mail boxes for the City of Dublin event; additional mailboxes can be added upon request. Each mail box has a maximum capacity of 100 messages. Alternatively, residents may send an email to the AVI dedicated account requesting an appointment or further information. All voice mail messages and emails will be returned within one business day.

Our hotline operator will screen residents according to eligibility criteria established by the City of Dublin. All qualifying residents will receive a designated time slot to participate in the temporary collection event. Once the appointment has been established, PSC will mail a confirmation flier to the resident. This flier will contain the residents' name, address and appointment time, a map and written directions to the site, and information on acceptable and unacceptable items as well as handling and transportation instructions. On the reverse side of the flier PSC can include a participant survey. This survey will be submitted to the City of Dublin for approval prior to its use.

Obtaining Event Permits

AVI, through PSC, will prepare and submit all required State documentation, permits and notifications for operation of each temporary HHW collection event. As the generator (City of Dublin) will be required to complete and sign specific portions of the Permit By Rule Notification form, two copies of all permit information will be submitted to the City for review and signature as soon as possible after site selection is finalized. The PBR must be submitted to the DTSC at least 45 days prior to the scheduled collection event.

AVI, through PSC, will prepare and submit all permitting and notifications as required by local agencies. Furthermore, AVI, through PSC will meet with all appropriate local agencies in a pre-event emergency responders planning meeting.

Once sites are selected, AVI, through PSC, will visit each site, review the site for operational acceptability, and meet with the site owners to assess concerns and issues with utilization of the site for HHW purposes. AVI, through PSC, will stay in contact with the site owner throughout the duration of the project. We will provide evidence of

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insurance coverage as required, and will follow up after collection activities to ensure that the site owner and neighbors have no outstanding concerns or issues with the site and event.

Operations, Health & Safety, and Contingency Plans

AVI, through PSC, will provide the appropriate site specific Operations, Health & Safety, and Contingency Plans thirty days prior to each scheduled temporary collection event. This plan is reviewed and updated annually and immediately following any significant regulatory or client program changes. The Table of Contents for a standard plan has been included on the following page. This plan is available for review by the City of Dublin at any time.



Collection Service Agreement

Amador Valley Industries & City of Dublin
Mobile Collection Program Collection
Operations, Health & Safety and Contingency Plan

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- B. Collection (Job Description)**
- C. Spill clean-up and secondary containment**
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- H. Comprehensive workplan
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- VIII. Bulking Protocol, Evacuation Plan
- IX. Reporting Forms
- X. Approvals

Event Locations

Each HHW Collection event will be conducted on publicly and/or privately owned facilities. All sites must be readily accessible to the public and contain paved surfaces. A dedicated PSC Project Manager will accompany Amador Valley Industries and the City of Dublin on all site-walks and provide an evaluation of potential event locations.

Turnkey Services

The following will summarize the AVI on-site operations, on-site personnel responsibilities, and off-site waste transportation and management plans for a temporary collection event.

Site Set-up and Event Preparation

- Permit applications will be prepared by PSC, submitted and permits acquired by the District.
- Labor needs and specific equipment requests will be confirmed between PSC, Amador Valley Industries and the City one-week in advance. Vendors and subcontractors will be notified in writing of event details. City staff may review these notifications if requested.
- With the aid of technicians, equipment and materials will be loaded onto equipment trucks the day prior to the event day.
- Equipment will be delivered to the site the morning prior to the HHW collection.
- PSC staff will complete set-up of the entire site. The Amador Valley Industries representative will specify site set-up details.
- Packaging areas will be double lined with 6 mil. visqueen by technicians.
- Sorting tables will be lined with visqueen and placed per the set-up plan.
- Dumpsters will be lined with dumpster liners and prepared for use.



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- Canopies will be set-up over all waste processing areas.
- Emergency eye wash and shower stations will be established and set-up.
- A decontamination station and break area will be set-up.
- Signage (no smoking etc.) and spill response stations will be established.
- Waste packaging segregation zones will be established and clearly marked.
- Bulking berms will be set-up for material bulking areas.
- Vehicle ingress, egress and queuing will be established and marked with cones.
- A full drum staging area will be identified and lined with visqueen.
- The site will be ready for operation 1/2 hour prior to the first scheduled appointment.
- A site safety meeting will be held prior to event opening conducted by the PSC Project Manager

Event Operations

PSC will provide staffing for the following event positions/tasks.

Unloading (Technician)

The unloader will have the following responsibilities. Once the vehicle has stopped, and the engine has been turned off, the unloader will remove the waste material from the vehicle. It will be the responsibility of the unloader to ask the participant the identity of the material being unloaded. Special attention will be given to unlabeled materials, and those with conflicting markings/labels. The unloaders will be careful not to accept any of the materials on the unacceptable list. Lab grade chemicals coming from homeowners or businesses will be identified as they are unloaded as these could be the source of explosives or radioactive materials.

Unloaders will only put the materials on the top of the waste carts for movement into and around the facility. It will be the responsibility of the unloader to communicate to the sorters, labpackers, and HazCat personnel any information on the identity of each customer's waste. In the event of an evacuation, like the greeter, the unloading personnel will instruct the customers to exit their vehicles and accompany them to the evacuation assembly area.

Sorting/Screening (Chemist)

Sorting personnel will sort materials from the carts into the appropriate loosepack, labpack, and bulk waste streams. They will utilize their experience

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with materials management and material cheat sheets to determine the appropriate segregation of each material.

The sorting personnel will be responsible for a majority of the facility packaging. Materials will be moved from the screening area to packaging areas and packed by the sorters.

Laboratory/Unknown Identification (Chemist)

In this area personnel will characterize unknown materials using HazCat techniques. Care will be taken while running these tests that incompatible materials are not mixed, and that the testing apparatus is not creating additional hazards. Persons working in this area will pay close attention to the materials being tested to avoid hazardous reactions.

Once identified, the materials will be returned to the sorting area to be packed. It is the responsibility of the HazCat personnel to communicate to the sorting personnel the hazardous nature of the materials being returned.

Waste Packaging

After screening has occurred, the wastes will be packaged in various. Packaging activities may include bulking latex paints, oil and antifreeze, labpacking pesticide materials or loosepacking oil base paints.

Waste Acceptance Protocol

Unacceptable Waste

PSC treatment facilities are permitted by the federal and state government to accept most types and hazard classes of waste including dangerous waste, extremely hazardous waste, liquid, solid and compressed gasses. The few types of waste we are not permitted to handle at HHW sites include:

- Explosives or explosive waste, with the exception of surface flares
- Ammunition
- Biological, biohazard or medical waste, with the exception of syringes
- Radioactive waste
- Large compressed gas cylinders
- Business generated waste (unless CESQG)
- Solid Waste (household garbage)
- Water Reactives
- Residents will not be allowed to bring in more than two (2) 30-gallon size bags of asbestos



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PSC has the ability to subcontract and manage the above waste streams if they are inadvertently accepted at the facility. Disposal pricing for the above wastes will be the responsibility of AVI.

Site Tear-down

All collected wastes are shipped from the sites on the date of collection. While wastes are being loaded for shipment, the site will be torn down and returned to its original condition before PSC leaves the site that afternoon or evening. Although de-mobilization is a priority for PSC, the time it actually takes may vary depending on participation and waste volumes.

Material Reuse Table

Should the City of Dublin elect to include a reuse table as part of temporary event operations, the following operations and procedures will be initiated. PSC personnel responsible for unloading, sorting and packaging of waste will have direction and protocols for the identifying and segregating of potentially reusable materials. All materials to be sorted for potential reuse should have legible labels, be legal products, be over one half full and in uncrushed, non-leaking, original containers. Such products will be segregated onto a special cart, which will then be taken to the Reuse Table and made available to the public.

PSC will require that the City of Dublin provide the final decision on exchanging of materials. As good business practice and recent legislative activity require, PSC has developed, and includes as part of our standard site work plan, operations and quality control procedures for operating reuse programs as described below.

Waste Management

PSC recognizes the commitment to the waste management hierarchy that promotes source reduction, reuse, and recycling above other management methods such as incineration and landfill. PSC will ensure that the most appropriate waste disposal methods are available for the household waste collected. PSC will evaluate each waste stream received on an ongoing basis. We will continually determine the available technologies and our current capacity for managing the waste according to the following hierarchy of waste management practices.

1. Waste reduction	4. Waste treatment
2. Waste recycle	5. Waste Incineration
3. Waste reuse	6. Landfill

The table below lists the recommended packaging methods and management for each waste stream anticipated to be handled through the HHW collection event. Waste shall be segregated and packaged according to the requirements of the disposal facility.

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Category	Handling Method	Waste Management Method Used
Flammable & Poison		
Flammable solid/liquid	Loosepack	Fuel Blend
Bulked flammable liquids	Bulk	Fuel Blend
Oil-base paint	Bulk or Loosepack	Fuel Blend
Poison (excl. aerosols)	Loosepack	Destructive Incineration
Reactive and explosive	Loosepack	Destructive Incineration
Acid		
Inorganic acid	Labpack	Treatment
Organic acid	Labpack	Treatment
Base		
Inorganic base	Labpack	Treatment
Organic base	Labpack	Treatment
Oxidizer		
Neutral oxidizers	Labpack	Treatment
Organic peroxides	Labpack	Destructive Incineration
Oxidizing acid	Labpack	Treatment
Oxidizing base	Labpack	Treatment
PCB-containing		
PCB-containing paint	Labpack	Destructive Incineration
Other PCB waste	Labpack	Destructive Incineration
Aerosol		
Corrosive aerosols	Loosepack	Destructive Incineration
Flammable aerosols	Loosepack	Fuel Blend/Recycling
Poison aerosols	Loosepack	Destructive Incineration
Reclaimable		
Antifreeze	Bulk	Recycle
Car batteries (REBATE)	Palletize	Recycle



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Fluorescent bulbs	Loosepack	Recycle
Latex paint	Bulk	Recycle
Motor oil/oil products	Bulk	Recycle
Oil filters	Loosepack	Recycle
Mercury (metallic)	Labpack	Recycle
Other		
Medical waste	Labpack	Autoclave
Household batteries	Loosepack	Recycle/Landfill
Asbestos	Loosepack	Landfill

Reporting

PSC requires waste be sorted and packaged to D.O.T. requirements, and not beyond, for acceptance into our facilities. PSC has developed a one-page labpack certification form for labpacked materials. The form will be preprinted with all required information, and then signed by the designated staff person packaging the drum.

PSC will provide the proper shipping papers including manifests, bills of lading (BOL), land disposal restriction forms (LDR)s, and labels. Shipping papers will comply with all applicable local, state, and federal regulations including California DTSC, US EPA, and US DOT as well as those specific requirements of the receiving facilities. PSC will provide pre-printed shipping documents available for review prior to shipment.

Regular reports will include information from the collection event(s) and will cover an array of topics including basic waste volume and types, general participation rates, and program costs. PSC will prepare the California Integrated Waste Management Board (CIWMB) Form 303 for each collection event. The Form 303 will be submitted with each invoicing package as well. PSC is pleased to provide both a hard copy and electronic copy of the Form 303.

Statement of Experience

PSC Overview

PSC is a fully integrated resource recovery and industrial services company providing steel, copper and aluminum processing and recovery service, solid and liquid by-products recovery, and industrial and remediation services throughout North America. PSC currently employs over 5,000 people and operates 120 facilities and offices across North America.

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The PSC entity, which will service this project, is 21st Century EMI, a wholly owned subsidiary of PSC. The parent company, PSC, holds the overall insurance, bonding and liability coverages for the companies. Operationally, 21st Century EMI will provide Project Management and Waste Transportation Services. PSC operates the primary TSDF facilities to which the City's waste will be sent and initially processed, treated and recycled.

PSC Transportation and Disposal Qualifications

PSC will ***Phillip Transportation & Remediation Inc. (PTR)***, a PSC company, as the primary transporter for the City of Dublin's Program. PTR has been building this transportation fleet since 1969 and is one of this country's safest hazardous waste transportation companies. PTR is licensed in all 50 United States.

Disposal Facilities

PSC treatment facilities carry all the necessary local, state, and federal permits, licenses, and certifications to manage the City of Dublin's household hazardous waste. As the owner and operator of a large network of Treatment and Recycling facilities, PSC guarantees that, once shipped, the waste will be accepted immediately off the transportation vehicle and managed as soon as possible thereafter.

Primary Receiving Facilities

PSC possesses extensive in-house capabilities for the consolidation, processing, treatment and recycling of hazardous waste. Waste will be recycled, treated or rendered non-hazardous within one receipt at our own treatment facilities. If waste requires final processing or disposal, PSC has contracts and relationships with all major firms and a number of specialty waste disposal firms throughout the United States.

Upon request by the City, PSC will provide complete facility audit information including a detailed physical description of each primary receiving facility, its capabilities, materials accepted, licenses, permits, and compliance history.

Secondary Receiving Facilities

Once accepted into a PSC facility, wastes will be processed as soon as possible utilizing waste management hierarchy (Reduce, Reuse, Recycle, Fuel Blend, Treatment, Incinerate, Landfill) by treating and recycling as much waste as possible in the plant. If the materials cannot be managed in plant, such as those items requiring incineration or hazardous waste landfilling, they will be sent on to companies with which PSC has had long-standing relations and who have met our external audit requirements.

The end disposal firms we use all have long-standing contracts with PSC Services. Each facility is audited on a routine basis and is approved for a specific end disposal function. PSC believes it is prudent to have at least two end disposal subcontractors for each disposal function to ensure both management capacity and variety of waste management options for our customer's waste.



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List of Primary Facilities

Facility Location	Facility Description	EPA ID Number
INGLEWOOD, CA 425 Isis Avenue Inglewood, CA 90301	RCRA Part B facility, with a bulk storage capacity of 276,000 gallons and drum storage of 2,156 drums. This facility specializes in the recovery and blending of high purity halogenated solvents for the electronics and air-conditioning industries.	CAD 008-364-432
KENT, WA 20245 77th Avenue South Kent, WA 98032	<i>RCRA Part B facility, CERCLA approved, with bulk storage capacity of 500,000 gallons and drum storage of approximately 6,000 drums. This is PSC's primary facility for handling HHW and CESQG wastes in the Western United States. This facility provides consolidation of liquid and solid labpacks for treatment and incineration, sorting and processing of latex paint for recycling, automated consolidation of loosepack flammables, depressurization of aerosols and stabilization.</i>	WAD 991-281-769
FERNLEY 2095 Newlands Dr East Fernley, NV 89408	Fernley is a TSDF that manages wastewater, corrosives treatment and metals recovery.	NVD 980-895-338

Insurance

PSC will provide all required insurance coverage including additional insurer's listing, and bonding coverage.

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Exhibit 11
City of Dublin, CA
Vehicle Specifications

Garbage Collection Vehicles

1. Manufacturer and Model				
A. Cab and Chassis	<u>Auto Car</u>			
B. Body	<u>Heil Automated</u>			
C. Engine	<u>Cummis – ISL 8.3 G</u>			
D. Transmission	<u>Allison 3000 RDS 5spd</u>			
2. Number of Vehicles	<u>3</u>			
3. Cab and Chassis:				
A. Cab Height	<u>94</u> inches			
B. Walk-In Cab	<u>yes</u> <input checked="" type="checkbox"/> <u>no</u> <input type="checkbox"/>			
C. Number of Axles	<u>2</u>			
D. Dual Drive	<u>X</u> <u>yes</u> <input type="checkbox"/> <u>no</u> <input type="checkbox"/>			
E. Overall Approximate Length With Body Mounted:	<u>504</u> inches			
4. Body:				
A. Type of Body (open-top, closed body, etc.)	<u>Heil Automated Closed Body</u>			
B. Rated Capacity	<u>33</u> cu.yd.			
C. Practical or Net Capacity	<u>33</u> cu.yd.			
D. No. of Bins or Compartments	<u>N/A</u> cu.yd.			
E. Net Capacity of Each Bin or Compartment	<u>N/A</u> cu.yd.			
F. Overall Body Length - Overall	<u>276</u> inches			
G. Body Height - Overall	<u>142</u> inches			
H. Body Width - Overall	<u>96</u> inches			
I. Loading Height Above Ground: Minimum	<u>N/A</u> <u>Automated Arm</u> inches			
	Maximum	<u>N/A</u> <u>Automated Arm</u> inches		
J. Materials of Construction	<u>Steel</u>			
K. Weight: GVW <u>58,000</u>	lbs	<u>Tare</u>	<u>17,750</u> lbs	



Collection Service Agreement

5. Will the vehicles be owned, leased, or other? Owned

6. Purchase cost of each vehicle 281,683

7. Fuel type CNG

8. Fuel usage 5 mpg

9. Emissions rating

- A. CO Gas: 1.3 Diesel: 2.0 g/bhp/hr
- B. HC (total hydrocarbons) Gas: N/A Diesel: N/A g/bhp/hr
- C. NO_x Gas: N/A Diesel: N/A g/bhp/hr
- D. Particulate Matter Gas: .01 Diesel: .10 g/bhp/hr

10. Safety Features Fully Automated

11. Color White & Green

Collection Service Agreement

Exhibit 11 (Cont)
City of Dublin, CA
Vehicle Specifications

Recyclables Collection Vehicles

1. Manufacturer and Model

A. Cab and Chassis	<u>Auto Car</u>		
B. Body	<u>Heil Automated</u>		
C. Engine	<u>Cummins ISL 8.3 G</u>		
D. Transmission	<u>Allison 3000 RDS 5 spd</u>		
2. Number of Vehicles	<u>3</u>		
3. Cab and Chassis:			
A. Cab Height	<u>94</u>	inches	
B. Walk-In Cab	<u> </u>	yes	<input checked="" type="checkbox"/> X <input type="checkbox"/> no
C. Number of Axles	<u>2</u>		
D. Dual Drive	<u>X</u>	yes	<input type="checkbox"/> no
E. Overall Approximate Length With Body Mounted: <u>504</u>	inches		
4. Body:			
A. Type of Body (open-top, closed body, etc.)	<u>Heil Automated Closed</u>		
B. Rated Capacity	<u>33</u>	cu.yd.	
C. Practical or Net Capacity	<u>33</u>	cu.yd.	
D. No. of Bins or Compartments	<u>N/A</u>	cu.yd.	
E. Net Capacity of Each Bin or Compartment	<u>N/A</u>	cu.yd.	
F. Overall Body Length - Overall	<u>276</u>	inches	
G. Body Height - Overall	<u>142</u>	inches	
H. Body Width - Overall	<u>96</u>	inches	
I. Type of Body Loading (manual, automated, etc.)	<u>N/A</u>	Automated Arm	
J. Loading Height Above Ground: Minimum	<u>N/A</u>	inches	
	Maximum	<u>N/A</u>	inches
K. Materials of Construction	<u>Steel</u>		



Collection Service Agreement

L. Weight: GVW <u>58,000</u>	lbs Tare <u>17,750</u>	lbs
5. Will the vehicles be owned, leased, or other?	<u>Owned</u>	
6. Purchase cost of each vehicle	<u>281,683</u>	
7. Fuel type	<u>CNG</u>	
8. Fuel usage	<u>5</u>	mpg
9. Emissions rating		
A. CO	<u>Gas: 1.3 Diesel: 2.0</u> g/bhp/hr	
B. HC (total hydrocarbons)	<u>Gas: N/A Diesel: N/A</u> g/bhp/hr	
C. NO _x	<u>Gas: N/A Diesel: N/A</u> g/bhp/hr	
D. Particulate Matter	<u>Gas: .01 Diesel: .10</u> g/bhp/hr	
10. Safety Features	<u>Fully Automated</u>	
11. Color	<u>White and Green</u>	

Collection Service Agreement

Exhibit 11 (Cont)
 City of Dublin, CA
 Vehicle Specifications

Organic Waste Collection Vehicles

1. Manufacturer and Model

A. Cab and Chassis	<u>Autocar</u>		
B. Body	<u>Heil Automated</u>		
C. Engine	<u>Cummis ISL 8.3 G</u>		
D. Transmission	<u>Allison 3000 RDS 5 spd</u>		
2. Number of Vehicles	<u>2</u>		
3. Cab and Chassis:			
A. Cab Height	<u>94</u>	inches	
B. Walk-In Cab	<u>yes</u>	<input checked="" type="checkbox"/> X	<u>no</u>
C. Number of Axles	<u>2</u>		
D. Dual Drive	<u>X</u>	<u>yes</u>	<u>no</u>
E. Overall Approximate Length With Body Mounted: <u>504</u>	inches		

4. Body:

A. Type of Body (open-top, closed body, etc.)	<u>Heil Automated Closed</u>		
B. Rated Capacity	<u>33</u>	cu.yd.	
C. Practical or Net Capacity	<u>33</u>	cu.yd.	
D. No. of Bins or Compartments	<u>N/A</u>	cu.yd.	
E. Net Capacity of Each Bin or Compartment	<u>N/A</u>	cu.yd.	
F. Overall Body Length - Overall	<u>276</u>	inches	
G. Body Height - Overall	<u>142</u>	inches	
H. Body Width - Overall	<u>96</u>	inches	
I. Type of Body Loading (manual, automated, etc.)	<u>N/A</u>	<u>Automated Arm</u>	
J. Loading Height Above Ground: Minimum	<u>N/A</u>	inches	
	Maximum	<u>N/A</u>	inches
K. Materials of Construction	<u>Steel</u>		



Collection Service Agreement

1. Weight: GVW <u>58,000</u>	lbs Tare <u>17,750</u>	lbs
5. Will the vehicles be owned, leased, or other?	<u>Owned</u>	
6. Purchase cost of each vehicle	<u>281,683</u>	
7. Fuel type	<u>CNG</u>	
8. Fuel usage	<u>5</u>	mpg
9. Emissions rating		
A. CO	<u>Gas: 1.3 Diesel: 2.0</u> g/bhp/hr	
B. HC (total hydrocarbons)	<u>Gas: N/A Diesel: N/A</u> g/bhp/hr	
C. NO _x	<u>Gas: N/A Diesel: N/A</u> g/bhp/hr	
D. Particulate Matter	<u>Gas: .01 Diesel: .10</u> g/bhp/hr	
10. Safety Features	<u>Fully Automated</u>	
11. Color	<u>White & Green</u>	

Exhibit 12
City of Dublin, CA
C&D Collection Service Rates

RESOLUTION NO. 106 - 13

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF DUBLIN**

**AMENDING THE SCHEDULE OF SERVICE RATES
FOR INTEGRATED SOLID WASTE SERVICES**

WHEREAS, the City of Dublin executed a Collection Service Agreement with Amador Valley Industries (AVI) on January 12, 2005; and

WHEREAS, the Agreement requires the City Council to adopt a rate schedule, which is estimated to produce a specified revenue amount as identified in the Agreement; and

WHEREAS, the City Council adopted the initial rate schedule with Resolution 68-05 at a noticed public hearing on May 3, 2005 and the Agreement provides that the City Council is responsible for establishing all rates; and

WHEREAS, the Agreement with AVI provides for an adjustment to the rates each July 1st in accordance with specified formulas; and

WHEREAS, the City has calculated the required rate adjustment necessary to generate the agreed to compensation and applied not more than a 4.2% adjustment to the residential, commercial, roll-off, and other collection service rates, with the exception of construction and demolition debris services, which adjustment is not more than 14.7% ; and

WHEREAS, on June 18, 2013, the City Council conducted a noticed public hearing prior to the adoption of the new rate schedule.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dublin does hereby adopt the Rate Schedule attached hereto, marked Exhibit A and by reference made a part hereof.

BE IT FURTHER RESOLVED that, while AVI may not charge a rate for these services in excess of the established rates, nothing shall prohibit AVI from charging a rate less than the established amount.

BE IT FURTHER RESOLVED that, upon the effective date, July 1, 2013, this resolution shall supersede all previous resolutions adopting rates for solid waste services, and the rates adopted by this resolution shall continue from year to year.

PASSED, APPROVED AND ADOPTED this 18th day of June, 2013, by the following vote:

AYES: Councilmembers Biddle, Gupta, Hart, Haubert, and Mayor Sbranti

NOES: None

ABSENT: None

ABSTAIN: None

Tim Haubert

Mayor

ATTEST:

Carol P. Sot
City Clerk

2013/14 PROPOSED ADJUSTMENT TO GARBAGE COMPANY RATES

Affected Parcels

Chapter 5.92 of the Dublin Municipal Code requires for the protection of the health safety and welfare of the community that all parcels obtain minimum weekly garbage service. Amador Valley Industries, Inc. is the authorized garbage collection and disposal firm operating within the City. The agreement between the City of Dublin and Amador Valley Industries, Inc. provides that the City shall adopt a rate schedule which is estimated to allow the Company to achieve a fixed amount of annual revenue. Therefore, the adoption of these fees will affect all parcel owners. Rates are effective July 1, 2013.

Basis of Fees

The City has negotiated a multi-year agreement with Amador Valley Industries, Inc. The Company may request a change in rates based upon a formula which includes: changes in the Refuse Rate Index; Increased Regulatory Fees; and changes in the total tons delivered to the Landfill. The additional costs of each of these components has been allocated to the three classes of service: Residential; Commercial Bin Service; and Drop Box/Compactor.

RESIDENTIAL RATES

Company Minimum Residential Collection Rate: Applies separately to each single family unit as well as each unit within a duplex or other attached housing, which receives individual garbage collection services. The rate applies to the initial 32 gallons of garbage capacity, including once per week collection and disposal; Weekly Curbside Residential Recycling; and Weekly Curbside Green Waste Recycling Large Item Collection Service; and access to an Annual HHW drop-off event. All containers are provided by the Company.

Minimum Monthly Rate: \$ 20.31 (Rate includes \$0.35 retained by City for preparing tax roll / collection.)

Residents may select a larger garbage container for an additional fee which is shown below:

64 Gallon Garbage Container:	Minimum Cost Plus \$17.00 per month (Total = \$ 37.31 per month)	
96 Gallon Garbage Container:	Minimum Cost Plus \$33.00 per month (Total = \$ 54.30 per month)	

Second Container:	Residents may request a second garbage container which will be charged at the same rate as a first container based on the size requested	
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Additional Large Item Collection:	Residents may request additional large item collection services for a fee of: \$ 13.35 per Cubic Yard	
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COMMERCIAL AND MULTI-FAMILY BIN SERVICES (FRONT-END-LOADER)

Commercial Can Service: Offered at locations unable to accommodate a commercial bin or with volumes deemed insufficient to utilize a commercial bin. Monthly rate includes bin rental and once per week collection and disposal.

32 Gallon Container: \$23.04	64 Gallon Container: \$42.29	96 Gallon Container: \$81.52
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Commercial Bin Service Rates

Rates shown on the following page are monthly rates based upon bin size and frequency of service. Rates include collection, disposal, and bin rental.

Size		# Times		Size		# Times	
# Yards	Per Wk		Base Monthly Rate	# Yards	Per Wk		Base Monthly Rate
1	1		\$98.54	4	1		\$394.16
1	2		\$221.60	4	2		\$812.84
1	3		\$344.66	4	3		\$1,231.52
1	4		\$467.72	4	4		\$1,650.20
1	5		\$590.78	4	5		\$2,068.88
1	6		\$713.84	4	6		\$2,487.56
2	1		\$197.08	6	1		\$591.24
2	2		\$418.68	6	2		\$1,207.00
2	3		\$640.28	6	3		\$1,822.76
2	4		\$861.88	6	4		\$2,438.52
2	5		\$1,083.48	6	5		\$3,054.28
2	6		\$1,305.08	6	6		\$3,670.04
3	1		\$285.62	7	1		\$689.78
3	2		\$515.76	7	2		\$1,404.00
3	3		\$935.90	7	3		\$2,118.38
3	4		\$1,256.04	7	4		\$2,832.68
3	5		\$1,576.18	7	5		\$3,546.08
3	6		\$1,896.32	7	6		\$4,261.28

Organic material is charged at 50% of the Commercial Service rate.

OTHER COMMERCIAL SERVICES: Rates for additional requested services.

Container Push:	\$ 8.96
Lock & Key:	\$ 5.00
Excess Waste (Cu. Yd):	\$ 29.42 per Cubic Yard
Excess Cart Exchange:	\$ 8.96
Excess Bin Exchange:	\$ 35.86
Excess Bin Cleaning:	\$ 44.80

SMALL COMPACTOR SERVICE: Rates for small compactors serviced as a commercial account on a regular route shall be billed by container size at the rate of two times the stated rate above for loose garbage.

HANDY HAULER: One-time placement and collection of a 4 cubic yard bin, including one week container rental filled no higher than water level: **\$128.83**

Additional Bin Rental Per Week: **\$29.80 Per Week** Cost For Additional Dump: **\$83.47 Per Pick-up**
Excess Per Yard If Filled Above Water Level **\$29.42 Per Cubic Yard**

DROP BOX / COMPACTOR RATES: Cost shown is on a per pick-up basis and is based upon the load not exceeding water level (Excess is charged the same rate). Additional Miscellaneous charges may also apply.

Rate Per Cubic Yard: Non-Compacted: **\$27.73** Compacted: **\$55.46**

Organic material is charged at 50% of the non-compacted or compacted rate as appropriate.

MISCELLANEOUS DROP BOX CHARGES

Relocation of Drop Box	\$76.20	Per Request
Weekly Drop Box Container Rental - After 1st Week	\$29.80	Per Week
Cancel Auto Pick-up Without Notice	\$98.00	Per Event
Handy Hauler Extra Week Rental	\$29.80	Per Week
Standby Time	\$125.12	Per Hour

CONSTRUCTION & DEMOLITION (C&D) DEBRIS BOX SERVICES**C&D Debris Box Service:** Costs shown are on a per pick-up basis

Material Type	Cubic Yards	Rate
---------------	-------------	------

Concrete & Asphalt

Clean	6	\$382.50
Mixed	6	\$457.96

Cardboard

Clean	20	\$255.00
Clean	30	\$362.50
Clean	40	\$510.00

Drh

Clean	6	\$382.43
Mixed	6	\$457.96

Drywall

Clean	20	\$810.61
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Wood

Clean	20	\$254.00
Clean	30	\$362.46
Clean	40	\$509.95

Material Type	Cubic Yards	Rate
---------------	-------------	------

Mixed C&D

Mixed	4 (1/2 Full)	\$50.06
Mixed	4	\$100.12
Mixed	6 (1/2 Full)	\$75.00
Mixed	6	\$150.18
Mixed	7 (1/2 Full)	\$87.61
Mixed	7	\$175.21
Mixed	15	\$385.40
Mixed	20	\$527.20
Mixed	30	\$780.80
Mixed	40	\$1,034.40

Metal

Metal	20	\$297.56
Metal	30	\$340.08
Metal	40	\$425.09

Stucco

Clean	6	\$382.50
Mixed	6	\$457.96

Exhibit 13
Vehicle & Administrative Equipment Acquisition Cost

Vehicles		
Type of Vehicle	Number of Vehicles	(Estimated Cost) Agreement Year July 1, 2020 - June 30, 2021
Automated Trucks (Cart Pick-Up) - Replacement	5	\$2,582,130
Front End Loader Trucks (Commercial Bin Pickup) - Replacement	6	\$3,412,452
Roll Off Trucks (Drop Box Pick-Up) - Replacement	2	\$487,146
Rear Loader - Replacement	1	\$481,364
Flat Bed Truck - Replacement	1	\$103,177
Fork Truck - Replacement	1	\$243,027
Pick-up Trucks & Trailer - Replacement	2	\$157,959
Flatbed (Stakebed) - New	1	\$103,177
Rear Loader - New	1	\$481,364
Estimated Vehicle Replacement Cost		\$8,051,796

Administrative Equipment	
Administrative Equipment	\$250,000
Estimated Asset Costs	\$8,301,796

Estimated Annual Amortized Costs		
		Estimated Annual Expense
Estimated Vehicle Replacement and Administrative Equipment Costs (equal annual amortization over 15 years)		\$553,453
Estimated Year 1 Financing Costs*		\$435,844
Estimated Operating Ratio Costs		\$109,922
Total Estimated Annual Cost		\$1,099,219

*Represents 1st year interest costs.

**SIXTH AMENDMENT
TO THE COLLECTION SERVICE AGREEMENT BETWEEN
THE CITY OF DUBLIN AND AMADOR VALLEY INDUSTRIES, LLC**

This Sixth Amendment to the Collection Service Agreement, dated as of June 16, 2020, (the "Amendment") modifies and amends that certain "Collection Service Agreement" between the City of Dublin ("CITY") and Amador Valley Industries, LLC ("CONTRACTOR") dated January 12, 2005, as previously amended by the Parties (the "Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Agreement.

Recitals

WHEREAS, the Agreement sets forth the respective rights and obligations of the parties with respect to the Collection of Solid Waste and Organic Materials and grants CONTRACTOR an exclusive right to provide Collection Services within the Service Area; and

WHEREAS, on June 20, 2006, the parties executed a First Amendment to the Agreement in order to modify certain provisions in Exhibit 2 of the Agreement relating to the Compensation Adjustment Model; and

WHEREAS, on June 17, 2008, the parties executed a Second Amendment to the Agreement in order to provide for: compensation to CONTRACTOR for the collection of Recyclable Materials produced by Commercial Service Units; to modify CONTRACTOR'S obligation to provide Large Item Collection Service to City Service Units; to require CONTRACTOR to perform a minimum of two waste audits per day; to require CONTRACTOR to increase its Commercial and MFD outreach and education programs and to perform at least twelve campaigns each Agreement Year and to require CONTRACTOR to submit an annual diversion plan for approval by the City each Agreement Year; and

WHEREAS, on June 23, 2009, the parties executed a Third Amendment to the Agreement in order to modify certain indices used to calculate the RRI Factor, relating to the Compensation Adjustment Model; and

WHEREAS, on June 1, 2010, the parties executed a Fourth Amendment to the Agreement in order to modify certain indices used to calculate the RRI Factor as listed in Exhibit 2, pages 78 and 79, of the Collection Services Agreement; to increase the RRI factor cap from 5% to 10%; to modify the AG, AGT, and RRI Factors to clarify that negative values are not to be included in the compensation adjustment model; to clarify that all CITY facilities receive free City collection services; to modify the definition of Calculated Revenue to include commercial recycling bins; and to extend the term of the Agreement; and

WHEREAS, on July 1, 2012, the parties executed a Fifth Amendment to the Agreement in order to modify to reflect the CONTRACTOR'S offer of making a continuing community benefit payment to an organization selected by the City as a means of contributing to the community it serves pursuant to this Agreement and to incorporate Construction and Demolition Debris Collection Services into the Agreement; reduce the cost of Collection Services for the Dublin Unified School District; and bundle 50% of the cost of Commercial Organics Collection Services and 100% of the cost of Dublin Unified School District Organics Collection Services within the solid waste rate structure; and

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, CITY and CONTRACTOR hereby agree to amend the Agreement as follows:

Section 1. Article 1 Definitions is hereby amended to include the following revised or new definitions to read as follows, which shall be inserted in alphabetical order and all paragraphs in Article 1 shall be renumbered accordingly:

City Representative. The City Manager, or their designee.

Commercial Organic Collection Service. The Collection of Commercial Organic Waste from Commercial Service Units and Commercial Organic Service Units and the delivery of the Commercial Organic Waste to an Organics Processing Facility. Commercial Organic Collection Service for any Commercial Service Unit or Commercial Organic Service Unit on a Saturday will require a minimum of three (3) service days for such Unit during the week (Monday through Friday).

Disposal or Dispose (or other variation thereof). The final disposition of Solid Waste in accordance with this Agreement at the Disposal Facility.

Diversion or Divert. Activities that reduce or eliminate the amount of Solid Waste Disposed, including, but not limited to, Composting, Recycling, and reuse.

Large Items. Those large materials including furniture; carpets; mattresses; White Goods; Brown Goods; E-Waste; Recyclable Materials; Reusable Materials; Textiles; tires without rims; Large Green Waste; or some combination of such items in a container the dimensions of which container do not exceed four feet by four feet by two feet (4'x4'x2') and weighing no more than sixty (60) pounds, which are attributed to the normal activities of a SFD, MFD, or City Service Unit. Large Items must be generated by and at the Service Unit where the Large Items are Collected. Large Items do not include items herein defined as Exempt Waste.

Large Item Collection Service. The periodic on-call Collection of Large Items, by the CONTRACTOR, from Service Units in the Service Area and the delivery of those Large Items to a Disposal Facility, Materials Recovery Facility, Green Waste Processing Facility, Reuse Vendor or such other facility as may be appropriate under the terms of this Agreement. Large Item Collection Service does not include the Collection of Large

Items through the use of Roll-Off Containers or C&D Debris Boxes, except that Roll-Off Containers may be used for MFD Large Item Collection Service.

Recycle or Recycling (or any variation thereof). The process of sorting, cleansing, treating and reconstituting materials that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused or reconstituted products.

Reusable Materials. Items that are capable of being used again after minimal processing. Reusable Materials may be collected source separated or recovered through a Disposal Facility, Materials Recovery Facility, Green Waste Processing Facility, Reuse Vendor or such other facility. Reusable Materials may include, but are not limited to, Textiles, furniture, and/or sporting equipment, toys, house wares, working computers, undamaged monitors, cell phones, books, working small White Goods, working VCRs and working stereos.

Reuse Vendor. A vendor (e.g., St. Vincent dePaul or Goodwill Industries, or other nonprofit or for-profit organizations) that will collect used furniture, clothing, sporting equipment, and other re-usable items for purposes of reuse rather than Disposal.

Textiles. Clean items made of thread, yarn, fabric, or cloth. Examples include clothes, fabric trimmings, draperies, and all natural and synthetic cloth fibers. This waste type does not include cloth-covered furniture, mattresses, leather shoes, leather bags, or leather belts.

Uncontrollable Circumstance(s). Floods, earthquakes, other "acts of nature", pandemic, war, civil insurrection, riots, acts of any government (including judicial action), labor unrest, including, but not limited to, strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action, and other similar catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from performance hereunder. However, the following are not Uncontrollable Circumstances: (a) power outages, or (b) labor unrest by employees of CONTRACTOR or of any subcontractor that controls, is controlled by, or is under common control with CONTRACTOR directed against CONTRACTOR or such subcontractor, including, but not limited to, strike, work stoppage or slowdown, sick-out, lockout, picketing, or other concerted job action. No event which merely increases CONTRACTOR'S cost of performance shall be an Uncontrollable Circumstance; and no event, the effects of which could have been prevented by reasonable precautions, including compliance with agreements and applicable laws, shall be an Uncontrollable Circumstance.

Section 2. Section 2.01 is hereby amended to read as follows:

2.01 Term. The term of this Agreement shall be extended for a fifteen (15) year period beginning July 1, 2020 and terminating on June 30, 2035.

Section 3. Section 3.05.2 is hereby amended to read as follows:

3.05.2 Commercial, DUSD, C&D Debris, and City Collection Service shall be provided, commencing no earlier than 4:00 a.m. (or 6:00 a.m. if the property is within two hundred (200) feet of a residential property), and terminating no later than 9:00 p.m., Monday through Friday, with service on Saturday starting no earlier than 6:00 a.m. (or 7:30 a.m. if the property is within two hundred (200) feet of a residential property). The hours, days, or both of Collection may be extended due to extraordinary circumstances or conditions with the prior written consent of the City Representative.

Section 4. Section 3.07.3 is hereby amended to read as follows:

3.07.3 Repair of Carts and Bins. CONTRACTOR shall be responsible for repair of any damaged carts and bins to include, but not be limited to, damage to hinged lids, wheels, axles, and anything causing leakage. Within three (3) Work Days of notification by the CITY or a Service Recipient of the need for such repairs, the CONTRACTOR shall repair the cart or bin or if necessary, remove the cart or bin for repairs and deliver a replacement cart or bin to the Service Recipient.

Section 5. Section 3.07.9 is hereby amended to read as follows:

3.07.9 Organic Waste Pails. As requested by the Service Recipient, CONTRACTOR shall provide each SFD Service Unit with a pail for use in the kitchen that is suitable for the collection and storage of food scraps and that is consistent in function to meet the Alameda County Waste Management Authority's Residential Food Scrap Subsidy Program guideline requirements. The kitchen pail shall have a capacity of 1.5 to 2.5 gallons, a wire or plastic handle, and a lid and must be approved by the CITY. When requested by the CITY, the CONTRACTOR shall promote the availability of the Organic Waste Pails, as part of its annual Public Education and Outreach Program Plan pursuant to Section 16.02.

Section 6. Section 3.10.5 is hereby amended to read as follows:

3.10.5 CONTRACTOR shall not Dispose such Large Items unless the Large Items cannot be Diverted.

3.10.5.1 White Goods shall be reused, Recycled, or Disposed by CONTRACTOR in accordance with requirements of applicable law.

Section 7. Section 3.10.6 is hereby amended to read as follows:

3.10.6 CITY Direction of Large Items. CITY reserves the right to direct CONTRACTOR to take Large Items Collected pursuant to this Agreement to a designated site or sites for the purpose of permitting persons who will reuse or recycle such Large Items to obtain the Large Items at no cost. CONTRACTOR shall have no obligation to dispose of the Large Items or Large Item residue remaining at the directed site or sites after reusers and recyclers have removed reusable or recyclable Large Items.

CONTRACTOR shall encourage and facilitate the participation of Reuse Vendor(s) to select and sort out Reusable Materials at the point of Collection or at the Reuse Vendor, Disposal Facility, Materials Recovery Facility, Green Waste Processing Facility, or other such facility as may be appropriate.

Section 8. Section 3.18.3 is hereby amended to read as follows:

3.18.3 Response to Hazardous Waste Identified during Collection. Under no circumstances shall CONTRACTOR'S employees knowingly Collect Hazardous Waste, or remove unsafe or poorly containerized Hazardous Waste, from a Collection container. If CONTRACTOR determines that material placed in any container for collection is Hazardous Waste, or other material that may not legally be accepted at the Disposal Facility, or one of the Processing Facilities, or presents a hazard to CONTRACTOR'S employees, the CONTRACTOR shall have the right to refuse to accept such material. The generator shall be contacted by the CONTRACTOR and requested to arrange for proper Disposal service. If the generator cannot be reached immediately, the CONTRACTOR shall, before leaving the premises, leave a Non-Collection Notice, which indicates the reason for refusing to Collect the material and lists the phone number for the Alameda County Household Hazardous Waste Facility. CONTRACTOR'S environmental technician, on file with the CITY's Contract Manager, shall be notified to resolve the issue with the generator.

Section 9. Section 5.03 is hereby amended to read as follows:

5.03 Collection Service Compensation Elements. Collection Service compensation to the CONTRACTOR shall consist of the following elements; a Collection Compensation Element, a Disposal Compensation Element, a Container Compensation Element, a Fee Compensation Element, a Commercial Recycling Compensation Element, a Recyclable Materials Diversion Compensation Element, an Organic Waste Diversion Compensation Element, and a Vehicle and Administration Asset Element.

Section 10. Section 5.04 is hereby amended to read as follows:

5.04 Compensation to CONTRACTOR. CONTRACTOR'S compensation for the Agreement Year that begins July 1, 2020 shall not be less than \$23,930,176 as set forth in Exhibit 1 to this Agreement.

Section 11. Section 5.04.1 is hereby deleted in its entirety.

Section 12. Section 5.05.7.4 is amended to read as follows:

5.05.7.4 Commercial Recycling Compensation Element. For the Agreement Year beginning July 1, 2020, the Commercial Recycling Compensation Element shall be \$639,330 (the "Initial Element") minus \$607,266 (the "Reduction Amount"). The Commercial Recycling Compensation Element for each subsequent Agreement Year shall be calculated with reference to the Initial Element as adjusted each Agreement Year in accordance with Section 5.05.7.3, minus the Reduction Amount.

Section 13. A new Section 5.05.8 is hereby added to the Agreement to read as follows:

5.05.8 Adjustments to Recyclable Materials Diversion Compensation Element.

Beginning with the compensation adjustment for July 1, 2021, the City shall calculate the Recyclable Materials Diversion Compensation Element annually by multiplying (a) the actual tonnage of Recyclable Materials delivered by CONTRACTOR to the Tracy Materials Recovery and Solid Waste Transfer, Inc. (or other MRF used for processing of Recyclable Materials) in the prior calendar year (January 1 – December 31) by (b) the anticipated per-ton tip fee to be charged by such MRF during the subsequent Agreement Year.

Section 14. A new Section 5.05.9 is hereby added to the Agreement to read as follows:

5.05.9 Adjustments to Organic Waste Diversion Compensation Element.

Beginning with the compensation adjustment for July 1, 2021, the City shall calculate the Organic Waste Diversion Compensation Element annually by multiplying (a) the actual tonnage of Organic Waste delivered by CONTRACTOR to the Organic Waste Processing Facility in the prior calendar year (January 1 – December 31) by (b) the anticipated per-ton tip fee to be charged by the Organic Waste Processing Facility during the subsequent Agreement Year.

Section 15. A new Section 5.18 is hereby added to the Agreement to read as follows:

5.18 Vehicle and Administration Asset Element. For the Agreement Year beginning July 1, 2020, the Vehicle and Administration Asset Element (the "Baseline Vehicle and Administration Asset Element") shall be \$1,595,575, which includes depreciation, interest expense and operating ratio on the assets acquired before June 30, 2020 and estimated expenses associated with assets to be acquired as set forth in Exhibit 13 to this Agreement. The portion of this Element reflected on Exhibit 13 includes (a) depreciation of the estimated purchase price of new vehicles acquired in equal annual amounts over the remaining term of this Agreement, (b) estimated interest expense over the periods for which an interest expense is scheduled, and (c) operating ratio on the purchase price and interest for the periods for which they are included. During the first and every subsequent compensation review under Section 27.07 below, the CITY will review CONTRACTOR's expenses associated with the actual asset acquisitions included in Exhibit 13 and make corresponding adjustments in Rates to reflect those actual expenses in accordance with the new Exhibit referred to in Section 27.07 below (as further adjusted under this Section 5.18 and Section 5.18.1 below).

5.18.1 Adjustments to Vehicle and Administration Asset Element. From the Agreement Year that begins on July 1, 2021 until the Agreement Year that begins on July 1, 2029, CONTRACTOR may request, no more than once per Agreement Year, that the CITY consider the addition of vehicle or administration assets to the Baseline Vehicle and Administration Asset Element. In conjunction with such requests, CONTRACTOR shall provide (a) a narrative justification for the ratepayer-funded

acquisition, including whether or not the acquisition replaces an existing asset; (b) a proposed estimated or actual cost of the acquisition (including interest or other financing costs); and (c) a proposed schedule for amortization of the asset in the Baseline Vehicle and Administration Asset Element. If an asset is replaced, any remaining amortization or depreciation associated with the replaced asset shall be removed from the Baseline Vehicle and Administration Asset Element. Unless the City accepts CONTRACTOR's request as proposed, the Parties shall meet and confer to attempt to reach agreement on the need for the asset, the costs of the acquisition, and the amortization schedule. The Parties shall consider and analyze the useful life of the asset in relationship to the remaining term and how to address depreciation of any assets that will have a useful life that extends beyond the remaining Term. In the event that the parties fail to reach agreement on the need for the asset, the costs of its acquisition, or the amortization schedule during the meet and confer process, CONTRACTOR may elect to either withdraw all or any portion of the request or allow the City Manager to make the final determination.

Section 16. Section 6.01 is hereby amended to read as follows:

6.01 Minimum Requirements. CONTRACTOR shall perform services under this Agreement in a manner which supports the CITY's environmental goals, and at all times complies with and supports the Alameda County Mandatory Recycling Ordinance and SB 1383. This includes, but is not limited to, providing services, education, and outreach to Customers and in the community which promote source reduction, reuse, Recycling, Composting, and other methods to reduce landfill Disposal. Contractor is expected to suggest opportunities for Customers to reduce their Solid Waste subscription levels and increase landfill diversion through reducing, recycling or composting their materials.

Contractor shall use commercially reasonable efforts to achieve the following minimum annual Diversion rates by the Agreement Year beginning July 1, 2025:

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

The parties shall meet annually within sixty (60) days of the due date for the annual report to discuss CONTRACTOR's progress toward meeting the minimum annual Diversion rates for the Agreement Year beginning July 1, 2025. If necessary to ensure adequate progress, CITY may establish reasonable interim Diversion rate objectives.

Section 17. Section 6.02 is hereby amended to read as follows:

6.02 Failure To Meet Minimum Requirements. CONTRACTOR'S failure to meet the minimum Diversion rates set forth in Section 6.01 above due to CONTRACTOR's failure to use commercially reasonable efforts to achieve such rates may result in the termination of this Agreement or the imposition of liquidated damages. In determining whether or not to assess liquidated damages or terminate the Agreement, the CITY will consider the good faith efforts put forth by the CONTRACTOR to meet the minimum Diversion rates. This consideration will include the methods and level of effort of the CONTRACTOR to fully implement the public education and diversion plans attached to and included in this Agreement as Exhibits 8 and 9 respectively. The CONTRACTOR shall be held to the standards of an effective, professional, and prudently designed and operated diversion and public educational program within a similar municipal jurisdiction.

Section 18. Section 6.03 and all subsections thereof are hereby deleted in their entirety.

Section 19. Section 8.07.1 is hereby amended to read as follows:

8.07.1 Conditions of Service. The CONTRACTOR shall provide Large Item Collection Service to all SFD Service Units in the Service Area whose Large Items have been placed by 6:00 a.m. on the day of Large Item Collection Service, within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such time and location agreed to by the CONTRACTOR and Service Recipient, that will provide safe and efficient accessibility to the CONTRACTOR'S Collection crew and vehicle. The Service Recipient shall be limited to seven (7) cubic yards of Large Items per Collection. Accordingly, CONTRACTOR shall be compensated for the cost of Collecting Large Items in excess of this limitation in accordance with the "Additional Large Item Collection" service rate as set by the City and as may be adjusted under the terms of this Agreement. Each SFD Service Unit in the Service Area shall be entitled to receive Large Item Collection Service up to three (3) times per Agreement Year. Large Item Collection Service shall be provided within seven (7) Work Days of the SFD Service Unit's request on a day agreed to by CONTRACTOR and such SFD Service Unit. CONTRACTOR shall not be required to provide Large Item Collection Service if the items left for Collection include Exempt Waste, Used Oil, Construction and Demolition Debris, more than four (4) tires, or items that are not Large Items. CONTRACTOR may also develop rules and policies, subject to CITY approval, that allow it to reject Large Items that are not appropriately bundled or containerized.

Section 20. A new Section 8.07.3 is hereby added to the Agreement to read as follows:

8.07.3 Management and Promotion of Service: CONTRACTOR shall promote, manage, staff, operate and administer the Large Item Collection Service in a manner designed to encourage its wide use by residential occupants. More specifically, but without limiting the generality of the foregoing, CONTRACTOR shall promote the Service annually in the annual collection brochure and on CONTRACTOR's website. CONTRACTOR shall obtain CITY approval of all public announcements related to the

Large Item Collection Service. CONTRACTOR shall also consider implementing other reasonable promotions of this Service suggested by CITY.

Section 21. A new Section 8.09 is hereby added to the Agreement to read as follows:

8.09 Quarterly Textile Collection. CONTRACTOR shall collect Textiles that are placed within three (3) feet of the curb, swale, paved surface of the public roadway, closest accessible roadway, or other such location agreed to by the CONTRACTOR and Service Recipient, contained in Service Recipient-provided bags, during one (1) week periods quarterly, as mutually determined by the CITY and the CONTRACTOR. Textile Collection Service shall be provided during the one (1) week period quarterly. Service Recipient shall call CONTRACTOR seven (7) Work Days in advance to receive such Service. During the one (1) week period in which Textiles are collected, the CONTRACTOR will not be required to make Large Item Collection Service pick-ups. To the extent they are properly set out for collection, Textiles shall be collected and delivered to the Materials Recovery Facility for processing. CONTRACTOR shall develop and provide notification to Service Recipients that includes the Textile Collection schedule, an indication of acceptable and prohibited Textiles, and the placement requirements. Such notifications shall be provided in the annual collection brochure and on CONTRACTOR's website.

Section 22. Section 9.02.1 is hereby amended to read as follows:

9.02.1 Conditions of Service. The CONTRACTOR shall provide Large Item Collection Service to all MFD Service Units in the Service Area at the times and in a manner agreed to between the CONTRACTOR and the MFD Service Unit management. The service shall be limited to the Collection of a maximum number of cubic yards of material per Agreement Year calculated by multiplying the number of Dwelling Units in the Service Unit by three (3) cubic yards. An MFD Service Unit management may schedule Large Item Collection Service up to three (3) times per Agreement Year for no cost up until the MFD Service Unit exceeds the three (3) cubic yard per Dwelling Unit annual maximum. Accordingly CONTRACTOR shall be compensated for the cost of Collecting Large Items in excess of this limitation in accordance with the "Additional Large Item Collection" service rate as set by the City and as may be adjusted under the terms of this Agreement. CONTRACTOR shall not be required to provide Large Item Collection Service if the items left for Collection include Exempt Waste, Used Oil, Construction and Demolition Debris, more than four (4) tires, or items that are not Large Items. CONTRACTOR may also develop rules and policies, subject to CITY approval, that allow it to reject Large Items that are not appropriately bundled or containerized.

CONTRACTOR may adopt reasonable regulations, subject to CITY approval, to ensure that Large Items are appropriately staged for efficient and economical Collection and processing. Such regulations may include a requirement that materials be placed in the agreed-upon location prior to 6:00 a.m. on pick - up day, that only Large Items be placed in the Roll-Off Container, and that the customer is liable for a reasonable extra handling charge for failure to conform to such regulations. Large Items may be collected

in Roll-Off Containers. If a Roll-Off Container is used to collect non-working Large Items, CONTRACTOR and MFD Service Unit management must identify a separate location to stage Reusable Materials and Recyclable Materials for pick-up, including, but not limited to, E-waste, mattresses, and tires, for separate Collection using a flatbed truck.

Section 23. A new Section 9.02.3 is hereby added to the Agreement to read as follows:

9.02.3 Management and Promotion of Service: CONTRACTOR shall promote, manage, staff, operate and administer the Large Item Collection Service in a manner designed to encourage its wide use by residential occupants. More specifically, but without limiting the generality of the foregoing, CONTRACTOR shall promote the service annually by direct mailing and emailing a Large Item Collection Service guide to each MFD Service Unit management. CONTRACTOR shall also provide an electronic Large Item Collection Service guide that the MFD Service Unit management can use to educate residents about the Large Item Collection Services. CONTRACTOR shall obtain CITY approval of all public announcements related to the Large Item Collection Service. CONTRACTOR shall also consider implementing other reasonable promotions of this Service suggested by CITY.

Section 24. A new Section 9.04 is hereby added to the Agreement to read as follows:

9.04 Quarterly Textile Collection. CONTRACTOR shall collect Textiles that are placed in a location agreed to by the CONTRACTOR and MFD Service Unit management, contained in Service Recipient-provided bags, during one (1) week periods quarterly, as mutually determined by the CITY and the CONTRACTOR. Textile Collection Service shall be provided during the one (1) week period quarterly. Service Recipient shall call CONTRACTOR seven (7) Work Days in advance to receive such Service. To the extent they are properly set out for collection, Textiles shall be collected and delivered to the Materials Recovery Facility for processing. CONTRACTOR shall develop and provide notification to MFD Service Unit management that includes the Textile Collection schedule, an indication of acceptable and prohibited Textiles, and the placement requirements. Such notifications shall be provided by direct mailing and emailing. CONTRACTOR shall develop educational material that can be distributed to property residents by the MFD Service Unit management to promote participation in the Textile Collection program.

Section 25. Section 11.09 is hereby amended to read as follows:

11.09 Abandoned Waste. CONTRACTOR shall direct its Collection vehicle drivers to note the address, or other location description, at which Solid Waste, Recyclable Material, C&D, and/or Organic Material has been dumped in an apparently unauthorized manner. CONTRACTOR shall deliver the address or description to CITY within three (3) Work Days of such observation. When requested by CITY, CONTRACTOR shall dispatch a truck to Collect any abandoned waste at locations in the CITY, whether or not identified by CONTRACTOR pursuant to the foregoing

sentence. CONTRACTOR shall Collect abandoned waste from such location within two (2) Work Days of receiving the verbal or written request unless special circumstances warrant a longer period, in which case CONTRACTOR shall notify the CITY of such circumstances and the need for additional time to Collect materials within twenty - four (24) hours of the CITY's verbal or written notice to Collect abandoned waste. Contractor shall be responsible for Collection, transportation, and Recycling or Disposal of such material. CONTRACTOR shall record the date, time, location, and description of material Collected including estimated volume of such material; location where such material was Disposed; and cost of Disposal.

Section 26. Section 14.01.3 is hereby amended to read as follows:

14.01.3 Alternative Fuel, Hybrid or Electric Vehicles. CONTRACTOR's fuel-based Collection Service vehicles shall utilize Compressed Natural Gas or Clean Diesel as a fuel. During the term of this Agreement, to the extent required by law, CONTRACTOR shall convert and/or retrofit its Collection Service vehicles to be in full compliance with local, State and federal clean air requirements that are adopted during the Term. CONTRACTOR shall be responsible for monitoring the market for alternative fuel, hybrid, and electric Collection Service vehicles and advising CITY of the availability of such vehicles that CONTRACTOR believes to be economical and of significant economic benefit. In the event that CITY determines it appropriate, it may direct that future acquisitions of Collection Service vehicles be of a specified alternative fuel, hybrid, or electric, subject to the provisions of section 5.18.1.

Section 27. Section 14.01.8 is hereby amended to read as follows:

14.01.8 Bin Signage, Painting, and Cleaning. All metal bins of any service type furnished by the CONTRACTOR shall be painted and galvanized. All bins shall display the CONTRACTOR'S name, CONTRACTOR'S customer service telephone number, and the number of the bin and shall be kept in a clean and sanitary condition. Such bins as are provided by the CONTRACTOR shall be steam cleaned by the CONTRACTOR as frequently as necessary to maintain them in a sanitary condition and in a manner that does not allow discharge of wash water into the storm drain system. Bins will be subject to periodic, unscheduled inspections by the CITY and determination as to sanitary condition shall be made by the CITY.

Section 28. Section 14.04 is hereby amended to read as follows:

14.04 Equipment Maintenance. CONTRACTOR shall maintain Collection equipment in a clean condition and in good repair always. All parts and systems of the Collection equipment shall operate properly and be maintained in a condition reasonably satisfactory to CITY. CONTRACTOR shall wash all Collection vehicles at least once a week, in a manner that does not allow discharge of wash water into the storm drain system.

Section 29. A new Section 15.01.06 hereby added to the Agreement to read as follows:

15.01.06 Contract Manager. CONTRACTOR shall provide a half time contract manager during the term of the Agreement, whose sole function during half of all normal business hours of each Work Day shall be to provide services related to this Agreement.

Section 30. Section 16.01 is hereby amended to read as follows:

16.01 Recycling Coordinator. CONTRACTOR shall provide a full-time Recycling Coordinator during the Term of this Agreement to conduct targeted outreach, and to coordinate and implement all public education and outreach activities required by this Agreement throughout the Agreement Term. CONTRACTOR shall add one (1) additional full - time equivalent staff member (Recycling Coordinator) during the Agreement Year that begins July 1, 2021, to be primarily focused on working with Customers to achieve the higher diversion and compliance with the requirements of SB 1383, including participation in edible food waste recovery. CONTRACTOR will meet with CITY annually to develop a work plan for the Recycling Coordinator, to be implemented in the following year, to address compliance with state law and CITY priorities. Beginning with the Rates for the Agreement Year in which the state's final SB 1383 implementing regulations first take effect and annually thereafter, the Rates shall be adjusted to include the costs of such additional full - time equivalent staff person or persons. Such cost shall not exceed one hundred fifty thousand dollars (\$150,000) per FTE.

Section 31. Section 16.02 is hereby amended to read as follows:

16.02 Public Outreach and Education Services. CONTRACTOR, at its own expense, shall prepare, submit and implement an annual (Agreement Year) Public Education and Outreach Program beyond the City's Public Education and Outreach Program. The proposed action plan shall be created in consultation with the CITY and be submitted annually for City Approval no later than March 31st for the next Agreement Year. The program must include a minimum of twelve (12) campaigns per year, designed to increase diversion as well as residential and commercial participation. Campaigns should target certain Recyclable Materials or "problem areas" of the CONTRACTOR'S Service Area where improvements can be maximized. Targets of outreach should be based on local trends and recycling patterns based on information obtained by both the City Representative and CONTRACTOR staff.

Section 32. Section 18.06.2 of the Agreement is amended to read as follows:

18.06.2 Recycling Data. Indicate, by material type (and grade where appropriate), the monthly totals of Recyclable Materials processed and Diverted, including facility name and location, average price received or paid per ton and total recycling revenue, expenditures, and total net costs or proceeds. Indicate any quantities, by material type, donated or otherwise Diverted without compensation. Indicate number of Recycling Bins and Carts distributed by size and Service Unit type. Also provide the location for residue Disposed. Tons of Recyclable Materials Diverted and of residue Disposed may be based on average amounts for such items published

by the relevant Processing or Disposal Facility or on waste characterization studies by such Facilities.

Section 33. Section 18.06.3 of the Agreement is amended to read as follows:

18.06.3 Organic Waste. Indicate the monthly totals of Organic Waste processed and Diverted, including facility name and location, average price received or paid per ton and total Organic Waste revenue, expenditures, and total net costs or proceeds. Indicate total tons provided to CITY, to CITY residents or otherwise Diverted without compensation. Indicate number of Organic Waste Bins and Carts distributed by size and Service Unit type. Indicate number of Organic Waste Pails ("kitchen pails") and commercial indoor organic containers distributed. Also provide the location for residue Disposed. Tons of Organic Waste Diverted and of residue Disposed may be based on average amounts for such items published by the relevant Processing or Disposal Facility or on waste characterization studies by such Facilities.

Section 34. A new Section 18.08 is hereby added to the Agreement to read as follows:

18.08 Large Item Service Collection, Textiles, and New Programs. Indicate, by material type (and grade where appropriate), the monthly totals of items and materials processed and Diverted through Large Item Collection Service, Textile Collection and/or any new program added after the Effective Date, including facility name and location, average price received or paid per ton and total revenue, expenditures, and total net costs or proceeds. Indicate any quantities, by material type, donated or otherwise Diverted without compensation. Indicate number of Roll-Off Containers, Recycling Bins and Carts distributed by size and Service Unit type. Also provide the location for residue Disposed. Tons of materials Diverted and of residue Disposed may be based on average amounts for such items published by the relevant Processing or Disposal Facility or on waste characterization studies by such Facilities.

Section 35: Section 25.02 is amended to read as follows:

25.02 Subject to Public Resources Code Section 40059.1, CONTRACTOR agrees to protect and defend CITY with counsel selected by CONTRACTOR and approved by CITY, to pay all attorneys' fees, and to indemnify and hold CITY harmless from and against all fines or penalties imposed by the California Integrated Waste Management Board if the diversion goals specified in California Public Resources Code Section 41780 as of the date hereof and hereafter throughout are not met by the CITY with respect to the Materials Collected by CONTRACTOR and if the lack in meeting such goals are attributable to the failure of the CONTRACTOR to implement and operate the recycling or diversion programs or undertake the related activities required by this Agreement.

Section 36: Section 25.05 is amended to read as follows:

25.05 Subcontractors. CONTRACTOR shall require all subcontractors that control, are controlled by or are under common control with CONTRACTOR to enter into an agreement containing the provisions set forth in the preceding subsection in

which agreement the subcontractor fully indemnifies the CITY in accordance with this Agreement.

Section 37. A new Section 26.06 is hereby added to the Agreement to read as follows:

26.06 Excuse From Performance. The parties shall be excused from performing their respective obligations hereunder in the event they are prevented from so performing by reason of Uncontrollable Circumstances. 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 Collection Services due to the unwillingness or failure of the third party to provide reasonable assurance of the safety of CONTRACTOR's employees while providing Collection Services or to 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 and provided further that the foregoing excuse shall be conditioned on CONTRACTOR's cooperation in making Collection at different times and in different locations.

The party claiming excuse from performance shall, within a reasonable period of time under the circumstances but no later than 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.

In the event that either party validly exercises its rights under this Section, the other party hereby waives any claim against the exercising party for any damages sustained thereby, including, without limitation, liquidated damages.

The partial or complete interruption or discontinuance of CONTRACTOR's services caused by one or more of the Uncontrollable Circumstances described in this Article shall not constitute a default by CONTRACTOR under this Agreement. Notwithstanding the foregoing, however, (1) the existence of an excuse from performance will not affect CITY's right to perform Collection Services under Section 26.01.6; and (2) if CONTRACTOR is excused from performing its obligations hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more, other than as the result of third party labor disputes where service cannot be provided for reasons described earlier in this Section, CITY shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) calendar days' notice, in which case the provisions of Article 26 shall apply.

Section 38. Section 27.01 is hereby amended to read as follows:

27.01 Agreement Modifications and Changes in Law. The CITY and the CONTRACTOR understand and agree that the California Legislature has the authority to make comprehensive changes in Solid Waste Management legislation and that these and other changes in law in the future which mandate certain actions or programs for counties or municipalities may require changes or modifications in some of the terms, conditions or obligations under this Agreement. The CITY and CONTRACTOR acknowledge that, as of the date of this Agreement, legislation (including, but not limited

to, SB 1383) has been enacted into law that upon its implementation by regulatory agencies will have a significant impact on the manner in which Collection Services are provided. The CITY and CONTRACTOR agree that, as the appropriate regulatory bodies continue to develop final rules and regulations implementing such legislation, the CITY and CONTRACTOR will meet and confer as requested by CONTRACTOR or the CITY Contract Manager or their designees to discuss how such rules and regulations may impact the services provided and CONTRACTOR's costs under this Agreement. Prior to such meet and confer period, CONTRACTOR agrees to minimize actions (such as replacement of Collection vehicles) that may be affected by such rules and regulations.

The CONTRACTOR agrees that the terms and provisions of the City of Dublin Municipal Code, as it now exists or as it may be amended in the future, shall apply to all of the provisions of this Agreement and the Service Recipients of the CONTRACTOR located within the Service Area. In the event any future change in any law or regulation applicable to this Agreement (including, without limitation, pursuant to the preceding paragraph), modifications to the Municipal Code, or directed changes by the CITY materially alters the obligations of the CONTRACTOR, then the affected compensation as established under this Agreement shall be adjusted. Nothing contained in this Agreement shall require any party to perform any act or function contrary to law. The CITY and CONTRACTOR agree to enter into good faith negotiations regarding modifications to this Agreement which may be required in order to implement changes in the interest of the public welfare or due to change in law. When such modifications are made to this Agreement, the CITY and the CONTRACTOR shall negotiate in good faith, a reasonable and appropriate compensation adjustment for any increase or decrease in the services or other obligations required of the CONTRACTOR due to any modification in this Agreement under this Article. The CITY and the CONTRACTOR shall not unreasonably withhold agreement to such compensation adjustment.

Section 39. A new Section 27.06 hereby added to the Agreement to read as follows:

27.06 Agreement Performance Review. The CITY may conduct, and CONTRACTOR shall cooperate with, one or more performance reviews at any point during the Term of this Agreement to verify CONTRACTOR has fulfilled operational obligations under this Agreement. The purpose of such review shall be, without limitation, to determine if CONTRACTOR has met the performance standards described in this Agreement. CITY may choose to enlist professional service providers that are reasonably acceptable to CONTRACTOR to perform such reviews, and CONTRACTOR shall be required to pay CITY'S actual costs for such services up to fifty thousand dollars (\$50,000) per performance review, which shall be a pass-through cost included in the Collection Service Rates in the subsequent Agreement Year. CONTRACTOR shall cooperate with the CITY and its agents during the review process. If any noncompliance with the Agreement is found, the CITY may direct the CONTRACTOR to correct the inadequacies. Performance and service quality review hearings may be scheduled by the CITY at its discretion throughout the Term of the Agreement.

Section 40. A new Section 27.07 hereby added to the Agreement to read as follows:

27.07 Agreement Compensation Review. Once every three (3) years, the CONTRACTOR may request that CITY, or CITY may on its own initiative, conduct a compensation review to verify CONTRACTOR's compensation is and will be consistent with an operating ratio not greater than 90%. CONTRACTOR shall fully cooperate with CITY's review. The purpose of such review shall be, without limitation, to review all of CONTRACTOR's actual costs and revenues, excluding any costs contained in the Recyclable Materials Diversion Compensation Element and in the Organic Waste Diversion Compensation Element, and compare them to the compensation received over the same time period. CITY may choose to enlist professional service providers that are reasonably acceptable to CONTRACTOR to perform such reviews, and CONTRACTOR shall be required to pay CITY'S actual costs for such services up to fifty thousand dollars (\$50,000) per review, which shall be a pass-through cost through the Collection Service Rates. CONTRACTOR shall cooperate with the CITY and its agents during the review process. The review shall be used to adjust the estimated costs that are used to calculate Rates in the next rate setting, and the next rate setting shall include an adjustment by an amount necessary to ensure that CONTRACTOR's compensation was and is consistent with an operating ratio not greater than 90%. The Parties acknowledge that the review may result in an increase or decrease in Rates to reflect actual costs and revenues. A new Exhibit that describes the methodology for performing such review and is mutually agreeable to CITY and CONTRACTOR will be added to the Agreement within one hundred and eighty (180) days after the effective date of this Agreement.

Section 41. A new Section 35.03.1 is hereby added to the Agreement to read as follows:

35.03.1 Notwithstanding the foregoing, "assignment" shall not include a sale, exchange or other transfer of outstanding voting securities of CONTRACTOR to other members, or from an existing member to his or her family members or trusts of which his or her family members are the beneficiaries.

Section 42. Article 42 is hereby amended to read as follows:

42.01 Except as provided herein, whenever either party desires to give notice to the other, it must be given by written notice by personal delivery, U.S. mail or nationally-recognized courier addressed to the party for whom it is intended, at the place last specified and to the place for giving of notice in compliance with the provisions of this paragraph. For the present, the parties designate the following as the respective persons and places for giving of notice:

As to the CITY:

Linda Smith
City Manager
City of Dublin
100 Civic Plaza
Dublin, CA 94568

Telephone: (925) 833-6650
Fax: (925) 833-6651
E-Mail: linda.smith@dublin.ca.gov

As to the CONTRACTOR:

Robert J. Molinaro
President
Amador Valley Industries, LLC.
P.O. Box 1048
Pleasanton, CA 94566
Telephone: (925) 846-4062
Fax: (925) 846-8058
E-Mail: Debbie@pleasantongarbageservice.com

42.02 Notices shall be effective when received at the address as specified above. Changes in the respective contact name, title or address to which such notice is to be directed may be made by written notice. Facsimile or electronic mail transmission is acceptable notice, effective when received, however, facsimile or electronic mail transmissions received (i.e., printed or sent) after 4:30 p.m. or on weekends or holidays, will be deemed received on the next business day. The original of items that are transmitted by facsimile or electronic mail must also be sent by personal delivery, U.S. mail or nationally-recognized courier as required herein.

42.03 Notice by CITY to CONTRACTOR of a Collection or other Service Recipient problem or complaint may be given to CONTRACTOR orally by telephone at CONTRACTOR'S local office with confirmation sent as required above by the end of the Work Day.

Section 43. Exhibit 1 is hereby deleted in its entirety and replaced to read as shown in Exhibit A to this Amendment.

Section 44. Pages 79-80 of Exhibit 2 are hereby deleted and replaced to read as shown in Exhibit B to this Amendment.

Section 45. Exhibit 13 is hereby added to read as shown in Exhibit C to this Amendment.

Section 46. In the event of a conflict between the Agreement and this Amendment, this Amendment will control. Except to the extent inconsistent with this Amendment, the parties ratify and confirm all of the terms and conditions of the Agreement.

[SIGNATURES ON THE NEXT PAGE]

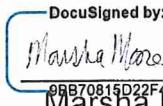
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date and year first written above.

CITY OF DUBLIN

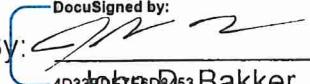
Dated: 6/22/2020

By: 
Linda Smith
City Manager

Attest:

By: 
Marsha Moore
City Clerk

APPROVED AS TO FORM:

By: 
John D. Bakker
City Attorney

AMADOR VALLEY INDUSTRIES, LLC,
a California limited liability company

Dated: 6-11-20


By:

Its: PRESIDENT

Exhibit A
Revised Exhibit 1

Exhibit 1
City of Dublin, CA
COMPENSATION AND RATES

CONTRACTOR Compensation	
	Agreement Year
	July 1, 2020 - June 30, 2021
Collection Compensation Element**	\$12,560,248
Collection Comp. Element - Officer Compensation*	\$840,000
Commercial Recycling Compensation Element	\$639,330
Com. Recycling Comp. Element Reduction Amount	-\$607,266
Disposal Compensation Element	\$1,379,947
Container Compensation Element	\$312,244
Recyclable Materials Diversion Compensation Element	\$1,272,002
Organic Waste Diversion Compensation Element	\$350,399
Vehicle and Administration Asset Element**	\$1,595,576
Fee Compensation Element	\$5,587,696
Total Costs	\$23,930,176

*Set amount not updated annually

** Fee includes operating ratio per Section 27.07

Exhibit 1 (Cont)
City of Dublin, CA
COMPENSATION AND RATES
EMERGENCY SERVICE RATES

EMERGENCY SERVICES RATES - EMPLOYEES			
Page 1 of 1 Pages			
Labor Position	Hourly Rate		Hourly Rate
	Monday - Saturday	Sunday	
Operations Manager	\$ 300.00	\$ 390.00	
Route Supervisor	\$ 300.00	\$ 390.00	
Driver	\$ 225.00	\$ 255.00	
Recycling Coordinator	\$ 225.00	\$ 255.00	
Clerical	\$ 105.00	\$ 105.00	

EMERGENCY SERVICE RATES - EQUIPMENT		
Page 1 of 1 Pages		
Equipment Type	Make & Model	Hourly Rate
Vehicle	Roll Off	\$ 168.00
Vehicle	Rear Loader	\$ 228.00
Vehicle	Front End Loader	\$ 228.00
Vehicle	Automated Side Loader	\$ 228.00

Exhibit B
Revised Exhibit 2 (Partial)

Exhibit 2 City of Dublin, CA Compensation Adjustment Model																								
<p>The annual compensation adjustment is calculated in accordance with the procedures set forth in Article 5 of the Collection Service Agreement. This exhibit is provided as an example of how the individual calculations are used to develop the overall compensation</p>																								
Collection Compensation Element																								
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<p>4 Disposal Compensation Element</p>																								

Calculate Approved Tip Fee Factor		
	2019	2020
Tipping Fee %	\$ 41.07	\$ 42.25
Approved Tipping Fee		
Tipping Fee Factor	3.14%	2.87%
5 Calculate Annual Tonnage Factor		
Calculated Tonnage %	2018	2019
Prior Calculated Tonnage	30,647	31,554
Current Calculated Tonnage	31,554	32,662
Tonnage Factor	2.96%	3.51%
6 Calculate Disposal Compensation Element Adjustment ((Annual Tonnage Factor x Disposal Compensation) x Tip Fee Factor)		
	2018	2019
Tip Fee Factor	3.14%	2.87%
Annual Tonnage Factor	2.96%	3.51%
7 Commercial Recycling Compensation		
Annual Commercial Tonnage Diverted	2018	2019
Prior Calculated Tonnage	3,372	3,163
Current Calculated Tonnage	3,163	3,007
Tonnage Factor	-6.21%	-4.92%
8 Calculate Commercial Recycling Element Adjustment ((Annual Tonnage Factor x Commercial Recycling Compensation) x RRI Factor) (-) \$607,266		
	2018	2019
RRI Factor	1.50%	5.28%
Annual Tonnage Factor (Cannot be less than 0)	0.00%	0.00%
9 Recyclable Materials Diversion Compensation Element		
	2018	2019
Tonnage		8,480
Tipping Fee		\$ 150.00
Total		\$ 1,272,002
10 Organic Waste Diversion Compensation Element		
	2018	2019
Tonnage		9,470
Tipping Fee		\$ 37.00
Total		\$ 350,399
11 Vehicle and Admin Asset Replacement Element		
	2019	2020
Annual Amount		\$ 1,595,576
Section 5.18 - Adjustment		0
Total		\$ 1,595,576
12 Calculate Fee Element Adjustment		
Fee %	2019	2020
Franchise Fee %	16.35%	16.35%
Administrative Fee %	7.00%	7.00%
Fee Percentage	23.35%	23.35%
Collection Service Compensation		
	2019*	2020
Collection Compensation Element	\$ 12,626,531	\$ 13,400,248
Commercial Recycling Compensation Element	\$ -	\$ 32,064
Disposal Compensation Element	\$ 1,295,959	\$ 1,379,947
Container Compensation Element	\$ 308,481	\$ 312,244
Recyclable Materials Diversion Compensation Element	\$ 1,484,670	\$ 1,272,002
Organic Waste Diversion Compensation Element	\$ 370,659	\$ 350,399
Vehicle and Administration Element	\$ 1,595,575	\$ 1,595,576
Subtotal	\$ 17,681,875	\$ 18,342,480
Fee Compensation Element	\$ 5,386,455	\$ 5,587,696
Total Compensation	\$ 23,068,330	\$ 23,930,176

* Includes updated costs from the Amended and Restated Agreement

Exhibit C
Exhibit 13 (New)

Exhibit 13
Vehicle & Administrative Equipment Acquisition Cost

Vehicles		
Type of Vehicle	Number of Vehicles	(Estimated Cost) Agreement Year July 1, 2020 - June 30, 2021
Automated Trucks (Cart Pick-Up) - Replacement	5	\$2,582,130
Front End Loader Trucks (Commercial Bin Pickup) - Replacement	6	\$3,412,452
Roll Off Trucks (Drop Box Pick-Up) - Replacement	2	\$487,146
Rear Loader - Replacement	1	\$481,364
Flat Bed Truck - Replacement	1	\$103,177
Fork Truck - Replacement	1	\$243,027
Pick-up Trucks & Trailer - Replacement	2	\$157,959
Flatbed (Stakebed) - New	1	\$103,177
Rear Loader - New	1	\$481,364
Estimated Vehicle Replacement Cost		\$8,051,796

Administrative Equipment	
Administrative Equipment	\$250,000

Estimated Asset Costs	\$8,301,796
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Estimated Annual Amortized Costs		
		Estimated Annual Expense
Estimated Vehicle Replacement and Administrative Equipment Costs (equal annual amortization over 15 years)		\$553,453
Estimated Year 1 Financing Costs*		\$435,844
Estimated Operating Ratio Costs		\$109,922
Total Estimated Annual Cost		\$1,099,219

*Represents 1st year interest costs.