

COUNTY OF SANTA CRUZ

STATE OF CALIFORNIA



Minute Order / Vote Result

AT THE BOARD OF SUPERVISORS MEETING

on the Date of May 23, 2017

REGULAR AGENDA Item No. 48

DOC-2017-471

*Consider presentation and approval of franchise contract with GreenWaste Recovery, Inc. for recycling and solid waste services, and take related actions, as outlined in the memorandum of the Director of Public Works*

Upon the motion of Supervisor Coonerty, duly seconded by Supervisor McPherson, the Board, by unanimous vote:

- 1) Accepted and filed report and the accompanying presentation;
- 2) Approved the franchise contract with GreenWaste Recovery, Inc.;
- 3) Authorized the County Administrative Officer and the Director of Public Works to sign the Franchise Agreement between Santa Cruz County and GreenWaste Recovery, Inc. for Recyclables, Organics, and Solid Waste Collection and Recyclables Processing Services, subject to final review and correction/clarification of any non-material terms; and additionally
- 4) Directed staff to return in August 2017 with a report on use of impact fees for impacted roads

cc: Department of Public Works  
County Administrative Office  
County Counsel

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State of California, County of Santa Cruz

*I, Susan A. Mauriello, Ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing is a true and correct copy of the order made and entered in the Minutes of said Board of Supervisors. In witness thereof I have hereunto set my hand and affixed the seal of said Board of Supervisors.*

by , Deputy Clerk, ON June 9, 2017





# County of Santa Cruz

## Department of Public Works

701 Ocean Street, Room 410, Santa Cruz, CA 95060-4070  
 Phone:(831) 454-2160 Fax:(831) 454-2385 TDD: (831) 454-2123  
 John J. Presleigh, Director of Public Works

**Meeting Date:** May 23, 2017  
**Date:** April 20, 2017  
**To:** The Board of Supervisors  
**From:** John Presleigh, Director  
**Subject:** Franchise Contract for Recycling and Solid Waste Services

On November 15, 2016, your Board directed Public Works to return no later than March 31, 2017, with a proposed Franchise contract for recycling and solid waste services to take effect on January 1, 2018. On March 21, 2017, your Board deferred the item until May 23, 2017. The proposed Franchise contract is attached for your approval.

The attached contract is the product of months of negotiation with GreenWaste Recovery, with the assistance of HF&H Consultants, Inc. The agreement reflects the latest standards in the industry and offers a number of advantages for Santa Cruz County, its residents and local businesses. Highlights include:

- A 10-year term, with up to 5 years of extensions at the County's option
- Maintains recycling and organics service in basic service package; customers pay for higher levels of recycling and organics service at a reduced rate to encourage participation but communicate that these services are not "free"
- All new collection vehicles using local biodiesel and compliant with latest emissions standards for heavy-duty trucks
- Implements a vehicle impact fee to compensate for impacts of heavy trash trucks on County roads
- Contractor-funding for 2 County positions to provide education/outreach/enforcement for recycling programs
- Vehicles will include sign boards for mounting recycling education; can be changed out up to 4 times per year
- GreenWaste will "refresh" all containers, replacing worn-out or damaged inventory and repainting serviceable inventory
- County's share of recyclables revenue will increase from \$4/ton to \$10/ton
- Expanded commercial food scraps composting program for businesses, schools and special events
- County-option to add residential food scraps to yard trimmings at no cost, as



- soon as a local compost facility is ready
- Bulky Item reuse and recycling program up to 3 times per year at no charge to customers
- Large event services to create up to 15 "Zero Waste" events each year
- Increased number of free cleanup events
- Multi-family "move in kits" to provide tools and education for all new multi-family residents
- Contractor to add 2 recycling coordinators to support businesses, multi-family, and large events/venues with technical assistance to improve recycling/composting
- Contractor to assist with enforcement of County's mandatory recycling ordinance through customer notices and non-collection of materials violating county code
- Recycling performance standards for Contractor
- Moderate rate increases over the next two years; thereafter annual rate adjustments based on CPI factors
- Reduced franchise landfill rate in exchange for stable revenue sources for enterprise fund
- Significant enhancement in County Risk Management provisions (Performance Bond, Insurance, etc.)
- Significant enhancement in County's Contract Management tools (Audits, Performance Reviews, Waste Characterization Studies, Performance Standards, Liquidated Damages, and Default/Termination Procedures)

It is therefore RECOMMENDED that your Board:

1. Accept and file this report and the accompanying presentation; and
2. Approve the franchise contract with GreenWaste Recovery, Inc.; and
3. Authorize the County Administrative Officer and the Director of Public Works to sign the "Franchise Agreement between Santa Cruz County and GreenWaste Recovery, Inc. for Recyclables, Organics, and Solid Waste Collection and Recyclables Processing Services", subject to final review and correction/clarification of any non-material terms.

**Submitted by:**

  
 John Fresleigh, Director 5/11/2017

**Recommended:**

Carlos J. Palacios, Assistant County Administrative Officer



**Attachments:**

- a Franchise Agreement (online and on file with COB)





**FRANCHISE AGREEMENT  
BETWEEN  
SANTA CRUZ COUNTY  
AND  
GREENWASTE RECOVERY, INC.**

**RECYCLABLES, ORGANICS, AND SOLID WASTE COLLECTION  
AND  
RECYCLABLES PROCESSING SERVICES**

**MAY 2017**

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- A. Definitions
- B. Direct Services
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  - B3. Commercial Services
  - B4. County Services
  - B5. County Service Levels and Locations
- C. Public Education and Outreach Requirements
- D. Reporting Requirements
- E. Rate Adjustment Methodology
  - E1. Index-Based Rate Adjustment Methodology
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- F. Performance Standards and Liquidated Damages
- G. Contractor's Proposal
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  - G2. Cost Basis for Proposal
  - G3. Initial Rates for Collection Services
  - G4. Implementation Plan and Schedule
- H. Franchise Area Maps
- I. Iran Contracting Certification



37 **WHEREAS;** the County further declares its intent to approve and maintain reasonable rates for the  
38 Collection, Recycling, Processing, Composting, and/or Disposal of Recyclable Materials, Organic Materials,  
39 and Solid Waste;

40 **WHEREAS;** the County desires, having determined that Contractor, by demonstrated experience,  
41 reputation and capacity is qualified to provide Collection of Recyclable Materials, Organic Materials, and  
42 Solid Waste within the unincorporated areas of the County, Transportation of such material to  
43 appropriate places of Processing, Recycling, Composting, and/or Disposal, and Processing of Recyclable  
44 Materials, that Contractor be engaged to perform such services on the basis set forth in this Agreement;

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

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

51 **ARTICLE 1.**  
52 **GRANT AND ACCEPTANCE OF FRANCHISE**

53 **1.1 GRANT AND ACCEPTANCE OF FRANCHISE**

54 By the signing of this Agreement, the County grants to Contractor, and Contractor accepts, an exclusive  
55 franchise within the unincorporated areas of the County. The franchise granted to Contractor provides  
56 Contractor Exclusive Rights for the scope of services described in Section 3.1 and Exhibit B of this  
57 Agreement, subject to the limitations described in Section 1.3 and except where otherwise precluded by  
58 Federal, State, and local laws and regulations.

59 **1.2 FRANCHISE AREA**

60 The Exclusive Rights are granted to Contractor for the Franchise Area described in Exhibit H. In the event  
61 that any portion of the Franchise Area is annexed by a city in the County, or by another County, Generators  
62 in the annexed area shall no longer receive services under this Agreement, and the Contractor shall not  
63 be entitled to any compensation in excess of that specifically provided hereunder or any adjustment in  
64 the Customer Rates.

65 **1.3 LIMITATIONS TO THE FRANCHISE**

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

70 A. **Rural Services Areas.** Recyclable Materials, Organic Materials, Solid Waste, and/or C&D may be  
71 Collected and Processed or Disposed by any other party that has a permit with the County or has



- 72 executed a non-exclusive franchise agreement with the County for provision of service to Rural  
73 Services Areas, as identified in Exhibit H. The number of such non-exclusive franchise agreements  
74 granted by the County shall not exceed two at any time. The County's agreement with such non-  
75 exclusive franchisees shall provide Contractor with a right of first refusal for any added Customers  
76 under such agreements.
- 77 B. **Materials Collected in Drop Boxes.** Recyclable Materials, Organic Materials, C&D, and/or Solid  
78 Waste may be Collected and Processed or Disposed by any other party operating under the terms  
79 of a non-exclusive agreement with the County for provision of Drop Box collection services.
- 80 C. **Materials Collected for No Net Payment.** Materials collected by other Persons provided that such  
81 Person accepted donated materials and/or paid the service recipient for materials so long as there  
82 is no net payment of any type made by the service recipient to such other Person including,  
83 without limitation, for rental of collection or storage containers, loading or transportation of  
84 materials, and/or Disposal.
- 85 D. **Self-Hauled Materials.** Recyclable Materials, Compostable Materials, Solid Waste and/or C&D  
86 removed (i) by a Commercial business Owner, operator, property manager or employee, Multi-  
87 Family Owner, property manager, or employee, or resident, and (ii) with their own vehicle  
88 provided that materials are generated in or on their own Premises.
- 89 E. **Donated Materials.** Any items which are Source Separated at any Premises by the Generator and  
90 donated to youth, civic, or charitable organizations.
- 91 F. **Beverage Containers.** Containers delivered for Recycling under the California Beverage Container  
92 Recycling and Litter Reduction Act, Section 14500, et seq. California Public Resources Code.
- 93 G. **Materials Removed by Customer's Contractor as Incidental Part of Services.** Recyclable  
94 Materials, Compostable Materials, C&D and/or Solid Waste removed from a Premises by a  
95 contractor (e.g., gardener, landscaper, tree-trimming service, demolition contractor, construction  
96 contractor, Commercial/Residential clean-out service) using contractor's own vehicle, equipment  
97 and employee(s), as an incidental part of the service being performed and such contractor is  
98 providing a service which is not included in the scope of this Agreement.
- 99 H. **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse  
100 or butcher shops, grease, or used cooking oil.
- 101 I. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash,  
102 grit, and screenings.
- 103 J. **Excluded Waste.** Excluded Waste regardless of its source.
- 104 K. **Materials Generated by State Facilities or Locations.** Materials generated by facilities owned and  
105 operated by the State at locations in the County (including without limitation, State parks,  
106 beaches and university facilities), provided that the Generator has arranged services with other  
107 Persons or has arranged services with the Contractor through a separate agreement.
- 108 Contractor acknowledges and agrees that the County may permit other Persons besides the Contractor  
109 to Collect any and all types of materials excluded from the scope of this Agreement, as set forth above,

110 without seeking or obtaining approval of Contractor. If Contractor can produce evidence that other  
111 Persons are servicing Collection Containers or are Collecting and Transporting Recyclable Materials,  
112 Organic Materials, Solid Waste and/or C&D in a manner that is not consistent with this Agreement or the  
113 County Code, it shall report the location, the name and phone number of the Person or company to the  
114 County Contract Manager along with Contractor's evidence. In such case, the County may notify the  
115 Generator and Person providing service of Contractor's rights under this Agreement and take further  
116 action as necessary to enforce Contractor's Exclusive Rights granted by County under this Agreement.

117 This Agreement and scope of this franchise shall be interpreted to be consistent with Applicable Law, now  
118 and during the Term of the Agreement. If future judicial interpretations of current law or new laws,  
119 regulations, or judicial interpretations limit the ability of the County to lawfully contract for the scope of  
120 services in the manner and consistent with all provisions as specifically set forth herein, Contractor agrees  
121 that the scope of the Agreement will be limited to those services and materials which may be lawfully  
122 included herein and that the County shall not be responsible for any lost profits or losses claimed by  
123 Contractor to arise out of limitations to the scope or provisions of the Agreement set forth herein. In such  
124 an event, it shall be the responsibility of Contractor to minimize the financial impact of such future judicial  
125 interpretations or new laws and the Contractor may meet and confer with County and may petition for a  
126 Rate adjustment pursuant to Section 8.3.

## 127 1.4 OBLIGATIONS OF PARTIES

128 In addition to the specific performance required under the Agreement, County and Contractor shall:

- 129 A. Use their reasonable commercial efforts to enforce the Exclusive Rights of the franchise by the  
130 Contractor's identification and documentation of violations of the Exclusive Rights and the  
131 County's notification of Generators and collection companies reasonably believed to be violating  
132 the Exclusive Rights regarding the terms of this Agreement.
- 133 B. Provide timely notice to one another of a perceived failure to perform any obligations under this  
134 Agreement and access to information demonstrating the Party's failure to perform.
- 135 C. Provide timely access to the County Contract Manager and the Contractor's designated  
136 representative and complete and timely responses to requests of the other Party.
- 137 D. Provide timely notice of matters which may affect either Party's ability to perform under the  
138 Agreement.

## 139 **ARTICLE 2.**

### 140 **TERM OF AGREEMENT**

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#### 141 2.1 TERM AND OPTION TO EXTEND

142 The Term of this Agreement shall commence January 1, 2018 (Commencement Date) and continue in full  
143 force for a period of ten (10) years, through and including March 31, 2028, unless the Agreement is  
144 extended in accordance with this Section or terminated pursuant to Section 10.2.

145 At County's sole discretion, this Agreement may be extended without amendment for a period of no less  
146 than one (1) and no more than five (5) additional years for a total Term that does not exceed fifteen (15)  
147 years. If County desires to extend the Agreement, County shall provide the Contractor with written notice  
148 of its decision to extend the Agreement at least one (1) year before the expiration of the Term. Such notice  
149 by County shall specify the duration of the extension. To the extent practicable, the County and Contractor  
150 shall attempt to make any termination date resulting from an extension coincide with the end of a billing  
151 cycle and occur over a weekend rather than mid-week.

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

## 154 2.2 CONDITIONS TO EFFECTIVENESS OF AGREEMENT

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

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

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

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

165 D. **Effectiveness of County Board of Supervisors' Action.** The County Board of Supervisors shall have  
166 taken action approving this Agreement and all Parties shall have signed the Agreement pursuant  
167 to Applicable Law prior to or on the Effective Date, provided that no restraining order of any kind  
168 has been issued.

## 169 ARTICLE 3. 170 SCOPE OF AGREEMENT

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### 171 3.1 SUMMARY SCOPE OF SERVICES

172 The Contractor shall be responsible for the following:

173 A. Collecting Recyclable Materials, Organic Materials, and Solid Waste generated by and placed for  
174 Collection in Carts and Bins by Customers that are subscribers of Contractor's services pursuant  
175 to the requirements of Article 4 and Exhibit B;

176 B. Transporting Collected materials to the appropriate Approved Facilities pursuant to requirements  
177 of Article 4 and Exhibit B;

- 178 C. Processing and Marketing Recyclable Materials;
- 179 D. Performing all other services required by this Agreement including, but not limited to, Customer  
180 billing, public education, Customer service, record keeping, and reporting pursuant to Articles 4  
181 and 6 and Exhibits C (Public Education and Outreach) and D (Reporting);
- 182 E. Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and  
183 all other items and services necessary to perform its obligations under this Agreement;
- 184 F. Paying all expenses related to provision of services required by this Agreement including, but not  
185 limited to, paying all taxes, regulatory fees, County fees and County payments, and utilities;
- 186 G. Performing or providing all services necessary to fulfill its obligations in full accordance with this  
187 Agreement at all times using best industry practice for comparable operations; and,
- 188 H. Complying with all Applicable Laws.

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

### 193 **3.2 USE OF APPROVED FACILITIES**

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

### 199 **3.3 SUBCONTRACTING AND RELATED PARTY ENTITIES**

200 Contractor shall not engage any Subcontractors for Collection, Transportation, transfer, or Processing of  
201 Recyclable Materials, Organic Materials or Solid Waste services without the prior written consent of the  
202 County Contract Manager. County Contract Manager's consent shall not be unreasonably withheld or  
203 delayed, so long as the Subcontractor(s) meet the requirements of this Agreement related to performance  
204 of the services and adequacy of risk management instruments (e.g. insurance, indemnities, etc.). As of the  
205 Effective Date of this Agreement, the County Contract Manager has approved Contractor's use of those  
206 Subcontractors and Related Party Entities in Exhibit G5.

207 If the Contractor plans to engage other affiliated or Related-Party Entities in the provision of services,  
208 Contractor shall provide County Contract Manager with thirty (30) days written notification of its plans  
209 and provide an explanation of any potential impacts related to the quality, timeliness, or cost of providing  
210 services under this Agreement and may not engage such Party until receipt of written approval by the  
211 County Contract Manager.

212 **3.4 RESPONSIBILITY FOR MATERIALS**

213 Once Recyclable Materials, Organic Materials, Solid Waste and C&D are placed in the Contractor's  
214 Containers and at the Collection location, the responsibility for their proper handling shall transfer directly  
215 from the Generator to Contractor, with the exception of Excluded Waste if the Contractor can identify the  
216 Generator pursuant to Section 5.8.B. Once Recyclable Materials, Organic Materials, Solid Waste or C&D  
217 are deposited by Contractor at the appropriate Approved Facility, such materials shall become the  
218 responsibility of the Owner or operator of the Approved Facility with the exception of Excluded Waste  
219 pursuant to Section 5.8.C.

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

223 **3.5 RESEARCH AND DEVELOPMENT**

224 Contractor agrees to take a proactive approach on its own initiative and to cooperate with the County in  
225 pursuing new technologies, management techniques and markets through pilot programs or other similar  
226 activities to improve cost efficiencies and product quality and to increase Diversion from the Collection  
227 and Processing services described herein. Contractor and County, by mutual agreement, will determine  
228 the scope of work, timing, costs, and compensation, if any, due Contractor to accomplish the purposes of  
229 this Section. Contractor shall provide the County, on request, with a written summary report identifying  
230 the results and conclusions of such research or pilot programs. In the context of the objectives of this  
231 Section, Contractor will meet with the County, as requested, to evaluate the performance of the services  
232 described in this Agreement, and to examine new market opportunities for the Processed materials  
233 produced by such services.

234 **3.6 COUNTY-DIRECTED CHANGES TO SCOPE**

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

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

242 **3.7 NO GUARANTEE OF QUANTITIES, COMPOSITION, CUSTOMERS**

243 Contractor acknowledges that County is committed to Diverting materials from Disposal through the  
244 implementation of source reduction, reuse, Recycling, Composting, and other programs, and that County  
245 may implement new programs that may impact the overall quantity or composition of Recyclable  
246 Materials, Organic Materials, Solid Waste and C&D to be Collected by Contractor. As a result, Contractor  
247 understands that it is not guaranteed in anyway the quantity of Discarded Materials to be Collected or  
248 the composition of such material. Contractor shall not be entitled to an adjustment of Rates or receipt of  
249 additional compensation related to changes in Tonnage, material composition, Service Levels or Customer

250 accounts resulting from such programs or as they may change over time, except in accordance with  
251 Section 8.3 and Exhibit E.

252 On November 3, 2015 the County of Santa Cruz Board of Supervisors adopted an ordinance adding  
253 Chapter 7.21 to the County Code relating to Recycling and Solid Waste universal service (Universal Service  
254 Ordinance). It requires that residents and businesses in the urbanized areas of the County subscribe to  
255 Collection services with some exceptions for self-hauling, undeveloped parcels, and vacant parcels.  
256 Residents and businesses that are not covered by the Universal Service Ordinance have the option of  
257 voluntarily subscribing to Collection services provided by Contractor through this Agreement. Since  
258 subscription is voluntary for some Generators and some exceptions are granted under the Universal  
259 Service Ordinance, the Contractor is not guaranteed the number of Customers that will subscribe to  
260 Collection services or the Service Levels of such Customers.

261 Furthermore, the County reserves the right to redefine, modify, increase, decrease, or otherwise alter the  
262 service area covered by the Universal Service Ordinance, which may result in an increase or decrease in  
263 the number of Customers that subscribe to Contractor's Collection services. Contractor shall not be  
264 entitled to an extraordinary Rate adjustment described in Section 8.3 related to changes over the Term  
265 to the service area that must adhere to the Universal Service Ordinance.

### 266 **3.8 USE OF HIGHWAY 17**

267 Notwithstanding any other terms or provisions of this Agreement, the Contractor shall be prohibited from  
268 utilizing Highway 17 for Collection activities except for servicing Customer locations which cannot be  
269 served except by use of Highway 17. Use of Highway 17 during periods of County-declared emergencies  
270 or closures of other primary access routes may be approved by the County Contract Manager upon written  
271 request from the Contractor.

## 272 **ARTICLE 4.** 273 **SCOPE OF SERVICES**

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### 274 **4.1 GENERAL**

275 Contractor shall perform the Recyclable Materials, Organic Materials, and Solid Waste services described  
276 in this Article 4. This Article 4 describes the general requirements for the services to be provided. More  
277 specific requirements for services to be provided to each Customer Type are described in Exhibit B. Failure  
278 by this Agreement to specifically require an act necessary to perform the service does not relieve  
279 Contractor of its obligation to perform such act.

### 280 **4.2 COLLECTION SERVICES**

281 Contractor shall provide Recyclable Materials, Organic Materials, and Solid Waste Collection services  
282 described in Exhibit B to any Customer in the Franchise Area that subscribes to Contractor's Collection  
283 services. Contractor's Collection services shall be offered to any Customer that places Containers in a  
284 public right-of-way or that provides a waiver for Contractor to access the Private Road(s) where Customer  
285 places its Containers. If service involves use of Private Road(s) and/or Collection services on Private

286 Property, the provisions of Section 5.4.D shall apply.

### 287 **4.3 RECYCLABLE MATERIALS TRANSFER AND PROCESSING**

288 **A. General.** Contractor agrees to Transport and deliver all Recyclable Materials placed by Customers  
289 in Recyclable Material Containers in County Franchise Area to the Approved Recyclable Materials  
290 Processing Facility. Contractor shall pay all costs associated with Transporting to and Processing  
291 Recyclable Materials at the Approved Recyclable Materials Processing Facility and costs  
292 associated with the transfer of Recyclable Materials from the Approved Recyclable Materials  
293 Transfer Facility to the Approved Recyclable Materials Processing Facility including tipping fees  
294 charged by the Approved Recyclable Materials Transfer Facility and the Approved Recyclable  
295 Materials Processing Facility.

296 Contractor shall observe and comply with all regulations in effect at the Approved Recyclable  
297 Materials Transfer Facility and Approved Recyclable Materials Processing Facility and shall  
298 cooperate with and take direction from the operator thereof with respect to delivery of  
299 Recyclable Materials. Contractor shall actively work with the Approved Recyclable Materials  
300 Transfer Facility and Approved Recyclable Materials Processing Facility operator throughout the  
301 Term of this Agreement to minimize contamination of the Recyclable Materials Collected under  
302 this Agreement and delivered to the Processing Facility.

303 **B. Transfer and Processing.** Contractor has guaranteed sufficient capacity at the Approved  
304 Recyclable Materials Transfer Facility and Approved Recyclable Materials Processing Facility to  
305 transfer and Process all Recyclable Materials Collected by Contractor under this Agreement  
306 throughout the Term of the Agreement.

307 Contractor shall keep all existing permits and approvals necessary for use of the Approved  
308 Recyclable Materials Transfer Facility and Approved Recyclable Materials Processing Facility in full  
309 regulatory compliance. Upon request, Contractor shall provide copies of facility permits and/or  
310 notices of violations to County Contract Manager.

311 If Contractor is unable to use the Approved Recyclable Materials Transfer Facility or Approved  
312 Recyclable Materials Processing Facility due to an emergency or sudden unforeseen closure,  
313 Contractor may use an alternative Transfer or Processing Facility provided that the Contractor  
314 provides written notice to County Contract Manager. Within forty-eight (48) hours of emergency  
315 or sudden and unforeseen closure, the Contractor shall provide a written description of the  
316 reasons the use of the Approved Recyclable Materials Transfer Facility and/or Approved  
317 Recyclable Materials Processing Facility is not feasible and the period of time Contractor proposes  
318 to use the alternative Transfer or Processing Facility.

319 If the need to use the alternative Transfer or Processing Facility is discretionary or for reasons  
320 within Contractor's reasonable control, Contractor's Compensation shall not be adjusted for any  
321 change in transfer, Transportation and Processing costs associated with use of the alternative  
322 Transfer or Processing Facility and Contractor shall continue to pay the County the Recycling  
323 Revenue Rebate (pursuant to Section 4.3.E). If the need to use the alternative Transfer or  
324 Processing Site results from reasons beyond Contractor's reasonable control, County shall adjust,  
325 either up or down, Contractor's Compensation for changes in transfer, Transportation and  
326 Processing costs associated with use of the alternative Transfer or Processing Facility. In the event

327 that a change in the Transfer or Processing Facility results in increased costs, County may identify  
328 and direct Contractor to an alternative Transfer or Processing Facility that results in less cost than  
329 the Contractor-identified alternative.

330 Contractor may permanently change its selection of the Approved Recyclable Materials Transfer  
331 Facility or Approved Recyclable Materials Processing Facility following County's written approval.  
332 If Contractor elects to use a Transfer Facility or Recyclable Materials Processing Facility that is  
333 different than the Approved Recyclable Materials Transfer Facility or Approved Recyclable  
334 Materials Processing Facility, it shall request written approval from the County Contract Manager  
335 sixty (60) calendar days prior to use of the site and obtain County's written approval no less than  
336 ten (10) calendar days prior to use of the site.

337 **C. Marketing**

338 1. **General.** The Contractor shall be responsible for marketing Recyclable Materials Collected  
339 in the County. Contractor's marketing strategy shall promote the highest and best use of  
340 materials presented in the waste management hierarchy established by AB 939. Where  
341 practical, the marketing strategy should include use of local, regional, and domestic  
342 markets for Recyclable Materials. Upon County request, Contractor shall submit certified  
343 statements indicating to whom the Recyclable Materials were sold and where they will  
344 be marketed.

345 2. **Changes in Market Conditions**

346 a. **Changing Conditions.** The County and Contractor acknowledge that the ability to  
347 market various types of Recyclable Materials Collected in the County may change  
348 over the Term of the Agreement. It is possible that markets currently available for  
349 some Recyclable Materials will not be available in the future. Conversely, for  
350 materials in which markets currently do not exist, markets may emerge in the  
351 future.

352 b. **Limited Term Market Fluctuations:** The County and Contractor acknowledge that  
353 markets for various types of Recyclable Materials fluctuate and may render a  
354 material, defined as Recyclable Material, temporarily unmarketable. The County  
355 and Contractor agree that markets for materials Collected under this Agreement  
356 may temporarily emerge or be disrupted and these fluctuations of limited  
357 duration may not warrant a change to the definition of Recyclable Materials  
358 under this Agreement or notification to Customers. Contractor shall make  
359 reasonable commercial efforts to Divert Recyclable Materials Collected and  
360 Processed while County and Contractor are assessing the need to submit a  
361 written request for an item or type of material to removed from or added to the  
362 definition of Recyclable Materials.

363 b. **Non-Existent Market(s).** If Contractor determines that it cannot secure market(s)  
364 for one or more materials included in the definition of Recyclable Materials in  
365 Exhibit A, Contractor may submit a written request to the County to have the  
366 material removed from the definition of Recyclable Materials. In such case,  
367 Contractor's request shall demonstrate its attempt(s) at identifying and securing  
368 market(s) for the materials; information on the market conditions from relevant



369 industry sources supporting the lack of market(s); an estimated timeframe for the  
370 market conditions; an estimate of the impact on the Tons of Recyclable Materials  
371 Diverted annually; and a plan for notifying Customers of the elimination of the  
372 material type from the list of acceptable Recyclable Materials for Collection. The  
373 County will review Contractor's request and provide a response within sixty (60)  
374 calendar days of receipt of the request. If the County is willing to consider  
375 temporary or permanent removal of a material type from the definition of  
376 Recyclable Materials, the County and Contractor shall meet and confer to  
377 negotiate the proposed revisions and shall amend this Agreement, if appropriate,  
378 to reflect mutually agreed-upon changes. If the County agrees that the material  
379 shall no longer be listed in the Recyclable Materials definition, Contractor shall  
380 not be obligated to Collect the material as a Recyclable Material and shall incur  
381 any and all costs associated with educating Customers of the change and costs  
382 associated with Collection, transfer, Transportation, Processing and Disposal of  
383 such materials to the extent Customers continue to include the material in their  
384 Recyclable Materials Containers.

385 c. **Emerging Market(s).** If Contractor or the County identify that a new market is  
386 available for a material that is not included in the definition of Recyclable  
387 Materials in Exhibit A, either Party may request that the list of Recyclable  
388 Materials be amended to include the material. Such a change would expand  
389 Contractor's obligations to Collect, Transfer, Transport, Process and market such  
390 material. In such case, the County and Contractor shall meet and confer to  
391 negotiate the proposed revisions and shall amend this Agreement, as  
392 appropriate, to reflect mutually agreed-upon changes in scope.

393 3. **Recycling Market Development Zone.** The Contractor shall make Processed Recyclable  
394 Materials available to remanufacturing businesses, identified by the County Contract  
395 Manager, within the Central Coast Recycling Market Development Zone at the  
396 Contractor's prevailing market prices for those Recyclable Materials, or at such other  
397 prices agreed to by the Parties hereto. The Contractor shall use reasonable efforts to  
398 Process Recyclable Materials to the specifications desired by such businesses in the  
399 Recycling Market Development Zone.

400 D. **Residue.** Contractor shall guarantee a Residue level of less than ten percent (10%) for Recyclable  
401 Materials Processed, with consideration for limited-term market fluctuations as described in  
402 Section 4.3.C.2.B above. For the purpose of this Residue guarantee, the Residue level shall be  
403 equal to the monthly Tonnage of Processing Residue requiring Disposal divided by the total  
404 monthly Tonnage of Recyclable Materials Collected. Failure to achieve this Residue level, may  
405 result in assessment of Liquidated Damages. Residue from the Recyclable Materials Collected  
406 under this Agreement, which cannot be marketed, shall be Disposed of by Contractor at a Disposal  
407 Facility selected by Contractor. Residue delivered to the Disposal Facility shall not include any  
408 Excluded Waste. Upon County request, Contractor shall perform a waste characterization study  
409 of the Residue from the Recyclable Materials Collected under this Agreement up to two (2) times  
410 per year, with the methodology and dates of study to be defined in consultation with County.  
411 County shall be notified one (1) week before study is carried out and shall have the right to be  
412 present as an observer during study. Results of the study shall be reported to the County in an  
413 electronic format acceptable to the County no later than one (1) month after the sampling is

414 completed. The Residue characterization study required in this subsection shall be in addition to  
415 those required in Section 5.12.

416 **E. Recycling Revenue Rebate.** On a monthly basis, Contractor shall pay County a Recycling Revenue  
417 Rebate. The Recycling Revenue Rebate shall be a guaranteed amount of \$10.00 (ten dollars) per  
418 Ton paid to County for every Ton of Recyclable Materials Collected. This per-Ton rebate amount  
419 shall be fixed throughout the Term of the Agreement. Note that Contractor shall not be  
420 compensated for transfer and Processing costs for Recyclable Materials and shall rely on its share  
421 of revenues from the sale of Recyclable Materials to cover those costs.

#### 422 **4.4 ORGANIC MATERIALS TRANSFER AND PROCESSING**

##### 423 **A. Party Responsible for Securing Transfer and Processing Services**

424 1. **Yard Trimmings.** The County shall be responsible for securing transfer and Processing  
425 capacity at the Designated County Transfer Facility and Designated Yard Trimmings  
426 Processing Facility for all Yard Trimmings Collected by the Contractor. As of the  
427 Commencement Date of this Agreement, the County specifies that the Designated County  
428 Transfer Facility is the Ben Lomond Transfer Station in Ben Lomond, CA and specifies that  
429 the Designated Yard Trimmings Processing Facility for Yard Trimmings is the Composting  
430 facility at the Buena Vista Landfill in Watsonville, CA. Both facilities are owned by the  
431 County. The County reserves the right to change the Designated County Transfer Facility  
432 and/or Designated Yard Trimmings Processing Facility and such change shall be handled  
433 as a County-directed change in scope pursuant to Section 3.6.

434 2. **Commercial Food Scraps and Mixed Commercial Organics.** For the purpose of this  
435 section, Mixed Commercial Organics shall refer to Source Separated Commercial Food  
436 Scraps and Source Separated Commercial Yard Trimmings that are combined in the same  
437 Container by the Generator for Collection. The County shall be responsible for securing  
438 Processing capacity at the Approved Commercial Organics Processing Facility for  
439 Commercial Food Scraps and Mixed Commercial Organics Collected by the Contractor. As  
440 of the Commencement Date of this Agreement, the Approved Commercial Organics  
441 Processing Facility selected by County and approved by the Contractor is the Composting  
442 facility at the Monterey Peninsula Landfill in Marina, CA. The County reserves to direct  
443 Contractor to use a different Processing or Composting facility for Commercial Food  
444 Scraps and Mixed Commercial Organic subject to three (3) months' advanced written  
445 notice. In such case, the change in facility location shall be handled as a County-directed  
446 change in scope pursuant to Section 3.6. If such a County-directed change in scope occurs  
447 prior to Rate Period 4, the change in costs shall be determined based on Contractor's  
448 Proposal. Contractor's Proposal includes two different cost scenarios: 1) for delivery of  
449 Organic Materials to the Buena Vista Landfill (\$475,646 per year); and, 2) for delivery of  
450 Organic Materials to the Monterey Peninsula Landfill (\$621,621 per year). The change in  
451 costs prior to Rate Period 4 shall be determined to be the difference in cost of service  
452 between those two scenarios; a savings of \$145,975 per year for Rate Period 1 and  
453 adjusted by the appropriate indices to the actual Rate Period that the program will be  
454 implemented in. If such a County-directed change in scope occurs during or after Rate  
455 Period 4, the cost proposal prepared by Contractor as required by Section 3.6 shall be  
456 based on the allowable costs and operating factors during the most recent Rate

457 adjustment.

458 **B. Transfer and Processing**

459 1. **Yard Trimmings.** Contractor shall Transport all Yard Trimmings Collected under this  
460 Agreement to the Designated County Transfer Facility or Designated Yard Trimmings  
461 Processing Facility. Contractor shall pay all costs associated with Transporting, Processing,  
462 and Composting of Yard Trimmings Materials including payment of tipping fees charged  
463 by the County for delivery of the Yard Trimmings to the Designated County Transfer  
464 Facility and Designated Yard Trimmings Processing Facility. County reserves the right to  
465 add Food Scraps to the Residential Yard Trimmings program at any time during the Term  
466 of the Agreement at no additional cost, other than a change in tipping fees for Yard  
467 Trimmings, provided that County directs the use of an in-County facility to Process such  
468 mixed Organic Materials. Contractor's Proposal documents the approach to and includes  
469 the cost of implementing a Residential mixed Organic Materials program. Contractor's  
470 Proposal does not contemplate separately collecting Residential Food Scraps from Yard  
471 Trimmings. Should the County direct a program that requires separation of Food Scraps  
472 from Yard Trimmings, such direction would represent a County-directed change in scope  
473 pursuant to Section 3.6.

474 2. **Commercial Food Scraps and Mixed Commercial Organics.** Contractor shall Transport all  
475 Commercial Food Scraps and Mixed Commercial Organics Collected under this Agreement  
476 to the Approved Commercial Organics Processing Facility to be Composted/Processed.  
477 Contractor shall pay all costs associated with Transporting, Processing and  
478 Composting/Processing the Commercial Organic Materials including payment of tipping  
479 fees charged by the operator of the Approved Commercial Organics Processing Facility  
480 for delivery, Processing, and Composting/Processing of the Organic Materials to such  
481 facility.

482 3. **Cooperation with Operators.** Contractor shall observe and comply with all regulations in  
483 effect at the Designated County Transfer Facility, Designated Yard Trimmings Processing  
484 Facility and Approved Commercial Organics Processing Facility and shall cooperate with  
485 and take direction from the operator thereof with respect to delivery of Organic  
486 Materials.

487 **C. Contamination Level Guarantee.** Contractor shall guarantee a contamination level of less than  
488 five percent (5%) by weight for Commercial Food Scraps and Mixed Commercial Organics it  
489 delivers to the Approved Commercial Organics Processing Facility at the Monterey Peninsula  
490 Landfill, and less than two percent (2%) by weight for Yard Trimmings it delivers to the Designated  
491 County Transfer Facility (Ben Lomond Transfer Station) and Designated Yard Trimmings  
492 Processing Facility (Composting facility at Buena Vista Landfill). Failure to achieve the  
493 contamination level guarantee for loads delivered to the Designated County Transfer Facility,  
494 Designated Yard Trimmings Processing Facility may subject Contractor to Liquidated Damages as  
495 described in Exhibit F. If the event the County directs Contractor to use a different Processing or  
496 Composting facility for any of the Organic Materials, the County and Contractor shall meet and  
497 confer to negotiate a different contamination level guarantee, if the contamination requirements  
498 of the different Processing or Composting facility differ from the contamination level guarantees

499 described herein. In such case, the Agreement shall be amended to reflect the mutually agreed-  
500 upon changes.

501 **D. Tipping Fee.** County shall establish the per-Ton tipping fee(s) to be paid by Contractor for each  
502 Ton of Organic Materials delivered to the Designated County Transfer Facility or Designated Yard  
503 Trimmings Processing Facility, and may adjust the tipping fee(s) from time to time over the Term  
504 of the Agreement. The per-Ton tipping fee to be paid by Contractor for each Ton of Organic  
505 Materials delivered to the Approved Commercial Organics Processing Facility shall be the rate  
506 charged by the operator of the facility (which is the Monterey Regional Waste Management  
507 District of the Effective Date), which may be adjust from time to time over the Term of the  
508 Agreement. Adjustments to the tipping fee(s) shall be reflected in the Rate adjustment processes  
509 described in Exhibits E1 and E2. As of the Effective Date of the Agreement and solely for the  
510 purposes of determining Rates for Rate Period 1 and Rate Period 2, the County's Yard Trimmings  
511 tipping fee is \$42.00 per Ton; and the Monterey Regional Waste Management District's  
512 Commercial Organic Materials tipping fee is \$60.00 per Ton.

#### 513 **4.5 SOLID WASTE TRANSFER AND DISPOSAL**

514 The County shall be responsible for securing transfer and Disposal capacity at the Designated County  
515 Transfer Facility and Designated Disposal Facility for Solid Waste Collected by the Contractor. As of the  
516 Commencement Date of this Agreement, the County specifies that the Designated County Transfer Facility  
517 is the Ben Lomond Transfer Station in Ben Lomond, CA and specifies that the Designated Disposal Facility  
518 is the Buena Vista Landfill in Watsonville, CA. Both facilities are owned by the County. The County  
519 reserves the right to change the Designated County Transfer Facility and/or Designated Disposal Facility  
520 and such change shall be handled as a County-directed change in scope pursuant to Section 3.6.

521 Contractor shall Transport all Solid Waste Collected in the County under this Agreement to the Designated  
522 County Transfer Facility or Designated Disposal Facility. Contractor shall pay all costs associated with  
523 Transporting and Disposal of Solid Waste including payment of any tipping fees charged by the County for  
524 delivery of Solid Waste to the Designated County Transfer Facility and Designated Disposal Facility.  
525 Contractor shall observe and comply with all regulations and posted rules in effect at the Designated  
526 County Transfer Facility and Designated Disposal Facility and cooperate with and take direction from the  
527 operator thereof with respect to delivery of Solid Waste. The Designated County Transfer Facility and  
528 Designated Disposal Facility will be closed on Holidays and hours of operation at such facilities will be  
529 limited on Christmas Eve to 7:30 a.m. to 11:30 a.m. If the County closes the Designated County Transfer  
530 Facility and/or Designated Disposal Facility on Holidays other than those listed in Exhibit A, Contractor  
531 shall be entitled to additional compensation for any costs that can be demonstrated by Contractor to be  
532 directly related to Contractor's performance under this Agreement. Such a change shall be handled as a  
533 County-directed change in scope pursuant to Section 3.6.

#### 534 **4.6 BULKY ITEM AND REUSABLE MATERIALS COLLECTION PROGRAM**

535 Contractor shall offer Bulky Item and Reusable Materials Collection services as described in Exhibit B.  
536 Bulky Item and Reusable Materials Collection services shall be offered to Single-Family, Multi-Family, and  
537 Commercial Customers on an on-call basis. Contractor shall make reasonable efforts to schedule on-call  
538 Bulky Item and Reusable Materials Collections on a day that is convenient to the Customer within five (5)  
539 Business Days, after the Customer-requested service date.

540 Contractor may, at its sole discretion and expense, identify those Bulky Items and Reusable Materials that  
541 can be Collected by local youth, community, or other charitable organizations and arrange with such  
542 organizations to provide the Collection. Regardless of Contractor's use of such an organization, Contractor  
543 shall be responsible for ensuring that service is provided to the Customer in a professional and timely  
544 manner.

545 The Contractor shall be responsible for securing capacity at the Approved Reusable Materials Facility for  
546 acceptance of Bulky Items and Reusable Materials Collected by the Contractor for the purpose of reuse.  
547 As of the Commencement Date of this Agreement, the Approved Reusable Materials Facility selected by  
548 Contractor and approved by the County is the Last Chance Mercantile at the Monterey Peninsula Landfill  
549 in Marina, CA. The County reserves to direct Contractor to use a different facility, provided that such  
550 facility requires no more than forty five (45) miles of round trip travel in addition to what is required for  
551 use of the Marina site, subject to three (3) months' advanced written notice. In such case, the change in  
552 facility location shall be handled as a County-directed change in scope pursuant to Section 3.6.

553 Contractor shall Transport all Bulky Items or Reusable Materials Collected under this Agreement to the  
554 Approved Reusable Materials Facility. Contractor shall use reasonable business efforts to identify and  
555 preserve Reusable Materials placed for Collection, and to Transport such materials to the Approved  
556 Reusable Materials Facility for reuse. Contractor shall pay all costs associated with Transporting and  
557 Processing Bulky Items and Reusable Materials including tipping fees charged by the Approved Reusable  
558 Materials Facility. Contractor shall observe and comply with all regulations in effect at the Approved  
559 Reusable Materials Facility and cooperate with and take direction from the operator thereof with respect  
560 to delivery of Bulky Items and/or Reusable Materials.

#### 561 **4.7 SPECIAL EVENT COLLECTION SERVICES**

562 **A. General.** Contractor shall provide Recyclable Materials, Organic Materials and Solid Waste  
563 services described in this Section 4.7 to a maximum of fifteen (15) large County-sponsored or  
564 County-designated events per year in the Franchise Area at no cost to the event organizer or the  
565 County, as described in subsections B – G below.

566 **B. Event Collection Stations.** Contractor shall provide event collection stations that include a  
567 separate receptacle for each of Recyclable Materials, Organic Materials and Solid Waste.  
568 Contractor may be excused from providing Organic Materials services at a given Event if  
569 Contractor and the County Contract Manager mutually determine that such services are not  
570 required. Contractor shall provide a sufficient number of event collection stations of sufficient  
571 capacity to meet the needs of the event as determined by Contractor in cooperation with the  
572 event organizer. Contractor may utilize the inventory of event receptacles owned and maintained  
573 by the County.

574 **C. Collection Station Monitors.** Contractor-provided collection station monitors should service  
575 event collection stations and educate event attendees about what materials are acceptable in  
576 each event collection station receptacle. Contractor shall staff the event with a sufficient number  
577 of employees or volunteers to ensure that event collection stations are serviced frequently  
578 enough to prevent overflow and litter.

579 **D. Containers.** Contractor shall provide Containers for the aggregation of material removed from  
580 event collection stations during the course of the event. Contractor shall provide Containers in

581 sufficient number of appropriate type(s) for the needs of the event as determined by Contractor  
582 in cooperation with the event organizer. Contractor shall service Containers, as agreed-upon with  
583 the event organizer, and deliver Collected materials to the appropriate Approved Facility for  
584 transfer, Processing and/or Disposal.

585 E. **Public Education Booth.** Upon request of either the County Contract Manager or the event  
586 organizer, Contractor shall staff a booth or exhibit at the event for the purpose of educating the  
587 public about the services and programs provided by Contractor under this Agreement and the  
588 benefits of source reduction, reuse, Recycling, and Composting.

589 F. **Reporting.** Within fourteen (14) calendar days of the end of the event, Contractor shall submit a  
590 report to the County Contract Manager and event organizer. The report should include, at a  
591 minimum: the number of event collection stations deployed at the event, the number of  
592 collection station monitors, the Tonnage of each material type (i.e., Recyclable Materials, Organic  
593 Materials and Solid Waste) Collected, and a description of the public education provided at the  
594 event.

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

599 H. **Services for Additional Events.** For special events in excess of those described in Section 4.7.A or  
600 events that are not sponsored by the County, Contractor shall provide the above-described special  
601 event services at the request of the event organizer and may negotiate the charges for any  
602 services described in subsections B, C, E, and F above with the event organizer based on the  
603 specific needs of the event. If the event organizer subscribes to Solid Waste Collection service  
604 with Contractor for the special event, Contractor shall provide Recyclable Materials and Organic  
605 Materials Collection services, related to the requirements of subsection D above, for the special  
606 event at rates not-to-exceed the County-approved Rates.

#### 607 4.8 PUBLIC EDUCATION AND TECHNICAL ASSISTANCE

608 A. **General.** Contractor shall provide two (2) full-time equivalent outreach coordinators to manage  
609 the Contractor's public education and technical assistance activities. As further described in  
610 Section 7 and Exhibit C, Contractor shall: (i) prepare and distribute public education and outreach  
611 materials; (ii) provide technical assistance to Commercial and Multi-Family Premises; and (iii)  
612 contribute funds to the County to support the County's public education and outreach efforts.

613 B. **Program Objectives.** The County's public education and outreach strategy shall focus on  
614 improving Customer understanding of the benefits of and opportunities for source reduction,  
615 reuse, Recycling, and Composting. In general, the public education and outreach program should:  
616 (i) inform Customers about the services that are provided under this Agreement with specific  
617 focus on describing the methods and benefits of source reduction, reuse, Recycling, and  
618 Composting; (ii) instruct Customers on the proper method for placing materials in Containers for  
619 Collection and setting Containers out for Collection with specific focus on minimizing  
620 contamination of Recyclable and Organic Materials; and, (iii) clearly define the Excluded Waste  
621 and educate Customers about the hazards of such materials and their opportunities for proper

622 handling.

623 C. **Coordination with County Education and Technical Assistance Efforts.** Contractor acknowledges  
624 that they are part of a multi-party effort to operate and educate the public about the County  
625 integrated waste management system. Contractor shall cooperate and coordinate with the  
626 County Contract Manager and County public education and outreach staff on public education  
627 and technical assistance activities, and at County request, shall meet at least quarterly with the  
628 County Contract Manager to discuss and coordinate public education and technical assistance  
629 efforts.

## 630 4.9 BILLING

### 631 4.9.1 Billing by Contractor

632 A. **General.** Contractor shall bill all Customers and be solely responsible for collecting billings at  
633 Rates set in accordance with Article 8. Contractor shall bill all Single-Family Residential Customers  
634 quarterly, in advance of service. Contractor shall bill all other Customers monthly, in arrears.  
635 Billing shall be performed on the basis of services provided or to be provided and Contractor shall  
636 make such prorations, refunds, or other adjustments to billings as are required by Customer-  
637 initiated changes including, but not limited to, Service Levels or termination of service in the  
638 middle of a billing cycle. This Agreement shall create no obligation on the part of any Person on  
639 the sole basis of the ownership of property.

640 B. **Frequency and Formatting Requirements.** Contractor shall bill Customers subscribing to Single-  
641 Family Collection service during the first month of each calendar quarter for the subsequent full  
642 quarter of service. Customers subscribing to Commercial or Multi-Family, including Customers  
643 who receive Single-Family Style Service with centralized billing, Collection service shall be billed  
644 in arrears on a monthly basis. Bills shall be fully itemized and formatted in clear and  
645 understandable language, free of abbreviations that are not discernible to Customers. Bills are  
646 due payable on the last day of the calendar month in which the bill is generated and mailed to the  
647 Customer, so long as Contractor invoices Customer within the first ten (10) Business Days of a  
648 month, otherwise the bill is due payable on the last day of the following month. The bill format  
649 and content shall be approved by the County at the Commencement of the Agreement and prior  
650 to the Contractor's issuance of bills with any modifications. New Customers shall be billed on a  
651 pro-rata basis based upon the date of their initial service.

652 C. **Customer Deposits.** New Commercial or Multi-Family Collection Customers may be required to  
653 deposit an amount equal to one full billing period of Collection service. There shall be no change  
654 in deposit requirements for existing Customers upon commencement of the services described  
655 by this Agreement. If the Contractor elects to require a deposit for new Customers, deposits shall  
656 not exceed the aggregate amount of one billing period of Collection services subscribed to by each  
657 Customer and deposits shall be returned to Customers after the first eighteen (18) months of  
658 service or upon cancellation of service, whichever occurs first, with interest at current bank rates  
659 for the period of time the deposit is retained by the Contractor.

660 D. **Temporary Stops in Service.** As provided for in the County Code, Single-Family Customers within  
661 the Universal Service Area may request that their service be placed on a temporary hold for up to  
662 30 consecutive days if their Premise(s) are unoccupied due to vacation or other circumstance.  
663 Single-Family Customers shall be required to make such requests at least ten (10) Business Days

664 prior to the effective date of the temporary hold. Contractor shall not deny any such request made  
665 by a Single-Family Customer, provided that no more than one such temporary hold occurs in a 12  
666 month period for a given Single-Family Customer. Contractor may charge Single-Family Customers  
667 requesting a temporary hold an administrative fee, approved by the County.

668 In the event that a Single-Family Customer requests a hold for longer than thirty (30) consecutive  
669 days or more than once in a twelve month period, written approval for such is required from the  
670 County. Contractor shall forward all such requests for approval to the County Contract Manager  
671 on the same day that Contractor receives them. The County Contract Manager shall reply with  
672 their approval or denial of such requests within ten (10) Business Days, failure of which shall  
673 constitute denial of the request.

674 Customers that are not in the Universal Service Area are not covered by the provisions of the  
675 County Code related to temporary service holds. Contractor may consider requests for temporary  
676 holds from Customers outside of the Universal Service Area for any period of time that is mutually  
677 agreeable to the Customer and Contractor. Contractor may charge such Customers requesting a  
678 temporary hold an administrative fee, approved by the County.

679 In the event that a Customer is placed on a temporary hold and sets out any Container(s) for  
680 Collection during the period of their temporary hold, Contractor may remove the temporary hold,  
681 retain the administrative fee, and charge the Customer their normal Rate for services actually  
682 provided.

683 E. **Limitation on Fees.** Other than the bills rendered in accordance with this Section, Article 8 and  
684 Exhibits B and G3, the Contractor shall have no right to, and shall not, impose any fee or charge  
685 on any Customer or other Person for services under this Agreement; with the exception of late  
686 fees, which are described in Section 4.9.5.

687 F. **Shared Service.** Commercial Customers shall be allowed to share Containers. At Contractor's sole  
688 discretion, Contractor may bill the parties sharing the Containers separately for their portion of  
689 the shared service or may require one party to be responsible for bill payment.

690 G. **Other.** A Customer's billing shall be credited on a prorated basis for any missed pickups not  
691 recovered or other services not provided to Customer as a result of Contractor's negligent  
692 performance.

#### 693 **4.9.2 Receipt of Payments**

694 Contractor shall receive and deposit all Gross Rate Revenues received from Customers for services  
695 performed under this Agreement. Such Gross Rate Revenues shall constitute Contractor's Compensation.

#### 696 **4.9.3 Payment Methods**

697 Contractor shall offer payment methods for all Customers that includes, at a minimum the follow options:  
698 1) payment though mail; 2) automatic payment through credit card; 3) online internet payment via  
699 Contractor's website; and, 4) walk-in payment at Contractor's local office.

#### 700 **4.9.4 Billing Records**

701 Contractor shall maintain paper copies and/or electronic records of all billings and receipts, each in  
702 chronological order, for the Term of this Agreement plus two (2) additional years after its expiration or



703 earlier termination, for inspection and verification by the County Contract Manager at any reasonable  
704 time but in no case more than thirty (30) calendar days after receiving a request to do so.

#### 705 **4.9.5 Past Due Accounts**

706 Contractor shall be responsible for collection of payment from Customers with past due accounts (“bad  
707 debt”). Contractor shall make reasonable efforts to obtain payment from delinquent accounts through  
708 issuance of late payment notices, telephone requests for payments, and/or assistance from collection  
709 agencies. In the event that any account becomes more than thirty (30) calendar days past due, Contractor  
710 shall notify such Customer of the delinquency via written correspondence and telephone contact. Should  
711 any account become more than sixty (60) calendar days past due, Contractor shall provide notice to the  
712 Customer via written correspondence that service may be discontinued if the account becomes more than  
713 ninety (90) calendar days past due. Should any account become more than ninety (90) calendar days past  
714 due, Contractor may discontinue providing service to the Customer. Contractor shall provide the County  
715 with a list of all past due accounts and their status (i.e. “30-days past due”, “60-days past due”, “90-days  
716 past due”, “stop service pending”, “service stopped”) with each monthly report submitted in accordance  
717 with Exhibit D.

718 At Contractor’s sole discretion, Contractor may withhold service from a delinquent account until past  
719 delinquencies and late fees, if any, are paid in full or may remove Containers. Upon restoring service to a  
720 previously delinquent account, Contractor may charge a County-approved “Re-start/Re-Delivery Fee” and  
721 require a deposit from the Customer not to exceed one (1) month’s billings at the Customer’s Service  
722 Level. The amount of late fees shall not exceed the Rate approved by the County in Exhibit G3.

#### 723 **4.9.6 Life-Line Discount**

724 If the County elects to offer Single-Family Customers life-line discount Rates in accordance with Section  
725 8.2.E, Contractor shall perform a review and verification of Customer’s eligibility unless otherwise directed  
726 by the County.

### 727 **4.10 CUSTOMER SERVICE PROGRAM**

#### 728 **4.10.1 Program Requirements**

729 **A. Availability of Representatives.** A minimum of four (4) representatives of the Contractor who are  
730 knowledgeable of the service area, services, and Rates shall be available from 7 a.m. to 5 p.m.  
731 Monday through Friday to communicate with the public in person and by telephone. Contractor  
732 shall maintain a local or toll-free telephone number, which it shall publicize. Contractor shall also  
733 maintain an after-hours telephone number allowing twenty-four (24) hour per day access to  
734 Contractor’s management by County Contract Manager in the event of an emergency involving  
735 Contractor’s equipment or services including, but not necessarily limited to, fires, blocked access,  
736 or property damage.

737 **B. Telephone.** Contractor shall maintain a telephone system in operation from 7 a.m. to 5 p.m. and  
738 shall have sufficient equipment in place and staff available to handle the volume of calls  
739 experienced on the busiest days and such telephone equipment shall be capable of recording the  
740 responsiveness to calls. Recording of Contractor’s responsiveness to calls shall include, at a  
741 minimum, all items included in the “Service Quality and Reliability” and “Customer Service”  
742 performance standards listed in Exhibit F. An answering machine or voicemail service shall record  
743 Customer calls and voice messages between 5 p.m. and 7 a.m.

744 C. **Website.** Contractor shall develop and maintain a website that is accessible by the public.  
745 Contractor's website shall include all public education and outreach materials described in Exhibit  
746 C and shall provide the public the ability to e-mail Contractor questions, service requests, or  
747 complaints.

748 D. **Local Office.** Throughout the Term of this Agreement, Contractor shall maintain a local office  
749 within Santa Cruz County where, at a minimum, representatives identified in Section 4.10.1.A  
750 above are located.

#### 751 **4.10.2 Service Requests and Complaints**

752 Contractor shall be responsible for the prompt and courteous attention to, and prompt and reasonable  
753 resolution of, all Customer service requests and complaints. Contractor shall record in a separate log,  
754 approved as to form by County Contract Manager, all complaints, noting the name and address of  
755 complainant, date and time of complaint, nature of complaint, and nature and date of resolution. The  
756 Contractor shall retain this complaint log for the Term plus two (2) years after its expiration or earlier  
757 termination. Upon request by the County Contract Manager, Contractor shall compile and submit a  
758 summary statistical table of the complaint log.

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

#### 764 **4.11 RECYCLABLE MATERIALS COLLECTION FOR SCHOOLS**

765 Contractor shall provide Recyclable Materials Collection services to public and private schools in the  
766 Franchise Area. The scope of Recyclable Materials Collection services offered by Contractor shall be the  
767 same as those offered to Commercial Customers pursuant to Exhibit B3, Section 1. Such service shall be  
768 provided at the Service Level desired by the school and shall be provided by Contractor at no cost to the  
769 school. To benefit from this Recyclable Materials Collection program, schools are obligated to subscribe  
770 to Contractor's Solid Waste Collection services through the terms and conditions of this Agreement (or  
771 through a separate agreement(s) with the Contractor).

#### 772 **4.12 IMPLEMENTATION PLAN**

773 Within fifteen (15) Days following the Effective Date, Contractor shall submit to County a revised  
774 Implementation Plan and Schedule to update and replace the original Implementation Plan submitted  
775 with Contractor's Proposal. Upon submittal of the updated Implementation Plan, Contractor and County  
776 shall meet and confer to discuss any necessary changes, following which, Contractor shall submit a final  
777 Implementation Plan for County approval. Following County approval, Contractor's final and restated  
778 Implementation Plan shall replace Contractor's originally submitted Implementation Plan, and shall be  
779 included in Exhibit G4 to this Agreement. Failure to adhere to the Implementation Plan may result in  
780 Liquidated Damages pursuant to Exhibit F.

781  
782

## ARTICLE 5. STANDARD OF PERFORMANCE

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### 783 5.1 GENERAL

784 Contractor shall at all times comply with Applicable Laws and provide services in a manner that is safe to  
785 the public and the Contractor's employees. Except to the extent that a higher performance standard is  
786 specified in this Agreement, Contractor shall perform services in accordance with Recyclable Materials,  
787 Organic Materials and Solid Waste management practices common to Northern California.

### 788 5.2 MATERIAL RECOVERY (DIVERSION) STANDARD

789 Contractor shall perform services under this Agreement in a manner which supports the County's Zero  
790 Waste Policy goals. This includes, but is not limited to, providing services, education, and outreach to  
791 Customers and in the community which promote source reduction, Recycling, reuse, Composting, and  
792 other methods to reduce landfill Disposal. Contractor is expected, during each and every one of its  
793 interactions with Customers, to suggest opportunities for Customers to reduce their Solid Waste  
794 subscription levels and increase the level of Recyclable Materials and Organic Materials service received.  
795 The Contractor's sixty-five percent (65%) material recovery performance standard under this Agreement  
796 is described in Exhibit F under the "Performance Area No. 3: Diversion" section. Failure to achieve this  
797 performance standard may subject Contractor to Liquidated Damages as described in that section of  
798 Exhibit F.

### 799 5.3 OPERATING HOURS AND SCHEDULES

800 A. **Hours of Collection.** Unless otherwise authorized by the County Contract Manager (e.g., for  
801 special pickups, Collecting missed pickups, Holidays or due to emergencies), Contractor's days and  
802 hours for Collection operations shall be as follows:

803 1. **Residential Premises.** Collection from Residential Premises shall only occur between the  
804 hours of 5:00 a.m. and 3:30 p.m., Monday through Friday.

805 2. **Commercial Premises.** Collection from Commercial Premises shall only occur between  
806 the hours of 5:00 a.m. and 3:30 p.m., Monday through Saturday.

807 Collection routes shall be designed and scheduled, wherever feasible, to avoid or limit noise  
808 impacts to Residential Premises before 7:00 a.m.

809 B. **Holiday Collection Schedule.** Contractor, at its sole discretion, may choose not to provide  
810 Collection services on a Holiday. In such event, Contractor shall provide Collection services on the  
811 day following the Holiday, thereby adjusting subsequent work that week; however, Customer  
812 service days shall be returned to the normal schedule within one (1) week of the Holiday. The  
813 Contractor shall provide Customers notice of Holiday-related changes in Collection schedules at  
814 least two (2) weeks prior to the change. The Designated County Transfer Facility and Designated  
815 Disposal Facility will be closed on Holidays and hours of operation at such facilities will be limited  
816 on Christmas Eve to 7:30 a.m. to 11:30 a.m.

817 **5.4 COLLECTION STANDARDS**

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

821 Contractor, at the request of Customers, may provide special services including: (i) unlocking  
822 Containers; (ii) accessing Container enclosures with a key; or, (iii) pulling or pushing Containers to  
823 the Collection vehicle. Contractor may charge Customers for extra services at the Rates approved  
824 by the County for such services.

825 Contractor shall not commingle Recyclable Materials, Organic Materials or Solid Waste Collected  
826 within the County with materials collected in other areas.

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

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

834 Contractor shall cover all open Drop Boxes at the pickup location before Transporting materials  
835 to an Approved Facility.

836 **C. Development and Review of Collection Specifications.** Contractor shall work with the County to  
837 develop standard specifications for Collection Container enclosures at Commercial and Multi-  
838 Family Premises. These specifications shall be developed to ensure that the Collection Container  
839 enclosures are built to provide adequate space for and suitable configuration to allow the  
840 Contractor to safely and efficiently service Recyclable Materials, Organic Materials and Solid  
841 Waste Containers. Contractor's Operations Manager or other appropriately qualified staff shall,  
842 upon request by the County Contract Manager, provide a review of development plans or project  
843 design drawings. Contractor shall provide comments and recommendations resulting from the  
844 review in writing within ten (10) Business Days of receipt of the documents for review. In each  
845 review report, Contractor shall comment on the acceptability of the proposed enclosure  
846 arrangements in terms of: i) the adequacy of space for Recyclable Materials, Organic Materials  
847 and Solid Waste Containers; ii) the accessibility of the Containers for Collection including whether  
848 additional charges (e.g., push/pull, etc.) would apply; and iii) ease of use by Occupants.

849 **D. Services on Private Property and/or Roads.** Contractor shall use appropriately sized Collection  
850 vehicles for Collection services provided on Private Roads. Contractor shall require a waiver, in a  
851 form approved by the County Contract Manager, from the owner(s) of a Private Road prior to  
852 providing service on such road. Contractor shall, where necessary, traverse Private Roads in order  
853 to Collect Containers placed for Collection by Customers provided, however, that Contractor shall  
854 not be required to utilize Private Roads if any one owner has refused to sign a waiver to use the  
855 road. Contractor shall not be required to traverse Residential driveways on foot over 100 feet  
856 from the nearest public or Private Road. Contractor may charge Customer for service on Private  
857 Roads and on Private Property at Difficult to Service Rates approved by the County in Exhibit G3.

858 E. **Non-Collection of Contaminated Recyclable and Organic Materials.** To support the County's  
859 mandatory Recycling ordinance, Contractor shall use reasonable efforts to not Collect Recyclable  
860 Materials or Organic Materials from Containers which contain visible amounts of materials which  
861 do not constitute Recyclable Materials or Organic Materials, as applicable. In the event that  
862 Contractor determines that a particular Container contains more than a visible amount of such  
863 materials, the Contractor shall place a tag on such Container informing the Customer of the reason  
864 for non-Collection, in accordance with Exhibit C. For a Customer's repeated incidents of  
865 contamination, Contractor may assess a contamination fee pursuant to Exhibits B1, B2, and B3.

866 In the event that the County determines that excessive amounts of contamination are being  
867 deposited in Containers for Recyclable Materials or Organic Materials Collected by the Contractor,  
868 it shall so notify the Contractor and the Contractor shall take steps to identify Customers who are  
869 the source of such excessive contamination and curtail such contamination. Such steps may  
870 include heightened examination of Containers by drivers or other employees of Contractor,  
871 increased educational efforts, or other steps recommended by the County.

872 F. **Non-Collection of Solid Waste Containing in Excess of 5% Recyclable Materials.** Contractor shall  
873 comply with all provisions of County Code, Section 7.20, including all mandatory Recycling  
874 requirements for the Contractor. To support the County's mandatory Recycling ordinance,  
875 Contractor shall use reasonable efforts to not Collect Solid Waste from Containers which contain  
876 visible amounts of Recyclable Materials. In the event that Contractor determines that a particular  
877 Container contains a visible amount of such materials, the Contractor shall place a tag on such  
878 Container informing the Customer of the prohibited materials placement, in accordance with  
879 Exhibit C. Upon repeat or chronic violations of the mandatory Recycling requirement by a  
880 Customer, Contractor shall not Collect any Solid Waste Container that contains in excess of five  
881 percent (5%) Recyclable Materials (by volume) and shall provide appropriate notification to  
882 Customers detailing reasons for non-Collection. In the event that Contractor does not Collect Solid  
883 Waste Containers from Customers due to violations of the County Code, Customers shall not be  
884 entitled to any credits or other billing adjustments. If said Customer removes the prohibited  
885 materials and requests that the Contractor return to service the Container, Contractor may assess  
886 the "Go-Back/Trip Fee" as approved in this Agreement.

887 County may, at any time during the Term of this Agreement and without any additional  
888 compensation to Contractor, extend this five percent (5%) requirement to apply to Organic  
889 Materials placed in the Solid Waste Container. At the time of the change, County Contract  
890 Manager and Contractor shall meet and confer to agree on the logistics of implementing this  
891 requirement. The requirement on Customers shall only be extended through a modification of  
892 the County Code. The requirement on the Contractor shall be extended immediately upon the  
893 effectiveness of such change to the County Code.

894 G. **Special In-Ground Collection Locations.** Contractor shall, at no additional cost to the Customer in  
895 excess of the Rates associated with their Service Level, Collect Containers which are deposited  
896 into receptacles in ground, and non-standard containers mutually approved for Collection by the  
897 County and Contractor to the extent that such in-ground Collection Container or non-standard  
898 Collection Container is in use by the Owner of such Premises prior to the Commencement Date.

899 H. **Routes.** On or before November 1, 2017, Contractor shall provide County with route information  
900 and maps of the Collection routes in sufficient detail that allows the County to review and approve

901 the routes. Route maps shall be provided in Adobe Acrobat PDF format or other format agreed  
902 upon by the County. When planning its routes, Contractor shall take steps to maximize route  
903 safety and minimize wear and tear on streets in the Franchise Area. Contractor shall also work to  
904 minimize the number of Customers that experience change in the day of the week their Collection  
905 services were provided by the County's prior Collection contractor. With its submittal of route  
906 maps on November 1, 2017, Contractor shall identify the number of Customers that will  
907 experience a change in Collection days and a list of each Customer's name and address. Per  
908 Contractor's Proposal, and excluding Collection services related to new Food Scraps/Organic  
909 Material Collection services, less than three percent (3%) of Customers shall experience Collection  
910 day changes in the first twelve (12) months of the Agreement.

911 During the Term of the Agreement, Contractor shall meet and confer with the County to amend  
912 the route schedule, as appropriate. Contractor shall not modify scheduled Collection routes or  
913 scheduled Collection days without prior written notification to and approval of County, which  
914 shall not be unreasonably withheld or delayed.

915 Contractor shall Collect materials generated in the Franchise Area in Collection vehicles separately  
916 from other materials generated outside the Franchise Area.

## 917 5.5 VEHICLE REQUIREMENTS

918 **A. General.** On or before July 1, 2018, Contractor shall have completed phasing in its new fleet of  
919 new Collection vehicles sufficient in number and capacity to efficiently perform the work required  
920 by the Agreement and consistent with Contractor's Proposal. Such vehicles shall be provided in  
921 strict accordance with this Agreement's terms and Contractor shall use those vehicles solely for  
922 the provision of services under this Agreement throughout the Term unless one or more vehicles  
923 needs to be replaced due to damage or wear. Contractor shall have available sufficient back-up  
924 vehicles for each type of Collection vehicle used to respond to scheduled and unscheduled  
925 maintenance, service requests, complaints, and emergencies. All such vehicles shall have  
926 watertight bodies designed to prevent leakage, spillage, or overflow. All such vehicles shall meet  
927 On-Road Heavy Duty Vehicle emissions requirements for model year 2017, regardless of the  
928 actual model year of Contractor's vehicles, and generally comply with all Federal, State, and local  
929 laws and regulations.

930 **B. Appearance.** Collection vehicles shall present a clean appearance while providing service under  
931 this Agreement. Contractor's name and local telephone number shall be displayed on all vehicles  
932 in at least four (4) inch characters. Vehicles shall be equipped with sign board holders or other  
933 hardware to allow public education signage of no less than twelve square feet of surface area to  
934 be displayed on both sides of the vehicle, or if a Collection vehicle will not accommodate those  
935 dimensions, other dimensions as approved by the County Contract Manager. Any signage, written  
936 or illustrated, on Collection vehicles must be reviewed and approved by the County Contract  
937 Manager. Contractor must print and display new signs for all Collection vehicles up to four (4)  
938 times per year, upon request of the County Contract Manager.

939 **C. Inspection and Repair.** Contractor shall inspect each vehicle daily to ensure that all equipment is  
940 operating properly. Vehicles that are not operating properly shall be taken out of service until  
941 they are repaired and operate properly. Contractor shall repair, or arrange for the repair of, all of  
942 its vehicles and equipment for which repairs are needed because of accident, breakdown or any

943 other cause so as to maintain all equipment in a safe and operable condition. County Contract  
944 Manager may inspect vehicles at any reasonable time, and within three (3) calendar days of such  
945 a demand, to determine compliance with sanitation requirements.

946 **D. Vehicle Requirements.** As of the Commencement Date of the Agreement, the Collection vehicles  
947 shall operate on bio-diesel fuel purchased in the County. Contractor shall provide smaller  
948 Collection vehicles for Difficult to Service Premises, as appropriate. Contractor understands that  
949 many rural areas of the County are not serviceable by fully-automated Collection systems and  
950 may require smaller Collection vehicles.

951 **E. County Approval.** As needed, Contractor may replace one or more of its Collection vehicles over  
952 the Term due to damage or wear. Prior to ordering any replacement vehicles, County shall  
953 approve the type of vehicle purchased with the interest in having Contractor procure vehicles that  
954 are powered by a hybrid-power system or other clean-fuel system. In the event that Contractor  
955 can demonstrate that such alternative fuel/power vehicles create additional costs, considering  
956 both the annual depreciation cost and ongoing operating costs, County shall not require  
957 Contractor to purchase such vehicles unless Contractor receives consideration for these  
958 incremental additional cost.

## 959 **5.6 CONTAINER REQUIREMENTS**

960 **A. General.** Contractor shall provide all Containers to all Customers as part of its services to meet  
961 Customers' desired Service Level(s). Contractor-provided Containers shall be designed and  
962 constructed to be watertight and prevent the leakage of liquids. All Containers shall display the  
963 Contractor's name, local telephone number, and some identifying inventory or serial number.  
964 The Contractor may fulfill its obligations to provide Containers to Customer through continued  
965 use Containers that were in service in the Franchise Area prior to the Commencement Date or by  
966 providing new Containers.

967 **B. Repair and Replacement.** Contractor recognizes that some Containers in service on the  
968 Commencement Date may have reached the end of their useful life or will reach the end of their  
969 useful life during the Term of the Agreement. Contractor has planned for Container replacements  
970 for the scope of services defined in this Agreement and shall only be entitled to additional  
971 compensation for Container replacements for services related to Changes in Law or Changes in  
972 Scope over the Term of the Agreement.

973 Contractor shall repair or replace all Containers damaged by Collection operations within five (5)  
974 Business Days. If the repair or replacement cannot be completed within five (5) Business Days,  
975 Contractor shall notify Customer and a Container of the same size or larger shall be made available  
976 until the proper Container can be replaced. At no additional cost, Contractor shall replace  
977 Customer Carts that have been stolen or damaged through no fault of Customer, once in a  
978 consecutive twelve (12) month period. Contractor shall allow Customers to exchange Containers  
979 for a Container of a different size at no additional cost, once in a consecutive twelve (12) month  
980 period. Contractor shall charge Customers for additional Cart replacements at Rates not to exceed  
981 County-approved Rates.

982 **C. Container Colors.** In the interest of creating effective and consistent public education and  
983 outreach, Contractor will utilize its Containers to reinforce public education messages. All

984 Recyclable Materials Carts and Bins shall be coded blue, all Yard Trimmings Carts and Bins shall  
985 be coded green, all Food Scraps Carts and Bins shall be coded yellow, and all Solid Waste Carts  
986 and Bins shall be coded gray. The Contractor may meet the color-coding requirements for Carts  
987 by the use of different colored lids on common-colored Cart bodies. Subject to approval by the  
988 County Contract Manager, the color-coding requirement for Drop Boxes may be met by painting  
989 the whole body of the Drop Boxes a single color and using magnetic or other removable color-  
990 coded signage with a list of acceptable materials and a list of prohibited materials. Contractor  
991 shall repaint all Bins and Drop Boxes on or before January 1, 2019. At County's request, all new  
992 Containers shall be hot-stamped (Cart lids) or labeled (Bins) with a list of acceptable materials  
993 types and a list of prohibited material types and such labels shall be in both English and Spanish.  
994 Specific color selections and labels shall be approved by the County Contract Manager prior to  
995 placing the order for any new Containers.

996 **D. Condition.** All Containers shall be maintained in a safe, serviceable, and functional condition and  
997 present a clean appearance. Customers using Carts shall be responsible for cleaning such Carts.  
998 Contractor shall steam clean and repaint Bins and Drop Boxes, as requested by Customer or as  
999 deemed necessary by Contractor to present a clean appearance. If Customer requests steam  
1000 cleaning more frequently than one (1) time in a consecutive twelve (12) month period, Contractor  
1001 may charge the Customer at County-approved Rates for such service. If any Container is impacted  
1002 by graffiti, Contractor shall remedy the situation within fourteen (14) calendar days of notification  
1003 at no additional charge.

1004 **E. Kitchen Pails.** If Contractor is required to provide Food Scraps Collection service to Single-Family  
1005 Customers pursuant to Section 2.B of Exhibit B1, Contractor shall provide one (1) Kitchen Pail per  
1006 Single-Family Customer at the initiation of that program. Contractor shall provide a replacement  
1007 Kitchen Pail once in a consecutive twenty four (24) month period, at no additional cost and upon  
1008 Customer request. In the event that a Customer requires an additional replacement Kitchen Pail  
1009 during a consecutive twenty four (24) month period, Contractor may charge the Customer at  
1010 Contractor's actual cost for the replacement. Kitchen Pails shall become the property of the  
1011 Customer upon receipt. Kitchen Pail specifications shall be approved by the County prior to  
1012 ordering and distribution. Contractor shall promote the availability of the Kitchen Pails through  
1013 public education efforts required by Exhibit C. Each Kitchen Pail shall be accompanied by flyer  
1014 describing the Organic Materials program requirements. Contractor shall purchase a sufficient  
1015 number of Kitchen Pails to maintain an inventory such that upon a Customer's request, Contractor  
1016 can deliver the Kitchen Pail to the Customer within seven (7) days of request. Contractor shall  
1017 track and report the cost of purchasing the Kitchen Pails as "equipment" costs and not as "public  
1018 education" costs.

1019 **F. Container Ownership.** The County reserves the right to assume ownership of all Carts and Bins  
1020 (and any remaining inventory of Kitchen Pails) at no cost to the County or Customers upon the  
1021 expiration of this Agreement.

## 1022 **5.7 PERSONNEL**

1023 **A. General.** Contractor shall furnish such qualified personnel as may be necessary to provide the  
1024 services required by this Agreement in a safe and efficient manner. Contractor shall designate at  
1025 least one (1) qualified employee as County's primary point of contact with Contractor who is  
1026 principally responsible for Collection operations and resolution of service requests and



- 1027 complaints.
- 1028 Contractor shall use its best efforts to assure that all employees present a neat appearance and  
1029 conduct themselves in a courteous manner. Contractor shall not permit its employees to accept,  
1030 demand, or solicit, directly or indirectly, any additional compensation, or gratuity from members  
1031 of the public.
- 1032 **B. Driver Qualifications.** All drivers must have in effect a valid license, of the appropriate class,  
1033 issued by the California Department of Motor Vehicles. Contractor shall use the Class II California  
1034 Department of Motor Vehicles employer "Pull Notice Program" to monitor its drivers for safety.
- 1035 **C. Safety Training.** Contractor shall provide suitable operational and safety training for all of its  
1036 employees who operate Collection vehicles or equipment. Contractor shall train its employees  
1037 involved in Collection to identify, and not to Collect, Excluded Waste. Upon the County Contract  
1038 Manager's request, Contractor shall provide a copy of its safety policy and safety training  
1039 program, the name of its safety officer, and the frequency of its trainings.
- 1040 **D. Labor Organization.** The County and Contractor agree to the following procedure for the purpose  
1041 of ensuring an orderly environment for the exercise by Contractor's employees of their rights  
1042 under Section 7 of the National Labor Relations Act. This procedure is intended to avert picketing  
1043 and/or other economic action directed at Contractor in the event a union decides to conduct an  
1044 organizing campaign at any of the Contractor's operations where a union does not serve as an  
1045 exclusive authorized representative. Contractor recognizes and agrees to comply with provisions  
1046 of the National Labor Relations Act and other applicable labor laws which includes, but is not  
1047 limited to, guaranteeing workers the right to form or select any labor organization to act as the  
1048 workers' exclusive bargaining representative for the purpose of collective bargaining with the  
1049 Contractor, or to refrain from such activity. To the extent required by the National Labor Relations  
1050 Act, Contractor shall maintain a position of neutrality on all lawful efforts to unionize Contractor  
1051 employees. Contractor shall not undertake unlawful efforts to support or oppose any selection by  
1052 such employees of a collective bargaining agent or any particular union.
- 1053 **D. Displaced Employees.** Contractor shall make best efforts to offer employment to qualified  
1054 employees of the prior contractor for the performance of this contract. Such efforts shall not be  
1055 required in regard to employees who are (1) exempt under the Fair Labor Standards Act, (2) family  
1056 members of the prior contractor, (3) employed by the prior contractor for less than six months,  
1057 or (4) convicted of a job-related or workplace crime. Upon request by the County, the Contractor  
1058 shall demonstrate to the County the good faith efforts that have been made to comply with this  
1059 provision.
- 1060 **E. Living Wage Requirements.** This Agreement is subject to the provisions of County Code Chapter  
1061 2.122, requiring payment of a living wage to covered employees. Non-compliance during the Term  
1062 of this Agreement will be considered a material breach and may result in termination of the  
1063 Agreement or pursuit of other legal or administrative remedies. Contractor is required to certify  
1064 that they are in compliance with the living wage ordinance prior to the Effective Date of this  
1065 Agreement. Certification forms are available from the County's Purchasing Division.

1066 **5.8 HAZARDOUS WASTE INSPECTION AND HANDLING**

1067 **A. Inspection Program and Training.** Contractor shall develop a load inspection program that  
1068 includes the following components: (i) personnel and training; (ii) load checking activities; (iii)  
1069 management of wastes; and, (iv) record keeping and emergency procedures.

1070 Contractor's load checking personnel, including its Collection vehicle drivers, shall be trained in:  
1071 (i) the effects of Hazardous Substances on human health and the environment; (ii) identification  
1072 of prohibited materials; and, (iii) emergency notification and response procedures. Collection  
1073 vehicle drivers shall inspect Containers before Collection when practical.

1074 **B. Response to Excluded Waste Identified During Collection.** If Contractor determines that material  
1075 placed in any Container for Collection is Excluded Waste or presents a hazard to Contractor's  
1076 employees, the Contractor shall have the right to refuse to Collect the Container with such  
1077 identified material. The Generator shall be contacted by the Contractor and requested to arrange  
1078 proper Disposal. If the Generator cannot be reached immediately, the Contractor shall, before  
1079 leaving the Premises, leave a tag at least two (2) inches by six (6) inches in size on the Container,  
1080 which indicates the reason for refusing to Collect the material and lists the phone number of a  
1081 facility that accepts the Excluded Waste or a phone number of an entity that can provide  
1082 information on proper Disposal of the Excluded Waste. Under no circumstances shall Contractor's  
1083 employees knowingly Collect Excluded Waste or remove unsafe or poorly containerized Excluded  
1084 Waste from a Collection Container. Prior to Commencement of this Agreement, the tag that will  
1085 be used to notice Customers of reason for non-Collection shall be reviewed and approved by the  
1086 County Contract Manager.

1087 If Excluded Waste is found in a Collection Container or Collection area that could possibly result  
1088 in imminent danger to people or property, the Contractor shall immediately notify the Fire  
1089 Department.

1090 **C. Response to Excluded Waste Identified at Disposal or Processing Facility.** Materials Collected by  
1091 Contractor will be delivered to the Approved Facilities for purposes of Processing or Disposal. In  
1092 the event that load checkers and/or equipment operators at such facility identify Excluded Waste  
1093 in the loads delivered by Contractor, such personnel shall remove these materials for storage in  
1094 approved, on-site, Excluded Waste storage Container(s). Contractor shall arrange for removal of  
1095 the Excluded Wastes at its cost by permitted haulers in accordance with Applicable Laws and  
1096 regulatory requirements. The Contractor may, at its sole expense, attempt to identify and recover  
1097 the cost of Disposal from the Generator. If the Generator can be successfully identified, the cost  
1098 of this effort, as well as the cost of Disposal shall be chargeable to the Generator.

1099 **5.9 COUNTY CONTRACT MANAGER**

1100 The County has designated staff, the County Contract Manager, to be responsible for the monitoring and  
1101 administration of this Agreement. Contractor shall meet and confer with the County Contract Manager to  
1102 resolve differences of interpretation and implement and execute the requirements of this Agreement in  
1103 an efficient and effective manner, consistent with the stated objectives of this Agreement. In the event of  
1104 a dispute between the Parties, relative to this Agreement, the Parties agree to meet and confer to  
1105 negotiate a resolution of the dispute. The County's Public Works Director or their designate, who shall not  
1106 be the County Contract Manager, shall participate in all such dispute resolution meetings. In the event

1107 that such negotiation does not produce a mutually-acceptable outcome within 30 days of the original  
1108 notice of the dispute, either Party may litigate the matter, subject to the requirements of Section 12.4 of  
1109 this Agreement.

1110 From time to time the County Contract Manager may designate other agents of County to work with  
1111 Contractor on specific matters. In such cases, those individuals should be considered designates of the  
1112 County Contract Manager for those matters to which they have been engaged. Such designates shall be  
1113 afforded all of the rights and access granted thereto. In the event of a dispute between the County  
1114 Contract Manager's designate and Contractor, the County Contract Manager's determination shall be  
1115 conclusive.

1116 In the event of dispute between the County Contract Manager and the Contractor regarding the  
1117 interpretation of or the performance of services under this Agreement, the County Contract Manager's  
1118 determination shall be conclusive except where such determination results in a material impact to the  
1119 Contractor's revenue and/or cost of operations. In the event of a dispute between the County Contract  
1120 Manager and the Contractor that results in such material impact to the Contractor, Contractor may appeal  
1121 the determination of the County Contract Manager to the County Board of Supervisors, whose  
1122 determination shall be conclusive. For the purposes of this section, "material impact" is an amount equal  
1123 to or greater than one-quarter of one percent (0.25%) of Contractor's annual Gross Rate Revenues under  
1124 this Agreement.

1125 County Contract Manager or their designate shall have the right to observe and review Contractor  
1126 operations and transfer and Processing Facilities and enter Premises for the purposes of such observation  
1127 and review, including review of Contractor's records, during reasonable hours with reasonable notice. In  
1128 no event shall Contractor prevent access to such Premises for a period of more than three (3) calendar  
1129 days after receiving such a request.

## 1130 **5.10 ENVIRONMENTALLY-PREFERRABLE PURCHASING**

1131 Contractor shall, prior to the Commencement Date, develop and implement an "Environmentally  
1132 Preferable Purchasing Policy". The policy shall be subject to review, request for modification, and  
1133 approval by the County Contract Manager. The policy shall, at a minimum, include provisions for:

1134 (1) purchasing materials with the highest available Recycled content without materially degrading  
1135 the performance of the product;

1136 (2) purchasing materials that utilize non-toxic, non-polluting alternative chemistry which may include  
1137 limitations in the event that there is a significant difference in effectiveness of the product for its  
1138 intended purpose;

1139 (3) a twenty percent (20%) price preference, relative to virgin or toxic content products, for  
1140 purchasing environmentally preferable materials and supplies (e.g. if a standard product is available  
1141 for \$100 per unit and a non-toxic alternative to that product is available for \$118 per unit, Contractor  
1142 shall purchase the non-toxic alternative; however, if that alternative costs \$121 per unit, Contractor  
1143 may, but shall not be obligated to purchase the non-toxic alternative); and,

1144 (4) source reduction and pollution prevention strategies for Contractor's operations. Contractor shall  
1145 include a summary of their environmentally-preferable purchasing activities in their Annual Report

1146 to County (e.g., volume of Recycled-content paper purchased, source reduction strategies  
1147 implemented during the year and the quantified results of that strategy, etc.).

## 1148 **5.11 LOCAL PURCHASING PREFERENCE**

1149 Contractor shall, throughout the Term of this Agreement, give preference to purchasing materials and  
1150 supplies used in connection with Agreement from local vendors within the County or State; and in that  
1151 order of preference. At a minimum, Contractor shall purchase the following items from vendors within  
1152 the County: vehicle supplies (e.g., fuel, fluids, tires, parts, etc., as available); printing and publishing  
1153 services for any and all public education and outreach materials; uniforms, safety clothing/equipment,  
1154 and work boots; and office supplies.

## 1155 **5.12 CHARACTERIZATION STUDIES**

1156 During the Term of this Agreement, Contractor shall, upon request from the County, assist in the  
1157 performance of characterization studies of the Discarded Materials Collected in order to determine the  
1158 content of said material for marketing and public outreach purposes, for Diversion program planning,  
1159 and/or for determination of Residue and contamination levels of Recyclable Materials and Organic  
1160 Materials Collected. The dates of such studies shall be defined by County in consultation with the  
1161 Contractor. The Contractor shall cooperate with and assist the County in the performance of Discarded  
1162 Material characterization studies by separately Collecting the material to be characterized and delivering  
1163 such material to an in-County location designated by the County.

1164 The Contractor may be required, at no additional compensation, to Collect sample Discarded Materials  
1165 for such studies on certain County-defined routes and deliver such material to a County designated site  
1166 for study, provided that doing so does not require Contractor to alter their routing. For example, if County  
1167 directs Contractor to deliver all materials Collected on an established route on a given day to the sorting  
1168 location, there is no change required to the routing.

1169 In the event that the County requires Discarded Materials to be Collected from Customers in such a  
1170 manner that requires the Contractor to alter their routing, Contractor shall be entitled to compensation  
1171 for any additional direct costs incurred to perform the Collection. For example, if County directs  
1172 Contractor to separately deliver Single-Family, Multi-Family, and/or Commercial Discarded Materials  
1173 Collected from a specified route, Contractor's routing may be altered. In the case of an alteration to  
1174 routing, Contractor shall present a cost proposal to the County within fifteen (15) Business Days of  
1175 County's request. Such cost proposal shall only include the direct costs resulting from operational changes  
1176 required by the study and shall not include any indirect or supervisory costs, overhead allocations, profit,  
1177 or other mark-ups. County shall review the cost proposal and may, within reason, request modifications  
1178 to it based on factual, mathematical, operational, interpretation, or other inaccuracies. The County may  
1179 then either approve or decline the cost proposal as presented and/or adjusted. If the cost proposal is  
1180 approved, Contractor may include such costs as an "Other Adjustment" in the Rate application submitted  
1181 for the next Rate Period.

1182 County shall arrange for the performance of all sorting activities and provide or arrange for a location to  
1183 conduct the sorting activities. County may require Contractor to pay the direct costs of any sorting activity  
1184 required for such a study. In the event of such County direction, Contractor may include such costs as an  
1185 "Other Adjustment" in the Rate application submitted for the next Rate Period.

1186 **5.13 COLLECTION MONITORING**

1187 Contractor shall allow Persons designated by the County Contract Manager to ride in Contractor's  
1188 Collection vehicles on any route or routes and to monitor Contractor's Collection of Discarded Materials  
1189 as provided in Article 4 and Exhibit B. The County Contract Manager will inform Contractor at least one  
1190 (1) week prior to the date of route monitoring.

1191 **5.14 GREEN BUSINESS PROGRAM**

1192 The Contractor shall secure green business certification for its facilities through the Monterey Bay Area  
1193 Green Business Program. If at any time during the Term of the Agreement, Contractor is unable to achieve  
1194 or maintain certification under the program, Contractor shall notify the County within ten (10) Business  
1195 Days, and the Parties shall meet and confer regarding the barriers and costs associated with achieving  
1196 certification. In the event that the technical or operational barriers make certification infeasible or the  
1197 costs to achieve certification are material, Contractor may request consideration for such costs or relief  
1198 from certain requirements that are determined to be infeasible. For the purposes of this section,  
1199 "material" is an amount equal to or greater than one-quarter of one percent (0.25%) of Contractor's  
1200 annual Gross Rate Revenues under this Agreement. Upon review of the facts and County's determination  
1201 that such requirements are infeasible, County may temporarily waive the specific requirement until  
1202 County and/or Contractor can identify and Contractor can implement a feasible approach to compliance.  
1203 In the event that the barrier to compliance is a material cost, County may either: 1) authorize Contractor  
1204 to include the costs of compliance in their Rate application for the subsequent Rate Period; or, 2)  
1205 temporarily waive the specific requirement until County and/or Contractor can identify and Contractor  
1206 can implement a cost-effective approach to compliance.

1207 **5.15 WEB-BASED ACCESS TO CUSTOMER AND BILLING INFORMATION**

1208 Contractor shall establish a web-based system that enables the County to have twenty-four (24) hour  
1209 read-only access to Contractor's information management system(s) to: (1) view Customer service and  
1210 billing records including service information, complaints and resolution thereof, Rates, call history, etc.;  
1211 and (2) access various types of reports including reports on Subscription Levels and other aspects of  
1212 Contractor's performance.

1213 **5.16 CARBON OFFSET CREDITS**

1214 The County reserves the right to revenues or other benefits from carbon offset credits obtained by  
1215 Contractor related to services performed under this Agreement.

1216 **ARTICLE 6.**  
1217 **RECORD KEEPING AND REPORTING**

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1218 **6.1 RECORD KEEPING**

1219 Contractor shall maintain accounting, statistical, operational, and other records related to its performance  
1220 as shall be necessary to provide reporting under Applicable Law and demonstrate compliance with this

1221 Agreement. Unless otherwise required in this Article, Contractor shall retain all paper records and/or  
1222 electronic data required to be maintained by this Agreement for the Term of this Agreement plus three  
1223 (3) years after its expiration or earlier termination. Records and data shall be in chronological and  
1224 organized form and readily and easily interpreted. Upon request, any such records shall be retrieved in a  
1225 timely manner by Contractor and made available to the County Contract Manager. Contractor shall  
1226 maintain adequate record security to preserve records from events that can be reasonably anticipated  
1227 such as a fire, theft, and an earthquake. Electronically-maintained data and records shall be protected and  
1228 backed-up.

1229 The County views its ability to defend itself against Comprehensive Environmental Response,  
1230 Compensation and Liability Act (CERCLA), and related litigation as a matter of great importance. For this  
1231 reason, the County highly regards its ability to prove where Collected Solid Waste is taken for transfer or  
1232 Disposal. Contractor shall maintain records which can establish where Solid Waste Collected was  
1233 Disposed. This provision shall survive the expiration or earlier termination of this Agreement. Contractor  
1234 shall maintain these records for a minimum of ten (10) years beyond expiration or earlier termination of  
1235 the Agreement. Contractor shall provide these records to the County (upon request or at the end of the  
1236 record retention period) in an organized and indexed manner rather than destroying or Disposing of them.

## 1237 **6.2 REPORT SUBMITTAL REQUIREMENTS**

1238 Contractor shall submit monthly and quarterly reports, including for the twelfth month and fourth  
1239 quarter, within forty-five (45) calendar days after the end of calendar quarter. Contractor shall submit  
1240 annual reports no later than sixty (60) calendar days after the end of each calendar year. Quarterly and  
1241 annual reports shall, at a minimum, include all data and information as described in Exhibit D.

1242 Contractor may propose report formats that are responsive to the objectives and audiences for each  
1243 report. The format of each report shall be approved by the County Contract Manager and such approval  
1244 shall not be unreasonably withheld. County Contract Manager may, from time to time during the Term,  
1245 review and request changes to Contractor's report formats and content and Contractor shall not  
1246 unreasonably deny such requests. The County reserves the right to require Contractor's use of a web-  
1247 based platform for data entry and submittal of its required report information and Contractor shall pay  
1248 for the cost of using such system (if any).

1249 Contractor shall submit (via e-mail) all reports to the County Contract Manager.

1250 County reserves the right to require Contractor to provide additional reports or documents as County  
1251 Contract Manager reasonably determines to be required for the administration of this Agreement or  
1252 compliance with Applicable Law.

## 1253 **6.3 PERFORMANCE REVIEW AND AUDIT**

1254 The County may conduct, and Contractor shall cooperate with, a performance review and/or detailed  
1255 audit in Rate Periods Four, Seven, Ten, and, if the Term is extended, Twelve to verify Contractor has  
1256 fulfilled its financial and operational obligations under this Agreement. The purpose of such reviews and  
1257 audits shall be, without limitation, to review complaints, billings, and fee payments to County, and to  
1258 determine if Contractor has met the performance standards described in this Agreement (including,  
1259 without limitation, Diversion standards set forth in Section 5.2). County may choose to enlist professional  
1260 service providers to perform such reviews and audits, and Contractor shall be required to pay County's

1261 costs for such services up to thirty thousand dollars (\$30,000) per audit and up to fifty thousand dollars  
1262 (\$50,000) per performance review. The Contractor may recover the costs of an audit through the Rates  
1263 by treating the costs as an allowable Pass-Through Cost during the next Rate Period by including those  
1264 costs for one Rate Period under the "Other Adjustments" line item, as illustrated in the example Table 2  
1265 in Exhibit E1.

1266 Contractor may not influence or control the County's selection of professional service providers.  
1267 Contractor shall cooperate with the County and its agents during the review and audit process. If any  
1268 noncompliance with the Agreement is found, the County may direct the Contractor to correct the  
1269 inadequacies in accordance with Article 10 of this Agreement.

1270 At the County's sole option, with thirty (30) days written notification to the Contractor, it may conduct a  
1271 public hearing at which the Contractor shall be present and shall participate, to review the Contractor's  
1272 performance and quality of service and provide for evaluation of technological and regulatory changes.  
1273 The reports required by this Exhibit D regarding Customer complaints may be utilized as a basis for review  
1274 as well as any findings from performance review and/or audits. Performance and service quality review  
1275 hearings may be scheduled by the County at its discretion throughout the Term of the Agreement. Within  
1276 30 days after the conclusion of the public hearing, the County shall issue a report on the adequacy of  
1277 performance and quality of service.

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## **ARTICLE 7. FRANCHISE FEES AND OTHER PAYMENTS TO COUNTY**

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### **1281 7.1 FRANCHISE FEE**

1282 In consideration of the rights provided Contractor herein, Contractor shall pay Franchise Fees to County  
1283 each month equal to ten percent (10%) of Gross Rate Revenues for all services performed under this  
1284 Agreement less the dollar amount of the fees paid under Sections 7.2, 7.3, 7.4, 7.5, and 7.6 below. This  
1285 fee may be adjusted by resolution by the County Board of Supervisors.

### **1286 7.2 ADMINISTRATIVE PAYMENT**

1287 The Contractor shall pay an Administrative Payment to County each month. The amount of the  
1288 Administrative Payment shall be equal to: three and thirty one hundredths percent (3.31%) for Rate Period  
1289 1; and, three and thirteen one hundredths percent (3.13%) for Rate Periods 2 through 10, of Gross Rate  
1290 Revenues for all services performed under this Agreement. . County shall use the Administrative Payment  
1291 to offset expenses including staffing costs related to contract management, compliance, and monitoring,  
1292 and to enforce the franchise with respect to any violations by third parties, including initiating and/or  
1293 assisting in prosecuting enforcement actions. The County shall retain the sole right to set priorities for its  
1294 contract monitoring and enforcement among County personnel. This fee shall be a pass-through cost and  
1295 may be adjusted by resolution of the County Board of Supervisors.

1296 **7.3 AB 939/AB 341 PAYMENT**

1297 The Contractor shall pay an AB 939/AB 341 Payment to County each month. The amount of the AB 939/AB  
1298 341 Payment shall be equal to: three and thirty one hundredths percent (3.31%) for Rate Period 1; and, five  
1299 and fifteen hundredths percent (5.15%) for Rate Periods 2 through 10, of Gross Rate Revenues for all  
1300 services performed under this Agreement.. County shall use the AB 939/AB 341 Payment to offset  
1301 expenses for County programs, pilot studies, education and outreach campaigns, reporting, compliance,  
1302 or other activities involved in compliance with AB 939, abd/or AB 341. The County shall retain the sole  
1303 right to set priorities for the use of its AB 939/AB 341 Payment. This fee shall be a pass-through cost and  
1304 may be adjusted by resolution of the County Board of Supervisors.

1305 **7.4 VEHICLE IMPACT MITIGATION PAYMENT**

1306 Contractor shall pay a Vehicle Impact Mitigation Payment to County each month. The amount of the  
1307 Vehicle Impact Mitigation Payment shall be equal to: two and ninety four hundredths percent (2.94%) for  
1308 Rate Period 1; and, five and fifteen hundredths percent (5.15%) for Rate Periods 2 through 10, of Gross  
1309 Rate Revenues for all services performed under this Agreement. This fee is to reimburse the County for  
1310 street maintenance costs incurred from Collection vehicles traveling on County streets. This fee shall be a  
1311 pass-through cost and may be adjusted by resolution of the County Board of Supervisors.

1312 **7.5 AB 1826 INFRASTRUCTURE PAYMENT**

1313 Contractor shall pay an AB 1826 Infrastructure Payment to County each month starting in Rate Period 2.  
1314 The amount of the AB 1826 Infrastructure Payment shall be equal to: zero percent (0%) for Rate Period 1;  
1315 and, three percent (3.0%) for Rate Periods 2 through 10, of Gross Rate Revenues for all services performed  
1316 under this Agreement. County shall use the AB 1826 Infrastructure Payment to help to support the  
1317 development and operation of infrastructure required to comply with the County's obligations under AB  
1318 1826."

1319 **7.6 COUNTY PUBLIC EDUCATION SUPPORT PAYMENT**

1320 Contractor shall provide annual funding to support the County's public education, outreach and technical  
1321 assistance program. The amount of the County Public Education Support Payment shall be equal to:  
1322 seventy three hundredths percent (0.73%) for Rate Period 1; and, one and one five hundredths percent  
1323 (1.05%) for Rate Periods 2 through 10, of Gross Rate Revenues for all services performed under this  
1324 Agreement. This fee is to support County staff in public outreach, technical assistance, and enforcement  
1325 of the County Code with respect to Discarded Materials and Generators thereof.

1326 **7.7 COUNTY GREEN SCHOOL PROGRAM FUNDING**

1327 Contractor shall provide annual funding to support the County Green School Program. The amount of the  
1328 Green School Program payment shall be thirty thousand dollars (\$30,000) annually. Initial funding to the  
1329 Green School Program shall be made within two (2) months of the Commencement Date and no later than  
1330 March 1 each year thereafter. This fee is to further the education of students, teachers and staff on  
1331 environmental topics including resource conservation, Recycling and waste reduction.



1332 **7.8 CENTRAL COAST RECYCLING MEDIA COALITION FUNDING**

1333 Contractor shall provide annual funding to support the County's participation in the Central Coast  
1334 Recycling Media Coalition (CCRMC) in an amount of twenty thousand dollars (\$20,000) annually. Initial  
1335 funding to the CCRMC shall be made within two (2) months of the Commencement Date and no later than  
1336 March 1 each year thereafter or at an alternative time specified by the County. Beginning in Rate Period  
1337 3, the amount of the payment may increase over the Term at the time the CCRMC increases the County's  
1338 funding requirement.

1339 **7.9 PROCUREMENT REIMBURSEMENT PAYMENT**

1340 Contractor shall reimburse the County for its costs related to the procurement and negotiation of this  
1341 Agreement in the amount of two hundred twenty thousand dollars (\$220,000), due immediately upon  
1342 execution of this Agreement. This amount shall be paid by Contractor and may not be recovered through  
1343 Rates charged to Customers.

1344 **7.10 RECYCLING REVENUE REBATE**

1345 Pursuant to Section 4.3.E, Contractor shall pay the County a Recycling revenue rebate. This rebate shall  
1346 be paid on a monthly basis in accordance with Section 7.12.

1347 **7.11 ADJUSTMENT TO FEES/PAYMENTS**

1348 County may set other fees or payments or adjust the fees and payments established in this Article from  
1349 time-to-time during the Term of this Agreement and such adjustments shall be included in and concurrent  
1350 with the adjustment of Rates as described in Exhibit E.

1351 The amounts of the Administrative Payment, AB 939/AB 341 Payment, Vehicle Impact Mitigation  
1352 Payment, AB 1826 Infrastructure Payment, County Public Education Support Payment, County Green  
1353 School Program Payment, and Central Coast Recycling Media Coalition Payment for Rate Periods  
1354 subsequent to Rate Period Two shall be adjusted annually by one plus the Annual Percentage Change in  
1355 the CPI-U using the adjustment method described in Exhibit E, or shall be the amount specified by the  
1356 County.

1357 **7.12 PAYMENT SCHEDULE AND LATE FEES**

1358 Within thirty (30) calendar days of the end of each month, during the Term of this Agreement, Contractor  
1359 shall remit to County all fees/payments as described in this Article, with the exception of the Green School  
1360 Program Funding, Central Coast Recycling Media Coalition Funding, and Procurement Reimbursement  
1361 Payment, which shall be paid in accordance with Sections 7.7, 7.8 and 7.9, respectively. If such remittance  
1362 is not paid to County on or before the thirtieth (30<sup>th</sup>) calendar day following the end of a month, all  
1363 fees/payments due shall be subject to a delinquency penalty of three percent (3%), which attaches on the  
1364 first day of delinquency. The delinquency penalty shall be increased an additional three percent (3%) for  
1365 each additional month the payment remains delinquent.

1366 Each remittance to County shall be accompanied by a statement listing the amount of each fee/payment  
1367 paid; calculation of each fee; and, statement of Gross Rate Revenues, by Customer Type for the period



1406 upon the expiration or earlier termination of this Agreement.

1407 The Contractor (or its Processing Facility Subcontractor, if applicable) shall retain revenues received for  
1408 the sale of Recyclable Materials Collected by Contractor, including California Redemption Value revenues  
1409 but excluding the Recycling revenue rebate paid to County pursuant to Section 4.3.E. Neither Contractor,  
1410 its Processing Facility Subcontractor, if applicable, nor the owner or operator of the Approved Recyclable  
1411 Materials Processing Facility are entitled to grant funds available through the Department of Resources  
1412 Recycling and Recovery (CalRecycle) through its "City/County Payment Program" pursuant to the  
1413 California Beverage Container Recycling and Litter Reduction Act. Contractor expressly accepts all benefits  
1414 and risks related to payments that it or its Processing Facility Subcontractor may receive from the State.  
1415 In the event that the State modifies or eliminates the "Processor" or "Curbside Supplemental" payments  
1416 made under the California Beverage Container Recycling and Litter Reduction Act, such change shall not  
1417 be considered a Change in Law under this Agreement and no change in compensation shall be considered.

## 1418 **8.2 RATES AND ANNUAL ADJUSTMENTS**

1419 **A. General.** The County Contract Manager shall be responsible for reviewing, seeking clarification  
1420 and/or corrections as needed and, once determined accurate, approving the accuracy of the  
1421 calculation of Rates as described in this Article. If at any time during the Term of the Agreement,  
1422 the Contractor determines the need for a Rate that does not appear on the County-approved Rate  
1423 schedule in Exhibit G3, Contractor shall immediately notify the County and request establishment  
1424 of such Rate. For example, if a Customer requires Collection of Organic Materials in a fifteen (15)  
1425 cubic yard Compactor five (5) times per week and the County-approved Rate schedule does not  
1426 include this level of service, the Contractor must request that the County approve a Rate for this  
1427 level of service.

1428 **B. Rates for Rate Period One.** Rates for Rate Period One, which are presented in Exhibit G3, were  
1429 determined by Contractor and County and were approved by County resolution on or before the  
1430 execution of the Agreement. The Rates for Rate Period One shall be effective for an eighteen- (18-  
1431 ) month period from the Commencement Date of this Agreement (January 1, 2018) through June  
1432 30, 2019, unless otherwise mutually agreed to in writing by both Parties and approved by the  
1433 County Board of Supervisors.

1434 **C. Rates for Subsequent Rate Periods.** Rates for subsequent Rate Periods shall be adjusted annually  
1435 in accordance with this Section 8.2 and Exhibit E. Rates for Rate Periods Two, Three, Five, Six,  
1436 Seven, Nine and Ten, and, if the Term is extended, Rate Periods Eleven, Thirteen, Fourteen, and  
1437 Fifteen shall be adjusted in accordance with Exhibit E1, Index-Based Rate Adjustment  
1438 Methodology. Rates for Rate Periods Four and Eight, and, if the Term is extended, Rate Period  
1439 Twelve, shall be adjusted in accordance with Exhibit E2, Cost-Based Rate Adjustment  
1440 Methodology.

1441 The index-based adjustment, which is described in Exhibit E1, involves use of various cost  
1442 adjustment factors (such as the percentage change in the consumer price index and percentage  
1443 change in the Approved Facility tipping fees) to calculate adjusted Rates. Such Rate adjustment  
1444 calculations shall be performed in strict conformance with the procedures described in Exhibit E1.  
1445 The Annual Percentage Change in the cost indices (not including any changes in Pass-Through  
1446 Costs or County Fees/Payments) used in the index-based Rate adjustment procedure may not  
1447 exceed a seven percent (7%) increase in any one Rate Period. In the event that the calculation

1448 described in Exhibit E1 does result in an Annual Percentage Change increase exceeding seven  
1449 percent (7%), Contractor may elect to either: (i) accept a Rate increase with a cap on the Total  
1450 Annual Cost of Operations and Profit of no more than seven percent (7%); or, (ii) require that a  
1451 cost-based Rate adjustment be performed under the procedures described in Exhibit E2. In the  
1452 event that Contractor requires a cost-based Rate adjustment, Contractor shall be required to pay  
1453 County's costs of the cost-based Rate adjustment review and may not influence or control the  
1454 County's selection of professional service provider(s) to perform such review. Contractor shall be  
1455 entitled to recover costs paid to County as described in Exhibit E, Section 3.

1456 The cost-based adjustment, which is described in Exhibit E2, involves a review of Contractor's  
1457 actual costs and projection of cost for the coming Rate Period. This cost-based Rate adjustment  
1458 shall be performed instead of the index-based Rate adjustment for Rate Periods Four and Eight  
1459 and, if the Term is extended, for Rate Period Twelve. Such Rate adjustment calculations shall be  
1460 performed in strict conformance to the procedures described in Exhibit E2.

1461 The County Contract Manager shall approve the cost-based Rate adjustment if the Contractor's  
1462 portion of the Rate Adjustment Factor is equal to or less than seven percent (7%). Any calculated  
1463 adjustment to Contractor's portion of the cost-based Rate adjustment exceeding seven percent  
1464 (7%) shall be presented to the approval of the Board of Supervisors to determine the accuracy of  
1465 the calculation in accordance with Exhibit E2 and once determined accurate, shall be approved  
1466 and shall not be subject to discretionary consideration.

1467 **D. Rate Structure.** The County and Contractor shall meet and confer to change the relationship of  
1468 individual Rates in comparison with other Rates. Any such changes proposed by County shall occur  
1469 in conjunction with the annual Rate adjustment process described in Section 8.2.C or in  
1470 conjunction with a Rate adjustment resulting from an extraordinary Rate adjustment in  
1471 accordance with Section 8.3.

1472 County and Contractor are mutually aware that such changes in Rate structure may create  
1473 adverse impacts to Contractor's revenues as Customers respond to the revised pricing signals.  
1474 The Parties further understand that such impacts are impractical to predict in advance of making  
1475 the changes. As such, the Parties agree that Contractor's Compensation shall be adjusted in the  
1476 Rate Period following the change in Rate structure to retroactively give effect to revenue increases  
1477 or reductions resulting therefrom. Contractor shall document and submit to the County Contract  
1478 Manager all current Service Levels and revenues in the period immediately preceding the change  
1479 and this shall be considered the "baseline" for any adjustments. Contractor shall, in their  
1480 application for the adjustment of Rates for the next Rate Period, document any migration, not  
1481 including service starts/stops or temporary services, of Customers' Service Levels between the  
1482 effective date of the new Rate structure and the date that the Rate application is submitted to  
1483 the County. Along with its Rate application, Contractor shall submit an accounting of the billed  
1484 revenue from Customers that were included in the "baseline" for each month since the new Rate  
1485 structure became effective and compare that to an equal number of months prior to the  
1486 effectiveness of the new Rate structure. Contractor shall demonstrate in its calculations that it  
1487 has eliminated any Customers with temporary services and/or service starts or stops, as those  
1488 events would distort the resulting calculations. Using this data, Contractor shall calculate its  
1489 estimated annual revenue surplus or loss resulting from Customer Service Level migrations and  
1490 include that value as an adjustment in the "Other Adjustments" line in the Rate application form  
1491 (see example Table 2 in Exhibit E1). The County Contract Manager shall review Contractor's

1492 calculations and either confirm their accuracy or work with the Contractor to make changes until  
1493 the Parties mutually agree on the calculations. The agreed-upon adjustment amount shall be  
1494 included in the "Other Adjustments" line in the Rate application for each Rate Period until the  
1495 next cost-based Rate adjustment.

1496 **E. Special Rates.** Contractor shall make the following special Rate categories available to Customers,  
1497 as applicable:

1498  
1499 **1. Low Income (Life-Line) Rates.** Upon County request, Contractor shall provide Residential  
1500 Collection of Discarded Materials at reduced Rates for individually-billed, eligible low  
1501 income Single-Family Customers demonstrating that they receive assistance under  
1502 PG&E's California Alternate Rates for Energy ("CARE") ratepayer assistance program.  
1503 Contractor shall determine who is eligible for this Rate. Contractor shall require that Life-  
1504 Line Customers submit applications annually to Contractor, and Contractor shall verify  
1505 continued eligibility each year by review of applications. The Contractor's Life-Line Rate  
1506 shall not exceed the maximum Rate approved by the County. The Life-Line Rate in Rate  
1507 Period One shall not exceed eighty-five percent (85%) of the standard Rate for equivalent  
1508 service.

1509 **2. Other Special Rates.** Contractor may charge Customers additional County-approved  
1510 Rates as described in Exhibit G3.

### 1511 **8.3 EXTRAORDINARY RATE ADJUSTMENTS**

1512 It is understood that the Contractor accepts the risk for changes in cost of providing services, volumes of  
1513 Discarded Materials, and the Service Levels requested by Customers; and, therefore, the extraordinary  
1514 adjustments to Rates shall be limited to a Change in Law or a County-directed change in scope. If a Change  
1515 in Law or County-directed change in scope (pursuant to Section 3.6) occurs, the Contractor may petition  
1516 County for an adjustment to the Rates in excess of the annual adjustment described in Section 8.2.

1517 Contractor shall prepare an application for the extraordinary Rate increase. Such submittal shall be  
1518 prepared in compliance with the procedures described in Exhibit E2 and shall provide all information  
1519 requested by County Contract Manager specific to the nature of the request being made. Contractor shall  
1520 pay all reasonable costs incurred by County, including the costs of outside accountants, attorneys, and/or  
1521 consultants, in order to make a determination of the reasonableness of the requested Rate adjustment.  
1522 The application shall clearly document the reason for the proposed adjustment, include calculation of the  
1523 proposed Rate adjustments, and provide supporting documentation. The Contractor may recover such  
1524 costs through the Rates as described in Exhibit E, Section 3.

1525 In the event of such an application for extraordinary Rate increase, it is understood that the Contractor  
1526 shall have the burden of demonstrating to the reasonable satisfaction of the County Contract Manager  
1527 that the failure of County to adjust the Rates will result in the Contractor incurring new and unanticipated  
1528 costs or reduced revenues due to the Change in Law or County-directed change in scope. The Contractor  
1529 will have to demonstrate new and unanticipated costs or reduced revenues by allowing for County  
1530 Contract Manager review of financial statements and/or other supporting documentation reasonably  
1531 necessary to determine the impact of the change. Any demonstrated change in pass-through costs shall  
1532 not be adjusted for profit.

1533 The County Contract Manager shall have the right to request any other information that they, in their sole  
1534 judgment, determine is necessary to establish the reasonableness or accuracy of Contractor's request for  
1535 an extraordinary Rate increase. Contractor's failure to fully cooperate in a timely manner with any  
1536 reasonable request for information by the County Contract Manager may result in either the denial of or  
1537 a delay in the approval of the request for an extraordinary Rate increase.

1538 **ARTICLE 9.**  
1539 **INDEMNITY, INSURANCE, AND PERFORMANCE**  
1540 **BOND**

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1541 **9.1 INDEMNIFICATION**

1542 **A. General.** Contractor shall indemnify, defend with counsel acceptable to County, and hold  
1543 harmless (to the full extent permitted by law) County and its officers, officials, employees,  
1544 volunteers, and agents from and against any and all claims, liability, loss, injuries, damage,  
1545 expense, and costs (including without limitation costs and fees of litigation, including attorneys'  
1546 and expert witness fees) (collectively, "Damages") of every nature arising out of or in connection  
1547 with Contractor's performance under this Agreement, or its failure to comply with any of its  
1548 obligations contained in the Agreement, except to the extent such loss or damage was caused by  
1549 the negligence or willful misconduct of County.

1550 **B. Excluded Waste.** Contractor acknowledges that it is responsible for compliance during the entire  
1551 Term of this Agreement with all Applicable Laws. Contractor shall not store, Transport, use, or  
1552 Dispose of any Excluded Waste except in strict compliance with all Applicable Laws.

1553 In the event that Contractor negligently or willfully mishandles Excluded Waste in the course of  
1554 carrying out its activities under this Agreement, Contractor shall at its sole expense promptly take  
1555 all investigatory and/or remedial action reasonably required for the remediation of such  
1556 environmental contamination. Prior to undertaking any investigatory or remedial action,  
1557 however, Contractor shall first obtain County's approval of any proposed investigatory or  
1558 remedial action. Should Contractor fail at any time to promptly take such action, County may  
1559 undertake such action at Contractor's sole cost and expense, and Contractor shall reimburse  
1560 County for all such expenses within thirty (30) calendar days of being billed for those expenses,  
1561 and any amount not paid within that thirty (30) calendar day period shall thereafter be deemed  
1562 delinquent and subject to the delinquent fee payment provision of Section 7.12. These obligations  
1563 are in addition to any defense and indemnity obligations that Contractor may have under this  
1564 Agreement. The provisions of this Section shall survive the termination or expiration of this  
1565 Agreement.

1566 Notwithstanding the foregoing, Contractor's duties under this subsection shall not extend to any  
1567 claims arising from the Disposal of Solid Waste at the Designated Disposal Facility, including, but  
1568 not limited to, claims arising under Comprehensive Environmental Response, Compensation and  
1569 Liability Act (CERCLA) unless such claim is a direct result of Contractor's negligence or willful  
1570 misconduct.

1571 **C. Environmental Indemnity.** Contractor shall defend, indemnify, and hold County harmless against

1572 and from any and all claims, suits, losses, penalties, damages, and liability for damages of every  
1573 name, kind and description, including attorneys' fees and costs incurred, attributable to the  
1574 negligence or willful misconduct of Contractor in handling Excluded Waste.

1575 **D. Related to AB 939, AB 341 and AB 1826.** Contractor's duty to defend and indemnify herein  
1576 includes all fines and/or penalties imposed by CalRecycle, subject to the restrictions set forth in  
1577 Public Resources Code Section 40059.1, if the requirements of AB 939, AB 341 and/or AB 1826  
1578 are not met by the Contractor with respect to the Discarded Materials Collected under this  
1579 Agreement, and such failure is: (i) due to the failure of Contractor to meet its obligations under  
1580 this Agreement; or, (ii) due to Contractor delays in providing information that prevents Contractor  
1581 or County from submitting reports required by AB 939, AB 341 and/or AB 1826 in a timely manner.

1582 **E. Related to Proposition 218.** Should there be a Change in Law or a new judicial interpretation of  
1583 Applicable Law, including, but not limited to, Article XIII C and D of the California Constitution  
1584 (Commonly Proposition 218), which impacts the Rates for the Collection services established in  
1585 accordance with this Agreement, Contractor agrees to meet and confer with County to discuss  
1586 the impact of such Change in Law on either Party's ability to perform under this Agreement.

1587 If, at any time, a Rate adjustment determined to be appropriate by both County (which  
1588 determination shall not be unreasonably withheld) and Contractor to compensate Contractor for  
1589 increases in costs as described in this Agreement cannot be implemented for any reason,  
1590 Contractor shall be granted the option to negotiate with County, in good faith, a reduction of  
1591 services equal to the value of the Rate adjustment that cannot be implemented. If County and  
1592 Contractor are unable to reach agreement about such a reduction in services, then Contractor  
1593 may terminate this Agreement upon one hundred eighty (180) calendar days prior written notice  
1594 to County, in which case the Contractor and County shall each be entitled to payment of amounts  
1595 due for contract performance through the date of termination but otherwise will have no further  
1596 obligation to one another pursuant to this Agreement after the date of such termination. Should  
1597 a court of competent jurisdiction determine that the Contractor cannot charge and/or increase  
1598 its Rates for charges related to Franchise Fees, other County fees or payments to County, and  
1599 governmental fees and charges, Contractor shall reduce the Rates it charges Customers a  
1600 corresponding amount, providing said fees, Rates and/or charges disallowed by the court are not  
1601 related to the cost of providing service hereunder and had been incorporated in the Rates charged  
1602 by Contractor to its Customers. If such disallowed costs as determined by a court are related to  
1603 County fees and/or payments to County and are required by law to be reimbursed, County shall  
1604 be responsible for paying all associated costs of outside accountants, attorneys, legal fees and/or  
1605 consultants, incurred by both Contractor and County, without compensation from Contractor. If  
1606 refunds are due to Customers, County shall be responsible for the cost associated with refunding  
1607 any amount due to Customers. In the event that County must issue refunds to Customers,  
1608 Contractor shall fully cooperate with the County to understand which Customers are due what  
1609 amounts and to provide Customer billing information required by the County to do so. Contractor  
1610 shall, upon request and payment of costs by County to Contractor, issue refunds on behalf of the  
1611 County, provided that County pays Contractor's actual costs of doing so, including any actual  
1612 direct costs (not including costs for personnel already employed by Contractor) and the total  
1613 refund amount.

1614 Nothing herein is intended to imply that California Constitution, Articles XIIC or XIID, apply to the  
1615 Rates established for services provided under this Agreement; rather this Section is provided

1616 merely to allocate risk of an adverse judicial interpretation between the Parties.

1617 This provision (i.e., Section 9.1) shall survive the expiration or earlier termination of this  
1618 Agreement and shall not be construed as a waiver of rights by County to contribution or indemnity  
1619 from third parties.

## 1620 9.2 INSURANCE

1621 A. **General Requirements.** Contractor shall, at its sole cost and expense, maintain in effect at all  
1622 times during the Term of this Agreement not less than the following coverage and limits of  
1623 insurance.

1624 B. **Coverages and Requirements.** During the Term of this Agreement, Contractor shall at all times  
1625 maintain, at its expense, the following coverages and requirements. The comprehensive general  
1626 liability insurance shall include broad form property damage insurance.

1627 1. Minimum Coverages. Insurance coverage shall be with limits not less than the following:

1628 **Comprehensive General Liability** – \$10,000,000 combined single limit per occurrence for  
1629 bodily injury, personal injury, and property damage.

1630 **Automobile Liability** – \$10,000,000 combined single limit per accident for bodily injury  
1631 and property damage (include coverage for Hired and Non-owned vehicles).

1632 **Workers' Compensation – Statutory Limits/Employers' Liability** - \$1,000,000/accident  
1633 for bodily injury or disease.

1634 **Employee Blanket Fidelity Bond** – \$500,000 per loss covering dishonesty, forgery,  
1635 alteration, theft, disappearance, and destruction (inside or outside).

1636 **Pollution Legal Liability:** \$1,000,000 per claim/occurrence and \$2,000,000 aggregate for  
1637 bodily injury, property damage, and remediation of contaminated site.

1638 2. Additional Insured. County, its officers, agents, employees, and volunteers shall be  
1639 named as additional insured on all but the workers' compensation and professional  
1640 liability coverages.

1641 3. Said policies shall remain in force through the Term of this Agreement and, with the  
1642 exception of professional liability coverage, shall be payable on a "per occurrence" basis  
1643 unless County's Risk Manager specifically consents in writing to a "claims made" basis.  
1644 For all "claims made" coverage, in the event that the Contractor changes insurance  
1645 carriers, Contractor shall purchase "tail" coverage or otherwise provide for continuous  
1646 coverage covering the Term of this Agreement and not less than three (3) years  
1647 thereafter. Proof of such "tail" or other continuous coverage shall be required at any time  
1648 that the Contractor changes to a new carrier prior to receipt of any payments due.

1649 4. The Contractor shall declare all aggregate limits on the coverage before commencing  
1650 performance of this Agreement, and County's Risk Manager reserves the right to require  
1651 higher aggregate limits to ensure that the coverage limits required for this Agreement as



- 1652 set forth above are available throughout the performance of this Agreement.
- 1653 5. The deductibles or self-insured retentions are for the account of Contractor and shall be  
1654 the sole responsibility of the Contractor.
- 1655 6. Each insurance policy shall provide or be endorsed to state that coverage shall not be  
1656 suspended, voided, canceled by either Party, reduced in coverage or in limits except after  
1657 thirty (30) calendar days prior written notice has been given to County Contract Manager  
1658 ten (10) Business Days for delinquent insurance premium payments).
- 1659 7. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-  
1660 VII, unless otherwise approved by County Risk Manager.
- 1661 8. The policies shall cover all activities of Contractor, its officers, employees, agents and  
1662 volunteers arising out of or in connection with this Agreement.
- 1663 9. For any claims relating to this Agreement, the Contractor's insurance coverage shall be  
1664 primary, including as respects County, its officers, agents, employees, and volunteers. Any  
1665 insurance maintained by County shall apply in excess of, and not contribute with,  
1666 insurance provided by Contractor's liability insurance policy.
- 1667 10. The Contractor shall waive all rights of subrogation against County, its officers,  
1668 employees, agents, and volunteers.
- 1669 **C. Endorsements.** Prior to the Effective Date pursuant to this Agreement, Contractor shall furnish  
1670 County Contract Manager with certificates or original endorsements reflecting coverage required  
1671 by this Agreement. The certificates or endorsements are to be signed by a Person authorized by  
1672 that insurer to bind coverage on its behalf. All certificates or endorsements are to be received by,  
1673 and are subject to the approval of, County Risk Manager before the Effective Date.
- 1674 **D. Renewals.** During the Term of this Agreement, Contractor shall furnish County Contract Manager  
1675 with certificates or original endorsements reflecting renewals, changes in insurance companies,  
1676 and any other documents reflecting the maintenance of the required coverage throughout the  
1677 entire Term of this Agreement. The certificates or endorsements are to be signed by a Person  
1678 authorized by that insurer to bind coverage on its behalf.
- 1679 **E. Workers' Compensation.** Contractor shall provide workers' compensation coverage as required  
1680 by State law, and prior to the Effective Date pursuant to this Agreement, Contractor shall file the  
1681 following statement with County:
- 1682 "I am aware of the provisions of Paragraph 3700 of the Labor Code that require every employer  
1683 to be insured against liability for workers' compensation or to undertake self-insurance in  
1684 accordance with the provisions of that code, and I will comply with such provisions before  
1685 commencing any services required by this Agreement.
- 1686 The Person executing this Certificate on behalf of Contractor affirmatively represents that she/he  
1687 has the requisite legal authority to do so on behalf of Contractor, and both the Person executing  
1688 this Agreement on behalf of Contractor and Contractor understand that County is relying on this  
1689 representation in entering into this Agreement."

1690 **9.3 PERFORMANCE BOND**

1691 Within seven (7) calendar days of the County's notification to Contractor that the County has executed  
1692 this Agreement, Contractor shall file with the County a bond, payable to the County, securing the  
1693 Contractor's performance of its obligations under this Agreement and such bond shall be renewed  
1694 annually if necessary so that the performance bond is maintained at all times during the Term. The  
1695 principal sum of the bond shall be four million eight hundred eighty one thousand dollars (\$4,881,000).  
1696 and shall be adjusted every three (3) years, commencing with Rate Period Three, to equal three (3) months  
1697 of the prior Rate Period's annual Gross Rate Revenues. The bond shall be executed as surety by a  
1698 corporation authorized to issue surety bonds in the State of California that has a rating of A or better in  
1699 the most recent edition of Best's Key Rating Guide, and that has a record of service and financial condition  
1700 satisfactory to the County.

1701 **ARTICLE 10.**  
1702 **DEFAULT AND REMEDIES**

---

1703 **10.1 EVENTS OF DEFAULT**

1704 All provisions of the Agreement are considered material. Each of the following shall constitute an event  
1705 of default.

- 1706 **A. Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or deceit upon the  
1707 County.
- 1708 **B. Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling to pay its debts,  
1709 or upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.
- 1710 **C. Failure to Maintain Coverage.** Contractor fails to provide or maintain in full force and affect the  
1711 insurance, Workers' Compensation, liability, or indemnification coverage as required by this  
1712 Agreement.
- 1713 **D. Violations of Regulation.** Contractor violates any orders or filings of any regulatory body having  
1714 authority over Contractor relative to this Agreement, provided that Contractor may contest any  
1715 such orders or filings by appropriate proceedings conducted in good faith, in which case no breach  
1716 or default of this Agreement shall be deemed to have occurred.
- 1717 **E. Violations of Applicable Law.** Contractor violates Applicable Law relative to this Agreement.
- 1718 **F. Failure to Perform Direct Services.** Contractor ceases to provide Collection, Transportation,  
1719 transfer, Processing or Disposal services as required under this Agreement for a period of two (2)  
1720 consecutive calendar days or more, for any reason within the control of Contractor.
- 1721 **G. Failure to Pay or Report.** Contractor fails to make any payments to County required under this  
1722 Agreement including payment of County fees or Liquidated Damages and/or refuses to provide  
1723 County with required information, reports, and/or records in a timely manner as provided for in  
1724 the Agreement.

1725 H. **Acts or Omissions.** Any other act or omission by Contractor which violates the terms, conditions,  
1726 or requirements of this Agreement, Applicable Law, or any law, statute, ordinance, order,  
1727 directive, rule, or regulation issued there under and which is not corrected or remedied within  
1728 the time set in the written notice of the violation or, if Contractor cannot reasonably correct or  
1729 remedy the breach within the time set forth in such notice, if Contractor should fail to commence  
1730 to correct or remedy such violation within the time set forth in such notice and diligently effect  
1731 such correction or remedy thereafter.

1732 I. **False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to the  
1733 County by Contractor in connection with or as an inducement to entering into this Agreement, or  
1734 any future amendment to this Agreement, which proves to be false or misleading in any material  
1735 respect as of the time such representation or disclosure is made, whether or not any such  
1736 representation or disclosure appears as part of this Agreement; and, any Contractor-provided  
1737 report containing a misstatement, misrepresentation, data manipulation, or an omission of fact  
1738 or content explicitly defined by the Agreement, excepting non-numerical typographical and  
1739 grammatical errors.

1740 J. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some or all of Contractor's  
1741 operating equipment, including without limits its equipment, maintenance or office facilities,  
1742 Approved Recyclable Materials Transfer Facility, Approved Recyclable Materials Processing  
1743 Facility, or any part thereof.

1744 K. **Suspension or Termination of Service.** There is any termination or suspension of the transaction  
1745 of business by Contractor related to this Agreement, including without limit, due to labor unrest  
1746 including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action  
1747 lasting more than two (2) calendar days.

1748 L. **Criminal Activity.** Contractor, its officers, managers, or employees are found guilty of criminal  
1749 activity related directly or indirectly to performance of this Agreement or any other agreement  
1750 held with the County.

1751 M. **Assignment without Approval.** Contractor transfers or assigns this Agreement without the  
1752 expressed written approval of the County unless the assignment is permitted without County  
1753 approval pursuant to Section 12.6.

1754 N. **Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a  
1755 proposal for new services or changes to services or fails to implement a change in service as  
1756 requested by the County as specified in Section 3.6.

1757 O. **Failure to Perform Any Obligation.** Contractor fails to perform any obligation established under  
1758 this Agreement.

1759 County shall provide Contractor written notice of default within seven (7) calendar days of the County's  
1760 first knowledge of the Contractor's default.

## 1761 10.2 RIGHT TO TERMINATE UPON EVENT OF DEFAULT

1762 Contractor shall be given ten (10) Business Days from receipt of written notification by County to cure any

1763 default which, in the County Contract Manager's sole opinion, creates a potential public health and safety  
1764 threat.

1765 Contractor shall be given ten (10) Business Days from receipt of written notification by County to cure any  
1766 default arising under subsections C, E, F, I, J, and K in Section 10.1 provided, however, that the County  
1767 shall not be obligated to provide Contractor with a notice and cure opportunity if the Contractor has  
1768 committed the same or similar breach/default within a twenty-four (24) month period.

1769 Contractor shall be given thirty (30) calendar days from receipt of written notification by County to cure  
1770 any other default (which is not required to be cured within ten (10) Business Days); however, that the  
1771 County shall not be obligated to provide Contractor with a notice and cure opportunity if the Contractor  
1772 has committed the same or similar breach/default within a twenty-four (24) month period.

1773 For purposes of this Article 10 receipt shall be deemed to have occurred upon certification of receipt by  
1774 e-mail, facsimile or certified mail, delivery confirmation or five (5) days after mailing via First Class U.S.  
1775 Mail.

### 1776 10.3 COUNTY'S REMEDIES IN THE EVENT OF DEFAULT

1777 Upon Contractor's default, County has the following remedies in the event of Contractor default:

1778 **A. Waiver of Default.** County may waive any event of default or may waive Contractor's  
1779 requirement to cure a default event if County determines that such waiver would be in the best  
1780 interest of the County. County's waiver of an event of default is not a waiver of future events of  
1781 default that may have the same or similar conditions.

1782 **B. Suspension of Contractor's Obligation.** County may suspend Contractor's performance of its  
1783 obligations if Contractor fails to cure default in the time frame specified in Section 10.2 until such  
1784 time the Contractor can provide assurance of performance in accordance with Section 10.8.

1785 **C. Liquidated Damages.** County may assess Liquidated Damages for Contractor's failure to meet  
1786 specific performance standards pursuant to Section 10.6 and Exhibit F.

1787 **D. Termination.** In the event that Contractor should default and subject to the right of the  
1788 Contractor to cure, in the performance of any provisions of this contract, and the default is not  
1789 cured for any default within in ten (10) calendar days of receipt of notice of default if the default  
1790 creates a potential public health and safety threat or arises under Section 10.1.C., E, F, I, J, or K,  
1791 or otherwise thirty (30) calendar days after receipt of written notice of default from the County,  
1792 then the County may, at its option, terminate this Agreement and/or hold a hearing before the  
1793 County Board of Supervisors to determine whether this Agreement should be terminated. In the  
1794 event County decides to terminate this Agreement, the County shall serve twenty (20) calendar  
1795 days written notice of its intention to terminate upon Contractor. In the event County exercises  
1796 its right to terminate this Agreement, the County may, at its option, upon such termination, either  
1797 directly undertake performance of the services or arrange with other Persons to perform the  
1798 services with or without a written agreement. This right of termination is in addition to any other  
1799 rights of County upon a failure of Contractor to perform its obligations under this Agreement.

1800 Contractor shall not be entitled to any further revenues from Collection operations authorized

1801 hereunder from and after the date of termination.

1802 E. **Other Available Remedies.** County's election of one (1) or more remedies described herein shall  
1803 not limit the County from any and all other remedies at law and in equity including injunctive  
1804 relief, etc.

#### 1805 **10.4 POSSESSION OF RECORDS UPON TERMINATION**

1806 In the event of termination for an event of default, the Contractor shall furnish County Contract Manager  
1807 with immediate access to all of its business records, including without limitation, Contractor computer  
1808 systems data (converted to a usable format prescribed by the County), related to its Customers, Collection  
1809 routes, and billing of accounts for Collection services. Contractor shall provide periodic access to its  
1810 computer systems at Contractor's location or through a remote terminal for up to one (1) year following  
1811 the expiration or termination of this Agreement.

#### 1812 **10.5 COUNTY'S REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE**

1813 County's rights to terminate the Agreement under Section 10.2 and to take possession of the Contractor's  
1814 records under Section 10.4 are not exclusive, and County's termination of the Agreement and/or the  
1815 imposition of Liquidated Damages shall not constitute an election of remedies. Instead, these rights shall  
1816 be in addition to any and all other legal and equitable rights and remedies which the County may have.

1817 By virtue of the nature of this Agreement, the urgency of timely, continuous, and high quality service; the  
1818 lead time required to effect alternative service; and, the rights granted by County to the Contractor, the  
1819 remedy of damages for a breach hereof by Contractor is inadequate and County shall be entitled to  
1820 injunctive relief (including but not limited to specific performance).

#### 1821 **10.6 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES**

1822 A. **General.** The Parties find that as of the time of the execution of this Agreement, it is impractical,  
1823 if not impossible, to reasonably ascertain the extent of damages which shall be incurred by County  
1824 as a result of a breach by Contractor of its obligations under this Agreement. The factors relating  
1825 to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i)  
1826 substantial damage results to members of the public who are denied services or denied quality or  
1827 reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of  
1828 the benefits of the Agreement to individual members of the general public for whose benefit this  
1829 Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of  
1830 measurement in precise monetary terms; (iii) that exclusive services might be available at  
1831 substantially lower costs than alternative services and the monetary loss resulting from denial of  
1832 services or denial of quality or reliable services is impossible to calculate in precise monetary  
1833 terms; and, (iv) the termination of this Agreement for such breaches, and other remedies are, at  
1834 best, a means of future correction and not remedies which make the public whole for past  
1835 breaches.

1836 B. **Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties  
1837 further acknowledge that consistent, reliable Collection services are of utmost importance to  
1838 County and that County has considered and relied on Contractor's representations as to its quality

1839 of service commitment in awarding the Agreement to it. The Parties recognize that some  
1840 quantified standards of performance are necessary and appropriate to ensure consistent and  
1841 reliable service and performance. The Parties further recognize that if Contractor fails to achieve  
1842 the performance standards, or fails to submit required documents in a timely manner, County  
1843 and its residents and businesses will suffer damages, and that it is, and will be, impractical and  
1844 extremely difficult to ascertain and determine the exact amount of damages which County will  
1845 suffer. Therefore, without prejudice to County's right to treat such non-performance as an event  
1846 of default under this Section, the Parties agree that the Liquidated Damages established in Exhibit  
1847 F of this Agreement and the dollar amounts therein represent a reasonable estimate of the  
1848 amount of such damages considering all of the circumstances existing on the Effective Date of this  
1849 Agreement, including the relationship of the sums to the range of harm to County that reasonably  
1850 could be anticipated and the anticipation that proof of actual damages would be costly or  
1851 impractical.

1852 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth in  
1853 the Performance Standards and Liquidated Damages, Exhibit F.

1854 Before assessing Liquidated Damages, County shall give Contractor notice of its intention to do  
1855 so. The notice will include a brief description of the incident(s) and non-performance. County may  
1856 review (and make copies at its own expense) all information in the possession of Contractor  
1857 relating to incident(s) and/or non-performance. County may, within ten (10) Business Days after  
1858 issuing the notice, request a meeting with Contractor. County may present evidence of non-  
1859 performance in writing and through testimony of its employees and others relevant to the  
1860 incident(s) and non-performance. County Contract Manager will provide Contractor with a  
1861 written explanation of their determination on each incident(s) and non-performance prior to  
1862 authorizing the assessment of Liquidated Damages under this Section 10.6. The decision of County  
1863 Contract Manager may be final. If the Contractor disagrees with the County Contract Manager's  
1864 assessment of Liquidated Damages after this process has been concluded, they may appeal to the  
1865 County's Public Works Director (or their designate who shall not be the County Contract Manager)  
1866 within five (5) Business Days of receiving the determination of the County Contract Manager. The  
1867 Public Works Director shall have an additional fifteen (15) Business Days, from their receipt of the  
1868 request for appeal, to review the facts and respond to the appeal by the Contractor. The  
1869 determination of the Public Works Director regarding an appeal shall be final and shall not be  
1870 subject to any further appeal or administrative remedies, though shall not limit the Contractor  
1871 from any and all other remedies at law and in equity, including but not limited to injunctive relief.

1872 **C. Two-Phase Performance Management.** The Parties desire to minimize the time and cost involved  
1873 in monitoring Contractor's performance under this Agreement, particularly with regard to the  
1874 assessment of Liquidated Damages. Exhibit F to this Agreement identifies each "Performance  
1875 Area" for which the County desires to establish performance standards for this Agreement.  
1876 Contractor's performance within each "Performance Area" shall be primarily monitored using the  
1877 "Performance Indicator" described for each. The County shall not assess Liquidated Damages for  
1878 the "Specific Performance Measures" identified in Exhibit F unless Contractor fails to meet the  
1879 minimum standard for the "Performance Indicator" within the same "Performance Area".

1880 **D. Amount.** County may assess Liquidated Damages for each calendar day or event, as appropriate,  
1881 that Contractor is determined to be liable in accordance with this Agreement in the amounts  
1882 specified in Exhibit F subject to annual adjustment described below.

1883 E. **Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by County within ten  
1884 (10) Business Days of the date the Contractor receives notice that Liquidated Damages are  
1885 assessed. In the event that Contractor appeals the assessment, under Section 10.6.B, Contractor  
1886 may withhold payment until it receives notice of the Public Works Director's determination. In  
1887 the event that the Public Works Director upholds the County Contract Manager's determination,  
1888 Contractor shall pay the Liquidated Damages within ten (10) Business Days of their receipt of the  
1889 Public Work's Director's determination. Contractor shall be deemed to have received the  
1890 assessment, or notification of the Public Works Director's final determination in the case of an  
1891 appeal, under this Section upon certification of receipt by e-mail, facsimile, or certified mail,  
1892 delivery confirmation or five (5) days after mailing via First Class U.S. Mail. If they are not paid  
1893 within the ten (10) Business Day period, County may proceed against the performance bond  
1894 required by the Agreement, order the termination of the rights or "franchise" granted by this  
1895 Agreement, or all of the above.

## 1896 **10.7 EXCUSE FROM PERFORMANCE**

1897 The Parties shall be excused from performing their respective obligations hereunder and from any  
1898 obligation to pay Liquidated Damages if they are prevented from so performing by reason of floods,  
1899 earthquakes, other acts of nature, war, civil insurrection, riots, acts of any government (including judicial  
1900 action), and other similar catastrophic events which are beyond the control of and not the fault of the  
1901 Party claiming excuse from performance hereunder. In the case of labor unrest or job action directed at a  
1902 third party over whom Contractor has no control, the inability of Contractor to provide services in  
1903 accordance with this Agreement due to the unwillingness or failure of the third party to: (i) provide  
1904 reasonable assurance of the safety of Contractor's employees while providing such services; or, (ii) make  
1905 reasonable accommodations with respect to Container placement and point of Delivery, time of  
1906 Collection, or other operating circumstances to minimize any confrontation with pickets or the number of  
1907 Persons necessary to make Collections shall, to that limited extent, excuse performance. The foregoing  
1908 excuse shall be conditioned on Contractor's cooperation in performing Collection services at different  
1909 times and in different locations. Further, in the event of labor unrest, including but not limited to strike,  
1910 work stoppage or slowdown, sickout, picketing, or other concerted job action conducted by the  
1911 Contractor's employees or directed at the Contractor, or a subsidiary, the Contractor shall not be excused  
1912 from performance. In such case, Contractor shall continue to provide a reasonably satisfactory level of  
1913 performance during the pendency thereof, but the Contractor shall not be required to adhere strictly to  
1914 the specific requirements of this Agreement regarding routes, Collection times or similar matters;  
1915 provided, however, that in no event shall more than seven (7) calendar days elapse between pickups for  
1916 Residential and Commercial Customers.

1917 The Party claiming excuse from performance shall, within two (2) calendar days after such Party has notice  
1918 of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to  
1919 excuse under this Section.

1920 If either Party validly exercises its rights under this Section, the Parties hereby waive any claim against  
1921 each other for any damages sustained thereby.

1922 The partial or complete interruption or discontinuance of Contractor's services caused by one (1) or more  
1923 of the events described in this Article shall not constitute a default by Contractor under this Agreement.  
1924 Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations  
1925 hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more,

1926 County shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten  
1927 (10) Business Days' notice to Contractor, in which case the provisions of Section 10.4 shall apply.

## 1928 **10.8 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

1929 The Parties acknowledge that it is of the utmost importance to County and the health and safety of all  
1930 those members of the public residing or doing business within County who will be adversely affected by  
1931 interrupted waste management service, that there be no material interruption in services provided under  
1932 this Agreement.

1933 If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out,  
1934 picketing or other concerted job action; (ii) appears in the reasonable judgment of County to be unable  
1935 to regularly pay its bills as they become due; or, (iii) is the subject of a civil or criminal judgment or order  
1936 entered by a Federal, State, regional or local agency for violation of an Applicable Law, and County believes  
1937 in good faith that Contractor's ability to perform under the Agreement has thereby been placed in  
1938 substantial jeopardy, County may, at its sole option and in addition to all other remedies it may have,  
1939 demand from Contractor reasonable assurances of timely and proper performance of this Agreement, in  
1940 such form and substance as County believes in good faith is reasonably necessary in the circumstances to  
1941 evidence continued ability to perform under the Agreement. If Contractor fails or refuses to provide  
1942 satisfactory assurances of timely and proper performance in the form and by the date required by County,  
1943 such failure or refusal shall be an event of default for purposes of Section 10.1.

## 1944 **ARTICLE 11.** 1945 **REPRESENTATIONS AND WARRANTIES OF** 1946 **THE PARTIES**

---

1947 The Parties, by acceptance of this Agreement, represents and warrants the conditions presented in this  
1948 Article.

### 1949 **11.1 CONTRACTOR'S CORPORATE STATUS**

1950 Contractor is a corporation duly organized, validly existing and in good standing under the laws of the  
1951 State. It is qualified to transact business in the State and has the power to own its properties and to carry  
1952 on its business as now owned and operated and as required by this Agreement.

### 1953 **11.2 CONTRACTOR'S CORPORATE AUTHORIZATION**

1954 Contractor has the authority to enter this Agreement and perform its obligations under this Agreement.  
1955 The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by  
1956 law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement.  
1957 The Person signing this Agreement on behalf of Contractor represents and warrants that they have  
1958 authority to do so. This Agreement constitutes the legal, valid, and binding obligation of the Contractor.



1959 **11.3 AGREEMENT WILL NOT CAUSE BREACH**

1960 To the best of Contractor's and County's knowledge after reasonable investigation, the execution or  
1961 delivery of this Agreement or the performance by either Party of their obligations hereunder does not  
1962 conflict with, violate, or result in a breach: (i) of any Applicable Law; or, (ii) any term or condition of any  
1963 judgment, order, or decree of any court, administrative agency or other governmental authority, or any  
1964 agreement or instrument to which Contractor or County is a party or by which Contractor or any of its  
1965 properties or assets are bound, or constitutes a default hereunder.

1966 **11.4 NO LITIGATION**

1967 To the best of Contractor's and County's knowledge after reasonable investigation, there is no action, suit,  
1968 proceeding or investigation, at law or in equity, before or by any court or governmental authority,  
1969 commission, board, agency or instrumentality decided, pending or threatened against either Party  
1970 wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:

- 1971 A. Materially adversely affect the performance by Party of its obligations hereunder;
- 1972 B. Adversely affect the validity or enforceability of this Agreement; or,
- 1973 C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity  
1974 guaranteeing Contractor's performance under this Agreement.

1975 **11.5 NO ADVERSE JUDICIAL DECISIONS**

1976 To the best of Contractor's and County's knowledge after reasonable investigation, there is no judicial  
1977 decision that would prohibit this Agreement or subject this Agreement to legal challenge.

1978 **11.6 NO LEGAL PROHIBITION**

1979 To the best of each Party's knowledge, after reasonable investigation, there is no Applicable Law in effect  
1980 on the date that Party signed this Agreement that would prohibit the performance of either their  
1981 obligations under this Agreement and the transactions contemplated hereby.

1982 **11.7 CONTRACTOR'S ABILITY TO PERFORM**

1983 Contractor possesses the business, professional, and technical expertise to perform all services,  
1984 obligations, and duties as described in and required by this Agreement including all Exhibits thereto.  
1985 Contractor possesses the ability to secure equipment, facility, and employee resources required to  
1986 perform its obligations under this Agreement.

1987 **11.8 IRAN CONTRACTING CERTIFICATION**

1988 Contractor represents and warrants that it is in compliance with and has completed all requirements  
1989 necessary to become certified under the Iran Contracting Act (Public Contract Code Sec. 2200). Proof of  
1990 certification shall be included as Exhibit I of this Agreement.

1991  
1992

## **ARTICLE 12. OTHER AGREEMENTS OF THE PARTIES**

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1993 **12.1 RELATIONSHIP OF PARTIES**

1994 The Parties intend that Contractor shall perform the services required by this Agreement as an  
1995 independent Contractor engaged by County and neither as an officer nor employee of County, nor as a  
1996 partner or agent of, or joint venturer with, County. No employee or agent of Contractor shall be, or shall  
1997 be deemed to be, an employee or agent of County. Contractor shall have the exclusive control over the  
1998 manner and means of performing services under this Agreement, except as expressly provided herein.  
1999 Contractor shall be solely responsible for the acts and omissions of its officers, employees, Subcontractors  
2000 and agents. Neither Contractor nor its officers, employees, Subcontractors, and agents shall obtain any  
2001 rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to  
2002 County employees by virtue of their employment with County.

2003 **12.2 COMPLIANCE WITH LAW**

2004 Contractor shall at all times, at its sole cost, comply with all Applicable Laws, permits and licenses of the  
2005 United States, the State, and the County of Santa Cruz and with all applicable regulations promulgated by  
2006 Federal, State, regional or local administrative and regulatory agencies, now in force and as they may be  
2007 enacted, issued or amended during the Term.

2008 **12.3 GOVERNING LAW**

2009 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the  
2010 State.

2011 **12.4 JURISDICTION**

2012 Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the  
2013 courts of Santa Cruz County in the State of California, which shall have exclusive jurisdiction over such  
2014 lawsuits. With respect to venue, the Parties agree that this Agreement is made in and will be performed  
2015 in Santa Cruz County.

2016 **12.5 BINDING ON SUCCESSORS**

2017 The provisions of this Agreement shall inure to the benefit to and be binding on the successors and  
2018 permitted assigns of the Parties.

2019 **12.6 ASSIGNMENT**

2020 Neither Party shall assign its rights nor delegate or otherwise transfer its obligations under this Agreement  
2021 to any other Person without the prior written consent of the other Party. Any such assignment made  
2022 without the consent of the other Party shall be void and the attempted assignment shall constitute a  
2023 material breach of this Agreement.

2024 For purposes of this Section, "assignment" shall include, but not be limited to: (i) a sale, exchange or other  
2025 transfer of substantially all of Contractor's local, regional, and/or corporate assets dedicated to service  
2026 under this Agreement to a third party; (ii) a sale, exchange, or other transfer of ten (10) percent or more  
2027 of the local, regional, and/or corporate assets, stock, or ownership of Contractor to a Person (other than  
2028 a transfer of shares in Contractor by the owner of such shares to a revocable trust for the benefit of his  
2029 family or to another owner of shares in Contractor) except that no cumulative sale, exchange, or transfer  
2030 of shares may exceed twenty (20) percent during the Term of the Agreement (other than a transfer of  
2031 shares in Contractor by the owner of such shares to a revocable trust for the benefit of his family or to  
2032 another owner of shares in Contractor); (iii) any reorganization, consolidation, merger, recapitalization,  
2033 stock issuance or re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation, or other  
2034 transaction to which Contractor or any of its shareholders is a party which results in a change of ownership  
2035 or control of ten (10) percent or more of the value or voting rights in the local, regional, and/or corporate  
2036 stock of Contractor; (iv) divestiture of an affiliate or Related-Party Entity (e.g., trucking company, materials  
2037 recovery facility, transfer station, etc.) used by Contractor to fulfill its obligations under this Agreement;  
2038 and, (v) any combination of the foregoing (whether or not in related or contemporaneous transactions)  
2039 which has the effect of any such transfer or change of local, regional, and/or corporate ownership and/or  
2040 control of Contractor. For purposes of this Section, the term "proposed assignee" shall refer to the  
2041 proposed transferee(s) or other successor(s) in interest pursuant to the assignment.

2042 Contractor acknowledges that this Agreement involves rendering a vital service to County's residents and  
2043 businesses, and that County has selected Contractor to perform the services specified herein based on: (i)  
2044 Contractor's experience, skill, and reputation for conducting its Recyclable Materials, Organic Materials,  
2045 Solid Waste and C&D management operations in a safe, effective, and responsible fashion, at all times in  
2046 keeping with applicable waste management laws, regulations, and good waste management practices;  
2047 and, (ii) Contractor's financial resources on a local, regional, and/or corporate level to maintain the  
2048 required equipment and to support its indemnity obligations to County under this Agreement. County has  
2049 relied on each of these factors, among others, in choosing Contractor to perform the services to be  
2050 rendered by Contractor under this Agreement.

2051 If Contractor requests County's consideration of and consent to an assignment, County may deny or  
2052 approve such request in its complete discretion. No request by Contractor for consent to an assignment  
2053 need be considered by County unless and until Contractor has met the following requirements. The  
2054 County may, in its sole discretion, waive one (1) or more of these requirements.

2055 A. On the date the Contractor submits a written request for the County's written consent of an  
2056 assignment, Contractor shall pay the County a transfer fee in the amount of one (1) percent of  
2057 the Gross Rate Revenues for the most-recently completed Rate Period.

2058 B. Contractor shall undertake to pay County its reasonable expenses for attorneys', consultants',  
2059 accountants' fees, staff time, and investigation costs necessary to investigate the suitability of any  
2060 proposed assignee, and to review and finalize any documentation required as a condition for  
2061 approving any such assignment.

2062 C. Contractor shall furnish County with audited financial statements of the proposed assignee's  
2063 operations for the immediately preceding three (3) operating years.

2064 D. Contractor shall furnish County with satisfactory proof: (i) that the proposed assignee has at least  
2065 ten (10) years of Recyclable Materials, Organic Materials and Solid Waste management

2066 experience on a scale equal to or exceeding the scale of operations conducted by Contractor  
2067 under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered  
2068 any citations or other censure from any Federal, State or local contractor having jurisdiction over  
2069 its waste management operations due to any significant failure to comply with State, Federal or  
2070 local waste management laws and that the assignee has provided the County with a complete list  
2071 of such citations and censures; (iii) that the proposed assignee has at all times conducted its  
2072 operations in an environmentally safe and conscientious fashion; (iv) that the proposed assignee  
2073 conducts its operations and management practices in accordance with sound waste management  
2074 practices in full compliance with all Federal, State, and local laws regulating the Collection,  
2075 Transportation, Processing and Disposal of Recyclable Materials, Organic Materials, Solid Waste  
2076 and C&D, including Hazardous Waste; and, (v) that any other information required by County  
2077 demonstrates that the proposed assignee can fulfill the terms of this Agreement in a timely, safe  
2078 and effective manner.

2079 E. Contractor shall provide the County with any and all additional records or documentation which,  
2080 in the County Contract Manager's sole determination, would facilitate the review of the proposed  
2081 assignment.

2082 Under no circumstances shall any proposed assignment be considered by County if Contractor is in default  
2083 at any time during the period of consideration. If, in the County's sole determination, there is any doubt  
2084 regarding the compliance of the Contractor with the Agreement, County may require an audit of the  
2085 Contractor's compliance and the costs of such audit shall be paid by Contractor in advance of the  
2086 performance of said audit.

## 2087 **12.7 NO THIRD PARTY BENEFICIARIES**

2088 This Agreement is not intended to, and will not be construed to, create any right on the part of any third  
2089 party to bring an action to enforce any of its terms.

## 2090 **12.8 WAIVER**

2091 The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be  
2092 deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach of  
2093 violation of the same or any other provision. The subsequent acceptance by either Party of any monies  
2094 which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach  
2095 or violation by the other Party of any provision of this Agreement.

## 2096 **12.9 NOTICE PROCEDURES**

2097 All notices, demands, requests, proposals, approvals, consents, and other communications, which this  
2098 Agreement requires, authorizes or contemplates, shall be in writing and shall either be personally  
2099 delivered to a representative of the Parties by email, at the address below, or deposited in the United  
2100 States mail, first class postage prepaid, addressed as follows:

2101 If to County:

2102 Recycling and Solid Waste Services Manager

2103 Santa Cruz County  
2104 701 Ocean Street  
2105 Room 410  
2106 Santa Cruz, CA 95060

2107  
2108 If to Contractor:

2109 Mr. Frank Weigel, Chief Operating Officer and Secretary  
2110 GreenWaste Recovery, Inc.  
2111 1500 Berger Drive  
2112 San Jose, CA 95112

2113 The address to which communications may be delivered may be changed from time to time by a notice  
2114 given in accordance with this Section. Notice shall be deemed given on the day it is personally delivered  
2115 or, if mailed, three (3) calendar days from the date it is deposited in the mail.

## 2116 **12.10 REPRESENTATIVES OF THE PARTIES**

2117 References in this Agreement to the "County" shall mean the County's elected body and all actions to be  
2118 taken by County except as provided below. The County may delegate, in writing, authority to the County  
2119 Contract Manager and/or to other County officials and may permit such officials, in turn, to delegate in  
2120 writing some or all of such authority to subordinate officers. The Contractor may rely upon actions taken  
2121 by such delegates if they are within the scope of the authority properly delegated to them.

2122 The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as  
2123 the representative of the Contractor in all matters related to the Agreement and shall inform County in  
2124 writing of such designation and of any limitations upon his or her authority to bind the Contractor. County  
2125 may rely upon action taken by such designated representative as actions of the Contractor unless they  
2126 are outside the scope of the authority delegated to him/her by the Contractor as communicated to  
2127 County.

## 2128 **ARTICLE 13.** 2129 **MISCELLANEOUS AGREEMENTS**

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### 2130 **13.1 ENTIRE AGREEMENT**

2131 This Agreement is the entire agreement between the Parties with respect to the subject matter hereof  
2132 and supersedes all prior and contemporaneous oral and written agreements and discussions. Each Party  
2133 has cooperated in the drafting and preparation of this Agreement and this Agreement shall not be  
2134 construed against any Party on the basis of drafting. This Agreement may be amended only by an  
2135 agreement in writing, signed by each of the Parties hereto.

### 2136 **13.2 SECTION HEADINGS**

2137 The article headings and section headings in this Agreement are for convenience of reference only and  
2138 are not intended to be used in the construction of this Agreement nor to alter or affect any of its

2139 provisions.

2140 **13.3 REFERENCES TO LAWS**

2141 All references in this Agreement to laws and regulations shall be understood to include such laws as they  
2142 may be subsequently amended or recodified, unless otherwise specifically provided herein.

2143 **13.4 AMENDMENTS**

2144 This Agreement may not be modified or amended in any respect except in writing signed by the Parties.

2145 **13.5 SEVERABILITY**

2146 If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable,  
2147 the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this  
2148 Agreement, which shall be enforced as if such invalid or unenforceable provision had not been contained  
2149 herein.

2150 **13.6 COUNTERPARTS**

2151 This Agreement may be executed in counterparts, each of which shall be considered an original.

2152 **13.7 EXHIBITS**

2153 Each of the Exhibits identified as Exhibit "A" through "I" is attached hereto and incorporated herein and  
2154 made a part hereof by this reference. In the event of a conflict between the terms of this Agreement and  
2155 the terms of an Exhibit, the terms of this Agreement shall control. In the event of a conflict between  
2156 Exhibit G1 (Contractor's Proposal) and any other Exhibit(s), such other Exhibit(s) shall control. Exhibit G3  
2157 shall be replaced at the effective date of each Rate Period to present then-current Rates based on the  
2158 Parties' mutual agreement about the calculation of revised Rates pursuant to Exhibit E.


2159 IN WITNESS WHEREOF, County and Contractor have executed this Agreement as of the day and year first  
2160 above written.

2161  
2162  
2163

2164 ATTEST:  
2165

2166 County of Santa Cruz ("County")

2167  
2168

2169 By   
2170 County Administrative Officer

By   
County Public Works Director

2171  
2172 Date: 6/15/17  
2173

Date: 6/15/2017

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2175 APPROVED AS TO FORM:

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County Counsel

Date: 5/17/17

GreenWaste Recovery, Inc. ("Contractor")

By:   
Frank Wiegel  
Chief Operating Officer

Date: 5/17/17





2159 IN WITNESS WHEREOF, County and Contractor have executed this Agreement as of the day and year first  
2160 above written.

2161  
2162  
2163

2164 ATTEST:

2165

2166 County of Santa Cruz ("County")

2167

2168

2169

By \_\_\_\_\_  
County Administrative Officer

By \_\_\_\_\_  
County Public Works Director

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Date: \_\_\_\_\_

Date: \_\_\_\_\_

2173

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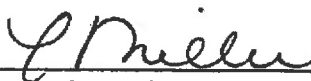
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APPROVED AS TO FORM:

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County Counsel

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Date: 5/17/17

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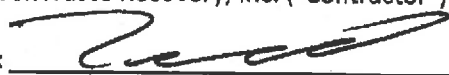
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GreenWaste Recovery, Inc. ("Contractor")

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2188

By:   
\_\_\_\_\_

2189

Frank Wiegel

2190

Chief Operating Officer

2191

2192

Date: 5/17/17

2193

**EXHIBIT A:  
DEFINITIONS**

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## **EXHIBIT A DEFINITIONS**

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

**"Abandoned Materials"** means Solid Waste, Recyclable Materials, Organic Materials, C&D, Bulky Items, or other materials which have been abandoned, littered, or illegally dumped in the public right of way or on public or County property.

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

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

**"AB 1826"** means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014 modifying Division 30 of the California Public Resources Code), also commonly referred to as "AB 1826," as amended, supplemented, superseded, and replaced from time to time.

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

**"Appliance"** means any domestic or Commercial device, including, but not limited to, a washing machine, clothes dryer, hot water heater, dehumidifier, conventional oven, microwave oven, stove, refrigerator, freezer, air conditioner, trash compactor, and Residential furnace.

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

**"Approved Facility(ies)"** means any one of or any combination of the: Approved Commercial Organics Processing Facility, Approved Recyclable Materials Processing Facility; Approved Recyclable Materials Transfer Facility; Approved Reusable Materials Facility; Designated Yard Trimmings Processing Facility; Designated County Transfer Facility; and/or, Designated Disposal Facility.

**"Approved Commercial Organics Processing Facility"** means the Composting facility at the Monterey Peninsula Landfill located at 14201 Del Monte Blvd, Marina, CA, which is owned and operated by the Monterey Regional Waste Management District.

**"Approved Recyclable Materials Processing Facility"** means the GreenWaste Material Recovery Facility located at 625 Charles Street, San Jose, CA 95112, which is owned and operated by Contractor.

**"Approved Recyclable Materials Transfer Facility"** means Transfer Facility at 375 Industrial Road, Watsonville, CA, which is leased and operated by Contractor.



## **EXHIBIT A DEFINITIONS**

**“Approved Reusable Materials Facility”** means the Last Chance Mercantile at Monterey Peninsula Landfill located at 14201 Del Monte Blvd, Marina, CA, which is owned and operated by the Monterey Regional Waste Management District.

**“Bin”** means a Container with capacity of approximately one (1) to eight (8) cubic yards, with a hinged lid, and with wheels (excluding 6- and 8- yard bins, as appropriate), that is serviced by a front-end-loading or rear-end loading Collection vehicle.

**“Bulky Item”** means discarded Appliances, furniture, tires, carpets, mattresses, and similar large items weighing less than two hundred (200) pounds in weight that require special Collection due to their size or nature, and can be Collected by one Person without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. It does not include abandoned automobiles, large auto parts, Commercial or industrial equipment, tires, or trees.

**“Business Days”** mean days during which the County administrative offices are open to do business with the public.

**“Cart”** means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has capacity of 20, 35, 65, or 95 gallons (or similar volumes approved by the County).

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

- a. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation of any Applicable Law on or after April 15, 2017; or,
- b. The order or judgment of any governmental body, on or after the Effective Date, to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of County or of the Contractor, whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence.

**“Collect or Collection (or any variation thereof)”** means the act of collecting Discarded Materials at the place of generation in County.

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

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

**“Compactor”** means a mechanical apparatus that compresses materials together with the Container that holds the compressed materials or the Container that holds the compressed materials if it is detached

## **EXHIBIT A DEFINITIONS**

from the mechanical compaction apparatus. Compactors include two (2) to eight (8) cubic yard Bin Compactors serviced by front-end-loading Collection vehicles and ten (10) to fifty (50) cubic yard Drop Box Compactors serviced by roll-off Collection vehicles.

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

**"Construction and Demolition Debris (C&D)"** includes discarded building materials, packaging, debris, and rubble resulting from construction, alteration, remodeling, repair or demolition operations on any pavements, excavation projects, houses, Commercial buildings, or other structures, excluding Excluded Waste.

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

**"Contractor"** means GreenWaste Recovery, Inc., organized and operating under the laws of the State and its officers, directors, employees, agents, companies, Related-Party Entities, affiliates, subsidiaries, and Subcontractors.

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

**"Contractor's Proposal"** means the proposal submitted to County by Contractor on November 13, 2015 for provision of Recyclable Materials, Organic Materials, and Solid Waste services and certain supplemental written materials, which are included as Exhibit G to this Agreement and are incorporated by reference.

**"County"** means the County of Santa Cruz, California, a political subdivision of the State of California, and all the territory lying within the boundaries of the County as presently existing or as such boundaries may be modified during the Term. For the purposes of this Agreement, "County" applies only to the unincorporated portions of Santa Cruz County.

**"County Contract Manager"** means County staff member who is responsible for the administrative management of this Agreement. As of the Effective Date of this Agreement, the County Contract Manager is the Santa Cruz County Recycling and Solid Waste Services Manager.

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

**"Customer"** means the Person that is required to or voluntarily subscribes to Contractor's Collection services and to whom Contractor submits billing invoices and from whom Contractor collects payment for Collection services provided to a Premises. The Customer may be either the Occupant, Owner, or the manager or property management company of Premises.

**"Customer Type"** means the Customer's sector category including, but not limited to, Single-Family, Multi-Family, Commercial, and County.

## **EXHIBIT A DEFINITIONS**

**“Designated County Transfer Facility”** means the Ben Lomond Transfer Facility, located at 9835 Newell Creek Road, Ben Lomond, CA 95005, which may be used by the Contractor for the purposes of delivering Organic Materials and Solid Waste for transfer.

**“Designated Disposal Facility”** means the Buena Vista Landfill, located at 1231 Buena Vista Drive, Watsonville, CA 95076, which may be used by the Contractor for the purpose of Solid Waste Disposal.

**“Designated Yard Trimmings Processing Facility”** means the Buena Vista Composting Facility, located at 1231 Buena Vista Drive, Watsonville, CA 95076, or the Ben Lomond Transfer Facility, located at 9835 Newell Creek Road, Ben Lomond, CA 95005, which may be used by the Contractor for the purpose of Yard Trimmings Processing.

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

**“Difficult to Service”** means special Collection services must be provided to service Container(s) and/or Contractor must drive more than 500’ onto private property to service the Premise. Contractor may charge Customer(s) as either a Difficult to Service Premise or for Difficult to Service Containers, whichever is greater, but shall not charge both.

**“Difficult to Service Container”** means a Customer has Container(s) that require special Collection services that include any one or more of the following: a) each Cart that is set out for Collection other than Curbside; or b) each Bin serviced by a front-load Collection Vehicle where the Bin is not immediately accessible by the Collection Vehicle and requires the driver to dismount the vehicle inclusive of any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock; or c) any Bin serviced by a rear-load Collection Vehicle where the Bin is located more than 25’ from the Curb or servicing the Bin includes, but is not limited, to any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock.

**“Difficult to Service Premise”** means a Customer’s Premise is in an area that requires special Collection services be provided including: a) when Contractor is required to drive more than 500’ onto or across private property and fewer than three (3) Containers are serviced by the same Collection Vehicle on that Workday; or b) Premises where Container Collection at the set-out location requires a special Collection Vehicle, including but not limited to road that are privately owned, narrow, steep or include other restrictions that prohibit a normal Collection Vehicle from gaining access and fewer than three (3) Premises are serviced by the same Collection Vehicle on that Workday.

**“Discarded Materials”** means Recyclable Materials, Organic Materials, Solid Waste and C&D, placed by a Generator at the location of generation in a Container, Contractor-approved receptacle and/or location for the purposes of Collection by Contractor, excluding Excluded Waste.

**“Disposal or Dispose (or any variation thereof)”** means the final disposition of Solid Waste at a Disposal Facility. Use of Organic Materials as cover material or any other beneficial use at a landfill shall not be considered Diversion under this Agreement and is therefore Disposal.

## **EXHIBIT A DEFINITIONS**

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

**"Diversion** (or any variation thereof)" means activities which reduce or eliminate the amount of Solid Waste to be Disposed including, but not limited to, Recycling, Composting, and reuse.

**"Drop Box"** means an open-top Container with a capacity of ten (10) to forty (40) cubic yards that is serviced by a roll-off Collection vehicle.

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

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

**"Exclusive Right"** means the right and privilege granted by County to Contractor to be the only franchisee that Collects and Transports Recyclable Materials, Organic Materials, and Solid Waste and Processes Recyclable Materials in the Franchise Area subject to the limitations in Section 1.3 of the Agreement.

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

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

**"Food Scraps"** means those Discarded Materials that are specifically accepted by the Approved Commercial Organics Processing Facility to decompose and/or putrefy and may include: (i) all kitchen and table food waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) discarded paper that is contaminated with Food Scraps; (iv) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (v) non-Recyclable paper or contaminated paper. Food Scraps are a subset of Organic Materials. This definition is subject to change to reflect acceptable and Prohibited materials as defined by the Approved Commercial Organics Processing Facility.

**"Franchise Area"** means all of the geographic area defined as the unincorporated area of the County.

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



## EXHIBIT A DEFINITIONS

**"Generator"** means any Person whose act or process produces Recyclable Materials, Organic Materials, or Solid Waste whose act first causes Discarded Materials to become subject to regulation and/or the requirements of this Agreement.

**"Gross Rate Revenues"** shall mean total cash receipts collected from Customers by the Contractor for the provision of services pursuant to this Agreement, less refunds issued by Contractor to Customer(s) without any other deductions. Gross Rate Revenues do not include revenues from the sale of Recyclable Materials.

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

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

**"Holidays"** are defined as New Year's Day, Thanksgiving Day, and Christmas Day. County reserves the right to amend the definition of Holidays from time to time throughout the Term of the Agreement pursuant to Section 5.3.B.

**"Household Hazardous Waste (HHW)"** means Hazardous Waste generated at Residential Premises within the County. HHW includes: paint, stain, varnish, thinner, adhesives, auto products such as fuel, Used Motor Oil, Used Oil Filter, batteries, household batteries, fluorescent bulbs, tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

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

**"Kitchen Pail"** means a rigid plastic container with a capacity of one and one half (1.5) to two and one-half (2.5) gallons, a wire or plastic handle, and a lid, designed for use in Residential kitchens, and suitable for the collection and temporary storage of Food Scraps.

## **EXHIBIT A DEFINITIONS**

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

**“Multi-Family”** means any Residential Premises, other than a Single-Family Premises, with five (5) or more dwelling units used for Residential purposes (regardless of whether residence therein is temporary or permanent), or the portion thereof, that receives centralized Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address. Some exceptions apply to this definition and are classified as Single-Family pursuant to the definition of Single-Family in this Exhibit A.

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

**“Organic Materials”** means those Yard Trimmings and Food Scraps which are specifically accepted at the Designated Yard Trimmings Processing Facility and/or Approved Commercial Organics Processing Facility. No Discarded Material shall be considered to be Organic Materials, however, unless it is Source Separated from Solid Waste and Recyclable Material.

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

**“Party or Parties”** refers to the County and Contractor, individually or together.

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

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

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

**“Private Road”** means any non-County maintained roadway providing primary vehicular access to three or more Commercial or Residential Premises within the unincorporated County area.

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

**“Processing Facility”** means any plant or site used for the purpose of sorting, cleansing, treating or reconstituting Recyclable Materials for the purpose of making such material available for Recycling or reuse or the facility for the Processing and/or Composting of Organic Materials.

**“Rate”** means the maximum amount, expressed as a dollar unit, approved by the County that the Contractor may bill a Customer for providing services under this Agreement. A Rate has been established for each individual Service Level and the initial Rates for Rate Period One are presented in Exhibit G3(A). The Rates approved by County are the maximum Rate that Contractor may charge a Customer and Contractor may, in its sole discretion, charge any amount up to and including the maximum Rate approved by the County.

## EXHIBIT A DEFINITIONS

**"Rate Period"** means the time period for which Rates are applicable as defined in Exhibit E, Section 1: "General".

**"Recyclable Materials"** means those Discarded Materials that the Generators set out in Recyclables Containers for Collection for the purpose of Recycling by the Contractor that contain at least ninety percent (90%) Recyclable Materials and that exclude Excluded Waste. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Solid Waste, Organic Materials, and C&D. Recyclable Materials shall include, but not be limited to: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal, and other similar food boxes yet excluding paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-line paper, Tyvex non-tearing paper envelopes); aseptic packaging; milk and juice cartons; corrugated cardboard; glass containers of any color (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers and small pieces of scrap metal); steel, tin or bi-metal cans; mixed plastics such as plastic containers (no. 1 to 7); and, bottles including containers made of HDPE, LDPE, or PET; polyethylene film plastics (including grocery bags, dry cleaning bags, produce and bread bags, bubble wrap and other stretchable plastic films); dry cell batteries and any other materials mutually agreed by the Parties or designated in County Code Chapter 7.20. The list of materials included in this definition of Recyclable Materials is subject change in accordance with the process described in Section 4.3.C.2 of this Agreement.

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

**"Related-Party Entity"** means all businesses (including corporations, limited and general partnerships, and sole proprietorships) which are directly or indirectly related to Contractor by virtue of direct or indirect Ownership interests or common management shall be deemed to be affiliated with Contractor and included within the term "Related-Party Entity" as used herein. A Related-Party Entity shall include a business in which Contractor Owns a direct or indirect Ownership interest, a business which has a direct or indirect Ownership interest in Contractor and/or a business which is also Owned, controlled, or managed by any business or individual which has a direct or indirect Ownership interest in Contractor. For purposes of determining whether an indirect Ownership interest exists, the constructive Ownership provisions of Section 318(a) of the Internal Revenue code of 1986, as in effect on the date of this Agreement, shall apply; provided, however, the (i) "ten percent (10%)" shall be substituted for "fifty percent (50%)" in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and (ii) Section 318(a)(5)(C) shall be disregarded. For purposes of determining Ownership under this paragraph and constructive or indirect Ownership under Section 318(a), Ownership interest of less than ten percent (10%) shall be disregarded and percentage interests shall be determined on the basis of the percentage of voting interest or value which the Ownership interest represents, whichever is greater. Related-Party Entities shall be limited to those businesses which are directly or indirectly involved in the provision of service under this Agreement.

## **EXHIBIT A DEFINITIONS**

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

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

**“Reusable Materials”** means items that are capable of being used again after minimal Processing (if any). Reusable Materials may be Collected Source Separated or recovered through a Processing Facility.

**“Rural Services Area”** means the geographic area in the unincorporated area of the County so identified in Exhibit H, as the areas outside of the Universal Service Area.

**“Service Level”** refers to the size of a Customer’s Container and the frequency of Collection service.

**“Single-Family”** means, notwithstanding any contrary definition in County Code, any detached or attached house or single residence, duplex, tri-plex, or four-plex, provided that Collection service feasibly can be provided to such Premises as an independent unit, and the Owner or Occupant of such independent unit is billed directly for the Collection service. Residential units of a mobile home park, condominium property, or other Residential structure when each Residential unit receives individual service, whether or not each unit is separately billed for their specific Service Level.

**“Single-Family Style Service”** includes Customers receiving bundled Cart services which may include either two-Cart service (Solid Waste and Recyclable Materials) or three-Cart service (Solid Waste, Recyclable Materials, and Organic Materials) with Collection no more than once per week on the same day for all three material types as determined by Contractor, whether or not each unit is separately billed for their specific Service Level.

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

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

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

**“Subcontractor”** means a party who has entered into a contract, express or implied, with the Contractor for the performance of an act that is necessary for the Contractor’s fulfillment of its obligations for

## **EXHIBIT A DEFINITIONS**

providing service under this Agreement. Vendors providing materials and supplies to Contractor shall not be considered Subcontractors.

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

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

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

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

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

**"Used Oil Recovery Kit"** means a kit containing: one (1) reusable plastic jug of at least one (1) gallon capacity with a watertight screw-on top to contain Used Motor Oil and one (1) plastic disposable resealable bag of sufficient capacity to accommodate one (1) Used Motor Oil Filter. The Used Oil Recovery Kit is to be provided to Customers by Contractor to recover Used Motor Oil and Filters from Single-Family residents.

**"Universal Service Area"** shall mean the geographical areas of the County which are covered by the County's Universal Service Ordinance, as may be modified from time to time.

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

**"Workday"** means Monday through Saturday, excluding Holidays.

**"Yard Trimmings"** means those Discarded Materials that are specifically accepted by the Designated Yard Trimmings Processing Facility to decompose and/or putrefy, and may include: green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of organic waste. Yard Trimmings are a subset of Organic Materials. Yard Trimmings placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit within the Contractor-provided Container or other Contractor-approved receptacle and/or location for the purposes of Collection by Contractor. This definition is subject to change to reflect acceptable and prohibited materials as defined by the Designated Yard Trimmings Processing Facility.

## **EXHIBIT B: DIRECT SERVICES**

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- B1: Single-Family Residential Services*
- B2: Multi-Family Residential Services*
- B3: Commercial Services*
- B4: County Services*
- B5: County Service Levels and Locations*



## **EXHIBIT B DIRECT SERVICES**

The following Exhibits (B1 through B5) describe the programs which, in aggregate, represent the direct services to be performed under this Agreement by the Contractor.

Each of the following Exhibits (B1 through B5) present the programs to be provided to each Customer Type by Contractor. Within each program description are specific requirements for the:

- Type and size of Containers or level of service to be offered by Contractor under each program;
- Frequency of service to be offered by Contractor to Customers;
- Location of service, including an indication of whether or not additional charges may apply if a Customer selects a location that is more costly to serve (e.g., back-yard service);
- Materials that are acceptable or prohibited within the program;
- Provision of additional services to the Customer if the standard Service Levels are inadequate, either on a regular or periodic basis; and/or,
- Other requirements and considerations of the program.

Contractor shall provide the services for each program described in accordance with the specific program requirements detailed in Exhibits B1 through B5 and Contractor shall promote such programs using the public education and outreach methods described in Exhibit C.



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**EXHIBIT B1:**  
**SINGLE-FAMILY RESIDENTIAL SERVICES**



# EXHIBIT B1

## SINGLE-FAMILY RESIDENTIAL SERVICES

### 1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials in Contractor-provided Carts one (1) time per week from Single-Family Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Transfer Facility or Approved Recyclable Materials Processing Facility for Processing. Contractor shall provide one (1) Recyclable Materials Cart at no cost to each Single-Family Customer that subscribes to Solid Waste Collection service.

- Containers:** Carts
- Container Sizes:** 35-gallons (only available upon request for seniors, disabled Customers, and Customers previously using stacking crates)  
65-gallons (default size)  
95-gallons (upon request)
- Service Frequency:** One (1) time per week, on a Monday through Friday schedule, with Saturday Collection commencing during Holiday weeks, on the same day as Solid Waste and Organic Materials Collection
- Service Location:** Curbside (default service, no additional charge)  
Off-street (additional County-approved "Difficult to Service Container" Rate; no charge for disabled per Section 7 of this Exhibit).
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Solid Waste, Organic Materials, C&D, Excluded Waste
- Additional Service:** Contractor shall provide additional Recyclable Materials Carts to Single-Family Customers upon request and shall charge the monthly County-approved "Additional Recycling Cart" Rental Rate equivalent to 50% of the monthly "Difficult to Service Container" Rate.

Contractor shall offer an "overages" program that allows Single-Family Customers to occasionally place additional Recyclable Materials (in Customer-provided +/- 32-gallon clear plastic bags or tied/secured cardboard bundles no larger than 3' x 3' x 3') and placed for Collection Curbside on their regularly-scheduled Collection day at no additional charge to the Customer. If Contractor determines Recyclable Materials overages occur more than once per month, Contractor may require the Customer subscribe to adequate service and Contractor shall charge the County-approved "Additional Recyclable Material Cart" Rate or the "Extra Recyclables Set-out" Rate equivalent to 25% of the monthly "Difficult to Service Container" Rate for each set out. Contractor shall not be required to Collect extra Recyclable Materials placed out for Collection that are not consistent with the set-out parameters described above.

- Other Requirements:** Contractor shall accept household batteries in the Recyclable Materials program, provided that those batteries have been separately packaged in a sealed, clear plastic bag and placed on top of the Recyclable Materials Cart on Customer's regularly scheduled Collection day.

For Customers that had stacking crates for Recyclable Materials Collection (rather

## EXHIBIT B1

### SINGLE-FAMILY RESIDENTIAL SERVICES

than Carts) prior to the Commencement Date of this Agreement, Contractor shall provide 35-gallon Carts for Recyclable Materials Collection upon request.

Contractor may assess a County-approved "Recyclable Materials Contamination Fee" per event for Customers who have repeatedly (no less than three (3) times in a calendar year) placed more than ten percent (10%) by volume of prohibited materials in their Recyclable Materials Container. The "Recyclable Materials Contamination Fee" shall be 25% of the monthly Solid Waste Service Level equivalent per event. At the Contractor's sole discretion, the Recyclable Materials Container may either be Collected as Solid Waste or not Collected by Contractor. If the Customer removes the Prohibited Materials and requests Collection on a day other than a normally scheduled Collection day, Contractor may assess a "Non-Scheduled Collection" charge. Prior to assessing such contamination fee, Contractor must provide targeted education (e.g., through the use of a tag on the Container) no less than three (3) times to that specific Customer. Such education shall, at a minimum, notify the Customer of the specific materials that have been incorrectly placed and inform the Customer as to which Container the materials should be placed. Upon assessment of the contamination fee, Contractor shall document the presence of prohibited items through photographic record and make such documentation available to the Customer and/or County Contract Manager, upon request.

#### 2. Organic Materials Collection

- A. **General.** Contractor shall Collect Yard Trimmings in Contractor-provided Carts one (1) time per week from Single-Family Customers and Transport all Yard Trimmings to the Designated County Transfer Facility or Designated Yard Trimmings Processing Facility for Processing. Contractor shall provide one (1) Yard Trimmings Cart at no cost to each Single-Family Customer that subscribes to Solid Waste Collection service, unless that Customer is approved for "limited" service. Customers may request "limited" service that includes Solid Waste and Recyclable Materials but excludes Organic Materials, provided that the Customer can demonstrate, to the satisfaction of the County Contract Manager, that they do not generate a sufficient volume of Yard Trimmings (e.g., mobile home parks, townhomes, etc) or that they otherwise manage their Yard Trimmings (e.g., landscaper removing Yard Trimmings as a part of service).

<b>Containers:</b>	Carts
<b>Container Sizes:</b>	35-gallons (available upon request for seniors and/or disabled Customers and, after implementation of Residential Food Scraps Collection, Customers on small lots (e.g., Townhomes, Mobile Home Parks, Condos, etc.), 65-gallons (default for existing Customers, available for new Customers upon request) 95-gallons (default for new Customers, available for existing Customers upon request)
<b>Service Frequency:</b>	One (1) time per week, on a Monday through Friday schedule, with Saturday Collection commencing during Holiday weeks, on the same day Solid Waste and

## EXHIBIT B1

### SINGLE-FAMILY RESIDENTIAL SERVICES

- Service Location:** Recyclable Materials Collection  
Curbside (default service, no additional charge)  
Off-street (additional County-approved "Difficult to Service Container" Rate; no charge for disabled per Section 7 of this Exhibit).
- Acceptable Materials:** Yard Trimmings
- Prohibited Materials:** Solid Waste, Recyclable Materials, C&D, Excluded Waste (Food Waste until such time as B1.2.B described below is implemented)
- Additional Service:** Contractor shall provide additional Yard Trimmings Cart(s) to Single-Family Customers upon request and shall charge the County-approved monthly "Additional Yard Trimmings Cart" Service Rate of 50% of the equivalent monthly Solid Waste Rate.

Existing Customers with two (2) 65-gallon Yard Trimmings Carts may keep their two (2) 65-gallon Yard Trimmings Carts for no additional charge or change to one (1) 95-gallon Yard Trimmings Cart upon request. Grandfathered Customers will be entitled to this upgraded level of service until a) service at the Premise is terminated, or b) Cart removal is requested by the Customer.

Contractor shall provide a total of four (4) on-call "Extra Set-out" events to all Single-Family Customers prior to the beginning of each calendar year, which shall allow Customers to set out up to four (4) additional 32-gallon equivalent Contractor-approved set outs of Yard Trimmings or Solid Waste for Collection on Customer's regularly scheduled Collection day, at no additional charge. Additional Yard Trimmings set out for Collection under the "Extra Set-out" program must be placed in Customer-provided +/- 32-gallon containers or tied/secured bundles for woody debris no larger than 3' x 3' x 3' and set-out for Collection Curbside on Customer's regularly scheduled Collection day.

Contractor shall also offer Customers the option of placing an "Extra Yard Trimmings Set-out – Standing Order" on their account, which shall allow Customers to set out additional 32-gallon equivalent Contractor-approved Yard Trimmings set-outs at the County-approved Rate of 10% of the 32-gallon monthly Solid Waste service fee per set-out. Contractor shall not be required to Collect extra Yard Trimmings placed out for Collection that are not consistent with the "Extra Set-out" or "Yard Trimmings Overages" programs described above.

Contractor may assess a County-approved "Organic Materials Contamination Fee" per event for Customers who have repeatedly (no less than three (3) times in a calendar year) placed more than two percent (2%) by volume of Prohibited materials in their Yard Trimmings Cart. The "Organic Materials Contamination Fee" shall be 25% of the monthly Solid Waste Service Level equivalent per incident. At the Contractor's sole discretion, the Organic Materials Container may either be Collected as Solid Waste or not Collected by Contractor. If the Customer removes the Prohibited Materials and requests Collection on a day other than a normally scheduled Collection day, Contractor may assess a "Non-Scheduled

## **EXHIBIT B1**

### **SINGLE-FAMILY RESIDENTIAL SERVICES**

Collection" charge. Prior to assessing such contamination fee, Contractor must provide targeted education (e.g., through the use of a tag on the Container) no less than three (3) times to that specific Customer. Such education shall, at a minimum, notify the Customer of the specific materials that have been incorrectly placed and inform the Customer as to which Container the materials should be placed. Upon assessment of the contamination fee, Contractor shall document the presence of prohibited items through photographic record and make such documentation available to the Customer and/or County Contract Manager, upon request.

#### **B. Food Scraps Collection**

1. **Implementation during Term.** County reserves the right to require that Contractor Collects Food Scraps placed by the Generators for Collection in the Yard Trimmings Carts, thereby converting Single-Family Residential Yard Trimmings Carts to Organics Carts. All the provisions of Section 2.A above shall apply, except any extra set-outs must be contained in a Customer-provided +/- 32-gallon container. In such case, Contractor agrees to provide public education and outreach to all Single-Family Premises in accordance with Exhibit C at no additional compensation. Contractor shall not be compensated for any change in Collection costs, unless the tip fee for Organic Materials changes and/or the Organic Materials are directed to an Organic Materials Processing Facility that is different than the Processing Facility used prior to the Food Scraps implementation. If County exercises its right to require Food Scraps Collection, Contractor agrees it shall provide such service and such change shall not be treated as a change in scope.
2. **Kitchen Pails.** Commencing on a date agreed upon by the Parties no later than the commencement date of the Food Scraps Collection program, Contractor shall provide Kitchen Pails to Single-Family Customers upon Customer request, at no additional charge to the County or Customer as described in Section 5.6.E of the Agreement.

- C. **Backyard Composting Bins.** The Contractor shall maintain an adequate supply of backyard home Composting bins, including worm Composting bins, and provide such bins to Single-Family Customers that request such bins and that have successfully completed a County-certified home or worm Composting workshop. The Contractor shall not be entitled to charge Customers, or collect an extra fee from the County, for the supply and distribution of home Composting or worm Composting bins as provided herein. The home Composting bins shall be from Biostack, Can-O-Worms or approved equivalent similar in design to County-supplied home and worm Composting bins. The proposed bins shall be approved by the County Contract Manager prior to purchase of such bins. Upon request, a Customer may exchange a worn out Compost bin, at no cost, once every five (5) years for a new Compost bin. Contractor shall make Compost bins available for distribution (with or without charges as consistent with this paragraph) at County-sponsored home Composting workshops. Contractor shall make Compost and worm bins available for purchase at cost to non-Customers residing in the unincorporated County upon successful completion of a County-sponsored home or worm Composting workshop. Upon request by Customer, Contractor shall provide Customers with Composting or worm bins in lieu of an Organic Materials Cart and Organic Materials Collection services for no additional charge. Compost and

## EXHIBIT B1 SINGLE-FAMILY RESIDENTIAL SERVICES

worm bins are available at cost to Customers subscribing to Collection service with Contractor.

### 3. Solid Waste Collection

Contractor shall Collect Solid Waste in Contractor-provided Carts one (1) time per week from Single-Family Customers and Transport all Solid Waste to the Designated County Transfer Facility or Designated Disposal Facility for Disposal. Contractor shall charge Customers for service at County-approved Rates.

- Containers:** Carts
- Container Sizes:** 20-, 35-, 65-, and 95-gallons (Container size provided by Contractor shall be at the Customer's discretion)
- Service Frequency:** One (1) time per week, on a Monday through Friday schedule, on the same day as Recyclable Material and Organic Materials Collection
- Service Location:** Curbside (default service, no additional charge)  
Off-street (additional County-approved "Difficult to Service Container" Rate; no charge for disabled per Section 7 of this Exhibit).
- Acceptable Materials:** Solid Waste
- Prohibited Materials:** Recyclable Materials, Organic Materials, C&D, Excluded Waste
- Additional Service:** Contractor shall provide a total of four (4) on-call "Extra Set-out" events to all Single-Family Customers each calendar year, which shall allow Customers to set out up to four (4) additional 32-gallon equivalent Contractor-approved set outs of Solid Waste or Yard Trimmings for Collection on Customer's regularly scheduled Collection day, at no additional charge. Additional Solid Waste set out for Collection under the "Extra Set-out" program must be placed in Customer-provided +/- 32-gallon bags and set-out for Collection Curbside on Customer's regularly scheduled Collection day.
- Other Requirements:** To support the County's mandatory recycling ordinance, Contractor shall monitor, perform education, and, as appropriate, not Collect Customer Containers that contain prohibited materials, consistent with the requirements of Section 5.4.F of this Agreement.

### 4. Used Motor Oil and Filter Collection

At no cost to Customers, Contractor shall Collect Used Motor Oil and Filters in a Contractor-provided Used Oil Recovery Kit from Single-Family Customers and properly Recycle or Dispose of the Used Motor Oil and Filter.

- Containers:** Used Oil Recovery Kit
- Container Sizes:** Various (as provided by Contractor)
- Service Frequency:** Upon request, up to one (1) time per week on the Customer's regularly scheduled Collection day
- Service Location:** Curbside (on the same day as and adjacent to the Recyclable Materials Cart)
- Acceptable Materials:** Used Motor Oil and Filter
- Prohibited Materials:** Solid Waste, Recyclable Materials, Organic Materials, C&D, Excluded Waste



## **EXHIBIT B1**

### **SINGLE-FAMILY RESIDENTIAL SERVICES**

**Additional Service:** Not applicable

**Other Requirements:** Contractor shall provide a Used Oil Recovery Kit to a Customer on the next scheduled service day after such request is made by Customer at no additional cost to Customer. Upon Collection of Used Motor Oil and Filter from a Customer, Contractor shall leave a new Used Oil Recovery Kit adjacent to the Recyclable Materials Cart. Contractor shall not be required to Collect more than one (1) Used Oil Recovery Kit per individual dwelling unit per week from Single-Family Customers who request it.

#### **5. Curbside Reusable and Recyclable Materials Collection**

Contractor shall Collect Bulky Items and Reusable Materials from Single-Family Customers and Transport the Bulky Items and Reusable Materials to the Approved Reusable Materials Facility for Processing (if needed) and sale or donation to the public for the purpose of reuse.

**Containers:** Not applicable

**Service Level:** Up to two (2) cubic yards of Reusable and/or Recyclable Materials, up to five (5) E-Waste items, and up to three (3) Appliances or Bulky Items. Appliances with Freon count as two (2) Bulky Items/Appliances.

**Service Frequency:** Up to three (3) times per year (as requested by Customer) at no cost to Customer

**Service Location:** Curbside

**Acceptable Materials:** Reusable Materials, Recyclable Materials, Appliances, Bulky Items, and E-Waste

**Prohibited Materials:** Solid Waste, Organic Materials, C&D, Excluded Waste, U-Waste, or any single item that exceeds two hundred (200) pounds in weight

**Additional Service:** Contractor shall Collect additional items that exceed the required Service Level and shall charge the County-approved "Bulky Item" Rate (as requested by Customer) based on material type.

Contractor shall provide additional Collection events for a Customer beyond three (3) per year and shall charge the County-approved "Bulky Item Collection Event" Rate.

**Other Requirements:** The Contractor shall provide the service to the Customer within five (5) Business Days of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor.

#### **6. Holiday Tree Collection**

Contractor shall offer to each Customer Curbside Collection of holiday trees beginning on the first Monday following New Year's Day at no charge; In the event New Year's Day is a Monday, holiday tree Collection shall commence on the first Tuesday following New Year's Day and continue for fifteen (15) Business Days. Holiday trees shall be Collected on the Customer's regular Collection day during the designated week(s). Contractor shall be responsible for individual Customer notification and newspaper advertisement prior to the Collection program informing residents of the dates of Collection.

## **EXHIBIT B1**

### **SINGLE-FAMILY RESIDENTIAL SERVICES**

#### **7. Alternative Service Location for Disabled Single-Family Customers**

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

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**EXHIBIT B2:**  
**MULTI-FAMILY RESIDENTIAL SERVICES**

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## EXHIBIT B2 MULTI-FAMILY RESIDENTIAL SERVICES

### 1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials in Contractor-provided Containers not less than one (1) time per week from subscribing Multi-Family Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Transfer Facility or Approved Recyclable Materials Processing Facility for Processing. The minimum Service Level for Multi-Family Customers shall be the equivalent of 32 gallons per dwelling unit per week, which can be provided in Carts and/or Bins at the Customer's discretion.

<b>Containers:</b>	Carts, Bins
<b>Container Sizes:</b>	65- and 95-gallon Carts; and, 1-, 2-, 3-, 4-, 6-, and 8-cubic yard Bins (Container size(s) provided by Contractor shall be at the Customer's discretion, the combination of which must be equivalent to 32-gallons of service per dwelling unit).
<b>Service Frequency:</b>	Up to five (5) days per week but not less than one (1) day per week (as requested by Customer) on a Monday through Friday schedule, with Saturday Collection commencing only during Holiday weeks
<b>Service Location:</b>	Curbside (default) or other service location where Container is immediately accessible to the Collection vehicle. Other Customer-selected service location at the Multi-Family Premise where Container is not immediately accessible to the Collection vehicle and/or special services are required for Collection for additional County-approved "Difficult to Service" Rates
<b>Acceptable Materials:</b>	Recyclable Materials
<b>Prohibited Materials:</b>	Solid Waste, Organic Materials, C&D, Excluded Waste
<b>Additional Service:</b>	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, on an as-needed basis and/or up to the maximum service frequency and Contractor shall charge the appropriate Rate(s) for the higher Service Level. Contractor shall not be required to Collect extra Recyclable Materials placed for Collection if such materials are not in a Container.
<b>Other Requirements:</b>	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (and shall charge for these additional services at County-approved "Difficult to Service Container" Rates by Container type and Collection frequency).

For Customers that had stacking crates for Recyclable Materials Collection (rather than Carts) prior to the Commencement Date of this Agreement, Contractor shall provide 35-gallon Carts for Recyclable Materials Collection, upon Customer request.

Contractor may assess a County-approved "Recyclable Materials Contamination Fee" per event for Customers who have repeatedly (no less than three (3) times in a calendar year) placed more than ten percent (10%) by volume of prohibited

## EXHIBIT B2

### MULTI-FAMILY RESIDENTIAL SERVICES

materials in their Recyclable Materials Container. The "Recyclable Materials Contamination Fee" shall be 25% of the monthly 1x/week Solid Waste Service Level volume equivalent per event. At the Contractor's sole discretion, the Recyclable Materials Container may either be Collected as Solid Waste or not Collected by Contractor. If the Customer removes the Prohibited Materials and requests Collection on a day other than a normally scheduled Collection day, Contractor may assess a "Non-Scheduled Collection" charge. Prior to assessing such contamination fee, Contractor must provide targeted education (e.g., through the use of a tag on the Container) no less than three (3) times to that specific Customer. Such education shall, at a minimum, notify the Customer of the specific materials that have been incorrectly placed and inform the Customer as to which Container the materials should be placed. Upon assessment of the contamination fee, Contractor shall document the presence of prohibited items through photographic record and make such documentation available to the Customer and/or County Contract Manager, upon request.

#### 2. Organic Materials Collection

As of the Commencement Date, Contractor shall offer Yard Trimmings Collection only and shall not offer Food Scraps Collection until directed to do so by County. Contractor shall Collect Organic Materials in Contractor-provided Carts and/or Bins not less than one (1) time per week from subscribing Multi-Family Customers and Transport all Organic Materials to the Designated County Transfer Facility or Designated Yard Trimmings Processing Facility for Processing. The Multi-Family Organic Materials Collection program is voluntary for Customers. Contractor shall provide the service upon Customer request and subscription, and shall charge the County-approved Rate for service.

<b>Container Sizes:</b>	Carts, Bins
<b>Container Sizes:</b>	95-gallon Carts (default); 65-gallon Carts (upon request); and 1-, 1.5-, and 2-cubic yard Bins (Container size provided by Contractor shall be at the Customer's discretion)
<b>Service Frequency:</b>	Up to five (5) days per week but not less than one (1) day per week, as requested by Customer on a Monday through Friday schedule, with Saturday Collection commencing only during Holiday weeks
<b>Service Location:</b>	Curbside (default) or other service location where Container is immediately accessible to the Collection vehicle. Other Customer-selected service location at the Multi-Family Premise where Container is not immediately accessible to the Collection vehicle and/or special services are required for Collection for additional County-approved "Difficult to Service" Rates
<b>Acceptable Materials:</b>	Yard Trimmings
<b>Prohibited Materials:</b>	Solid Waste, Recyclable Materials, C&D, Excluded Waste
<b>Additional Service:</b>	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, on an as-needed basis and/or up to the maximum service frequency and Contractor shall charge the appropriate Rate(s)

## EXHIBIT B2

### MULTI-FAMILY RESIDENTIAL SERVICES

for the higher Service Level.

**Other Requirements:** At any time during the Term of this Agreement, County Contract Manager may require Contractor to expand this program to include Food Scraps. Contractor shall, within thirty (30) calendar days of such request, begin providing the expanded Organic Materials Collection services, including public education and outreach, to Multi-Family Customers. Contractor shall not be entitled to an adjustment in Rates for such a program expansion.

If County requires Contractor's implementation of Food Scraps Collection for Multi-Family Customers, Contractor shall provide Kitchen Pails to Multi-Family Customers upon Customer request, at no additional charge. Kitchen Pail specifications shall be approved by the County prior to ordering and distribution. Contractor shall promote the availability of the Kitchen Pails through public education efforts required by Exhibit C. Each Kitchen Pail shall be accompanied by flyer describing the Organic Materials program requirements.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (and shall charge for these additional services at County-approved "Difficult to Service" Rates by Container type and Collection frequency).

If a Customer places Organic Materials Container(s) for Collection and the materials placed in such Container(s) exceed two percent (2%) by volume or contain a particular type(s) of Prohibited Materials (listed above) that could reasonably result in the Designated Yard Trimmings Processing Facility either rejecting the material from Processing or charging Contractor a greater amount for Processing, Contractor may classify that set-out as "Contaminated". Contractor shall document any set-outs classified as Contaminated with photographic evidence of the presence of the Prohibited Material(s) and shall provide such evidence to the County Contract Manager or Customer upon request. In the event of a Contaminated set-out, Contractor shall provide Customer with a written warning of the Contamination and instruct the Customer about how to properly separate and place Organic Materials for Collection and Contractor may, at their sole discretion, refuse to Collect the Container until it is no longer Contaminated. In the event that Contractor classifies more than two (2) set-outs in a consecutive three (3) month period as Contaminated, whether Collected or not, Contractor may assess the County-approved "Organic Materials Contamination" Rate if Collected. The "Organic Materials Contamination Fee" shall be 25% of the monthly Solid Waste Service Level equivalent per incident. At the Contractor's sole discretion, the Organic Materials Container may either be Collected as Solid Waste or not Collected by Contractor. If the Customer removes the Prohibited Materials and requests Collection on a day other than a normally scheduled Collection day, Contractor may assess a "Non-Scheduled Collection" charge. In the event that Contractor has assessed the Organic Materials



## EXHIBIT B2

### MULTI-FAMILY RESIDENTIAL SERVICES

Contamination Fee more than two (2) times in a consecutive six (6) month period, Contractor may cancel the Customer's subscription to the Organic Materials program and may prohibit such Customer from subscribing to the program until they demonstrate to the satisfaction of the Contractor that adequate measures have been implemented to prevent future contamination.

#### 3. Solid Waste Collection

Contractor shall Collect Solid Waste in Contractor-provided Containers not less than one (1) time per week from subscribing Multi-Family Customers and Transport all Solid Waste to the Designated County Transfer Facility or Designated Disposal Facility for Disposal. Customers receiving Single-Family Style Services may subscribe to either the three-Cart service package (including Solid Waste, Recyclable Materials, and Organic Materials) or "limited" two-Cart service (including Solid Waste and Recyclable Materials) and shall be charged the appropriate Rate. Contractor shall charge Customers for service at County-approved Rates.

<b>Containers:</b>	Carts, Bins,
<b>Container Sizes:</b>	65- and 95-gallon Carts; and, 1-, 2-, 3-, 4-, 6-, and 8-cubic yard Bins; and, (Container size provided by Contractor shall be at the Customer's discretion)
<b>Service Frequency:</b>	Up to five (5) days per week but not less than one (1) day per week, as requested by Customer on a Monday through Friday schedule, with Saturday Collection commencing only during Holiday weeks
<b>Service Location:</b>	Curbside (default) or other service location where Container is immediately accessible to the Collection vehicle. Other Customer-selected service location at the Multi-Family Premise where Container is not immediately accessible to the Collection vehicle and/or special services are required for Collection for additional County-approved "Difficult to Service" Rates
<b>Acceptable Materials:</b>	Solid Waste
<b>Prohibited Materials:</b>	Recyclable Materials, C&D, Excluded Waste
<b>Additional Service:</b>	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, on an as-needed basis and/or up to the maximum Service Level and Contractor shall charge the appropriate Rate for the higher Service Level.
<b>Other Requirements:</b>	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers; or perform other services as reasonably necessary to access and empty Containers (and shall charge for these additional services at County-approved "Difficult to Service" Rates by Container type and Collection frequency). To support the County's mandatory recycling ordinance, Contractor shall monitor, perform education, and, as appropriate, not Collect Customer Containers that contain prohibited materials, consistent with the requirements of Section 5.4.F of this Agreement.

## EXHIBIT B2 MULTI-FAMILY RESIDENTIAL SERVICES

### 4. Curbside Reusable and Recyclable Materials Collection

Contractor shall Collect Bulky Items and Reusable Materials from Multi-Family Customers and Transport the Bulky Items and Reusable Materials to the Approved Reusable Materials Facility for Processing (if needed) and sale or donation to the public for the purpose of reuse.

<b>Containers:</b>	Not applicable
<b>Service Level:</b>	Up to two (2) cubic yards of Reusable and/or Recyclable Materials, up to five (5) E-Waste items, and up to three (3) Appliances or Bulky Items. Appliances with Freon count as two (2) Bulky Items/Appliances.
<b>Service Frequency:</b>	Up to four (4) times per year for the first forty (40) Multi-Family Customer dwelling units, plus an additional Collection event per year for every ten (10) Multi-Family dwelling units in the complex (as requested by Customer)
<b>Service Location:</b>	Curbside
<b>Acceptable Materials:</b>	Reusable Materials, Recyclable Materials Appliances, Bulky Items, and E-Waste
<b>Prohibited Materials:</b>	Solid Waste, Organic Materials, C&D, Excluded Waste, U-Waste, or any single item that exceeds two hundred (200) pounds in weight
<b>Additional Service:</b>	Contractor shall Collect additional items that exceed the required Service Level and shall charge the County-approved "Bulky Item" Rate approved by material type (as requested by Customer).

Contractor shall provide additional Collection events for a Customer beyond the Customer's allowed annual number (see Service Frequency, above) and shall charge the County-approved "Bulky Item Collection Event" Rate.

**Other Requirements:** The Contractor shall provide the service to the Customer within five (5) Business Days of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor.

### 5. Holiday Tree Collection

Contractor shall provide holiday tree Collection to Multi-Family Customers in accordance with requirements of Exhibit B1, Section 6.

### 6. Properties and Unit Counts

Prior to the Commencement Date of this Agreement, Contractor shall make contact with each Multi-Family Customer to determine appropriate Container sizes and service frequency. In addition, Contractor shall identify the number of units at each Multi-Family Customer's service location and develop a database of mailing addresses for each tenant unit. In Contractor's billing system, the Contractor shall record, and report upon County request, the number of units at each Multi-Family Customer's service location.

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**EXHIBIT B3:  
COMMERCIAL SERVICES**

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## EXHIBIT B3 COMMERCIAL SERVICES

### 1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials in Contractor-provided Containers not less than one (1) time per week from subscribing Commercial Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Transfer Facility or Approved Recyclable Materials Processing Facility for Processing. Contractor shall charge Customers for service at County-approved Rates.

- Containers:** Carts, Bins, Drop Boxes  
**Container Sizes:** 65- and 95-gallon Carts; and,  
1-, 2-, 3-, 4-, 6-, and 8-cubic yard Bins  
(Container size provided by Contractor shall be at the Customer's discretion)
- Service Frequency:** Up to six (6) days per week but not less than one (1) day per week, as requested by Customer on a Monday through Saturday schedule, with Saturday service only offered as the Customer's fifth or sixth day of service. In the event that a Customer requests Saturday service that is not their fifth or sixth collection day of the week, Contractor may apply a County-approved surcharge to the Customer's normal monthly Rate for that frequency of service.
- Service Location:** Curbside (default) or other service location where Container is immediately accessible to the Collection vehicle.  
Other Customer-selected service location at the Commercial Premise where Container is not immediately accessible to the Collection vehicle and/or special services are required for Collection for additional County-approved "Difficult to Service" Rates
- Acceptable Materials:** Recyclable Materials  
**Prohibited Materials:** Solid Waste, Organic Materials, C&D, Excluded Waste  
**Additional Service:** Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, on an as-needed basis and/or up to the maximum Service Level and Contractor shall charge the appropriate Rate for the higher Service Level. Contractor shall not be required to Collect extra Recyclable Materials placed for Collection if such materials are not in a Container.
- Other Requirements:** Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (and shall charge for these additional services at County-approved "Difficult to Service" Rates based on Container type and Collection frequency).

Contractor may assess contamination fees in the same manner described for Multi-Family Customers in Section 1 of Exhibit B2.

### 2. Organic Materials Collection

Contractor shall Collect Organic Materials in Contractor-provided Containers not less than one (1) time per week from subscribing Commercial Customers. If the Organic Materials include only Yard Trimmings Collected on a designated Yard Trimmings route, the Contractor shall Transport all Yard Trimmings to the

## EXHIBIT B3 COMMERCIAL SERVICES

Designated County Transfer Facility or Designated Yard Trimmings Processing Facility for Processing. If the Organic Materials include Food Scraps (which may or may not be combined with Yard Trimmings), Contractor shall Transport all Organic Materials to the Approved Commercial Organics Processing Facility. The Commercial Organic Materials Collection program is voluntary for Customers. Contractor shall provide the service upon Customer request and subscription, and shall charge for additional capacity at County-approved Rates.

- Containers:** Carts, Bins  
**Container Sizes:** 65- and 95-gallon Carts; and,  
1-, 1.5-, and 2-cubic yard Bins  
(Container size provided by Contractor shall be at the Customer's discretion)
- Service Frequency:** Up to six (6) days per week, but not less than one (1) time per week, as requested by Customer; Collection service days shall include Mondays, Thursdays, and Saturdays
- Service Location:** Curbside (default) or other service location where Container is immediately accessible to the Collection vehicle.  
Other Customer-selected service location at the Commercial Premise where Container is not immediately accessible to the Collection vehicle and/or special services are required for Collection for additional County-approved "Difficult to Service" Rates
- Acceptable Materials:** Yard Trimmings, Food Scraps, or commingled Yard Trimmings and Food Scraps  
**Prohibited Materials:** Solid Waste, Recyclable Materials, C&D, Excluded Waste  
**Additional Service:** Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, on an as-needed basis and/or up to the maximum Service Level and Contractor shall charge the appropriate Rate for the higher Service Level.
- Other Requirements:** Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (and shall charge for these additional services at County-approved "Difficult to Service" Rates based on Container type and Collection frequency).

If a Customer places Organic Materials Container(s) for Collection and the materials placed in such Container(s) exceed two percent (2%) by volume or contain a particular type(s) of Prohibited Materials (listed above) that could reasonably result in the Approved Commercial Organics Processing Facility either rejecting the material from Processing or charging Contractor a greater amount for Processing, Contractor may classify that set-out as "Contaminated". Contractor shall document any set-outs classified as Contaminated with photographic evidence of the presence of the Prohibited Material(s) and shall provide such evidence to the County Contract Manager or Customer upon request. In the event of a Contaminated set-out, Contractor shall provide Customer with a written warning of the Contamination and instruct the Customer about how to properly separate and place Organic Materials for Collection and Contractor may, at their sole discretion, refuse to Collect the Container until it is

## EXHIBIT B3 COMMERCIAL SERVICES

no longer Contaminated. In the event that Contractor classifies more than two (2) set-outs in a consecutive three (3) month period as Contaminated, whether Collected or not, Contractor may assess the County-approved "Organic Materials Contamination" Rate if Collected. The "Organic Materials Contamination Fee" shall be 25% of the monthly Solid Waste Service Level equivalent per incident. At the Contractor's sole discretion, the Organic Materials Container may either be Collected as Solid Waste or not Collected by Contractor. If the Customer removes the Prohibited Materials and requests Collection on a day other than a normally scheduled Collection day, Contractor may assess a "Non-Scheduled Collection" charge. In the event that Contractor has assessed the Organic Materials Contamination Fee more than two (2) times in a consecutive six (6) month period, Contractor may cancel the Customer's subscription to the Organic Materials program and may prohibit such Customer from subscribing to the program until they demonstrate to the satisfaction of the Contractor that adequate measures have been implemented to prevent future contamination.

### 3. Solid Waste Collection

Contractor shall Collect Solid Waste in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Solid Waste to the Designated County Transfer Facility or Designated Disposal Facility for Disposal. Customers receiving Single-Family Style Services may subscribe to either the three-Cart service package (including Solid Waste, Recyclable Materials, and Organic Materials) or "limited" two-Cart service (including Solid Waste and Recyclable Materials) and shall be charged the appropriate Rate. Contractor shall charge Customers for service at County-approved Rates.

- Containers:** Carts, Bins
- Container Sizes:** 65- and 95-gallon Carts;  
1-, 2-, 3-, 4-, 6-, and 8-cubic yard Bins; and,  
(Container size provided by Contractor shall be at the Customer's discretion)
- Service Frequency:** Up to six (6) days per week but not less than one (1) day per week, as requested by Customer on a Monday through Saturday schedule, with Saturday service only offered as the Customer's fifth or sixth day of service. In the event that a Customer requests Saturday service that is not their fifth or sixth collection day of the week, Contractor may apply a County-approved surcharge to the Customer's normal monthly Rate for that frequency of service.
- Service Location:** Curbside (default) or other service location where Container is immediately accessible to the Collection vehicle.  
Other Customer-selected service location at the Commercial Premise where Container is not immediately accessible to the Collection vehicle and/or special services are required for Collection for additional County-approved "Difficult to Service" Rates
- Acceptable Materials:** Solid Waste
- Prohibited Materials:** Recyclable Materials, Organic Materials (only if Customer subscribes to Organic Material Collection Services, C&D, Excluded Waste
- Additional Service:** Upon Customer request and to accommodate periodic additional service needs,



## **EXHIBIT B3 COMMERCIAL SERVICES**

Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, on an as-needed basis and/or up to the maximum Service Level and Contractor shall charge the appropriate Rate for the higher Service Level.

**Other Requirements:** Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers (and shall charge for these additional services at County-approved "Difficult to Service" Rates based on Container type and Collection frequency).

To support the County's mandatory recycling ordinance, Contractor shall monitor, perform education, and, as appropriate, not Collect Customer Containers that contain prohibited materials, consistent with the requirements of Section 5.4.F of this Agreement.

### **4. Reusable and Recyclable Materials Collection**

Contractor shall Collect Bulky Items and Reusable Materials from Commercial Customers and Transport the Bulky Items and Reusable Materials to the Approved Reusable Materials Facility for Processing (if needed) and sale or donation to the public for the purpose of reuse. Contractor shall provide the service upon Customer request, and shall charge a County-approved Rate for service.

**Containers:** Not applicable  
**Service Level:** Up to two (2) cubic yards of Reusable and/or Recyclable Materials, up to five (5) E-Waste items, and up to three (3) Appliances or Bulky Items  
**Service Frequency:** As requested by Customer, at the County-approved Rates  
**Service Location:** Curbside, or other location as determined by Contractor and Customer  
**Acceptable Materials:** Reusable Materials, Recyclable Materials, Appliances, Bulky Items, and E-Waste  
**Prohibited Materials:** Solid Waste, Organic Materials, C&D, U-Waste, Excluded Waste or any single item that exceeds two hundred (200) pounds in weight  
**Additional Service:** Contractor shall Collect items and shall charge the County-approved "Bulky Item" Rate by material type (as requested by Customer).  
**Other Requirements:** The Contractor shall provide the service to the Customer within five (5) Business Days of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor.

### **6. Holiday Tree Collection**

Contractor shall provide holiday tree Collection to Commercial Customers in accordance with requirements of Exhibit B1, Section 6.

**EXHIBIT B4:  
COUNTY SERVICES**

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## **EXHIBIT B4 COUNTY SERVICES**

### **1. Services to County Facilities**

Contractor shall Collect Recyclable Materials, Organic Materials, Solid Waste and Bulky Items from County facilities in the same manner as those services are provided to Commercial Customers. Contractor shall provide service to all County facilities identified in Exhibit B5, at Service Levels which may change from time to time, as well as any future County facilities established after the Effective Date of this Agreement. Contractor shall provide these services at no cost to the County.

### **2. Public Litter Container Services**

Contractor shall Collect Solid Waste and Recyclable Materials from the public litter Containers at the Service Levels identified in Exhibit B5, which may change from time to time. When servicing public litter Containers, Contractor shall clean up any litter that is immediately surrounding the Container. Contractor shall deliver the Collected Solid Waste to the Designated County Transfer Facility or Designated Disposal Facility and shall deliver the Collected Recyclable Materials to the Approved Recyclable Materials Transfer Facility or Approved Recyclable Materials Processing Facility.

Contractor shall maintain public litter Containers identified in Exhibit B5 including cleaning, repairing, and replacing such Containers as needed. Contractor shall maintain Containers in a neat and clean appearance and shall steam-clean or pressure-wash each public litter Container upon County request up to one time per year. Contractor shall identify and promptly perform any repairs needed to keep public litter Containers in service and shall promptly replace any public litter Containers that cannot be repaired to their original condition. Contractor shall seek approval from the County Contract Manager on the design and specifications of any public litter Container prior to replacement.

Upon request from the County Contract Manager, Contractor shall provide Collection and maintenance services, as described in this Section, for additional public litter Containers, not to exceed a total increase of ten (10) percent in the number of Containers listed in Exhibit B5 as of the Commencement Date, at no additional cost. In the event that County requests service of additional public litter containers, Exhibit B5 shall be amended to include the additional public litter container locations and Service Levels.

### **3. Illegal Dumping Abatement**

Upon request of the County Contract Manager, the Contractor shall within seven (7) days Collect and remove Abandoned Materials in any volume which has been unlawfully abandoned or discarded from the County's streets, alleys, parks and other public areas that are located in the unincorporated area of the County that is manageable by hand and no single item weighs more than two hundred (200) pounds. For any such Collection, the Contractor shall receive compensation from the County on the basis of time and materials at the Rates specified in Exhibit G; provided, however, that the County shall be entitled to receive the first five thousand dollars (\$5,000) worth of such services in each Rate Period at no charge. The amount of such services shall be adjusted annually by one plus the Annual Percentage Change in CPI-U using adjustment method described in Exhibit E. The County shall provide Disposal at the Designated Disposal Facility to the Contractor at no charge for Abandoned Materials Collected by Contractor pursuant to this subsection. Contractor shall create a specific work order in response to each request it receives

## **EXHIBIT B4 COUNTY SERVICES**

from the County Contract Manager and shall provide summary information with the quarterly reports as defined in Exhibit D.

### **5. Special Event Collection Services**

Contractor shall provide Collection services for special events pursuant to Section 4.7 of the Agreement. Contractor may limit the services provided in Section 4.7.D to Carts and Bins.

**EXHIBIT B5:**  
**COUNTY SERVICE LEVELS AND LOCATIONS**



## EXHIBIT B5 COUNTY SERVICE LEVELS AND LOCATIONS

<u>SITE</u>	<u>REFUSE<sup>1</sup></u>	<u>RECYCLING<sup>1</sup></u>	<u>FREQUENCY<sup>2</sup></u>	<u>LOCATION</u>
<b><u>PUBLIC WORKS</u></b>				
Brommer Yard.	1-2 yd	2-65 gallon recycle	1/wk	Live Oak
Roy Wilson Yard	1-2 yd	2-65 gallon recycle	1/wk	Watsonville
Felton Yard	1-2 yd	2-65 gallon recycle	1/wk	Felton
Felton Yard	1-95 gallon	1-65 gallon recycle	1/wk	Felton
Lode Street	1-2 yd	2-65 gallon recycle	3/wk	Live Oak
HHW (BV Landfill)	1-2 yd	-	3/wk	Watsonville
Organics Area (BV Landfill)	1-2 yd	-	5/wk	Watsonville
Felton Recycle Center	1-1 yd	-	1/wk	Felton
Boulder Creek Recycle Ctr.	1-1 yd	-	1/wk	Boulder Creek
Ben Lomond Recycle Center	-	commingle bin	1/wk	Ben Lomond
Buena Vista Recycle Center	1-1 yd	commingle bin	1/wk	Watsonville
<b><u>GENERAL SERVICES</u></b>				
Agricultural Commissioner	1-1 yd	2-65 gallon recycle	2/wk	Watsonville
Agricultural Extension	1-2 yd	2-65 gallon recycle	1/wk	Watsonville
Capitola Rd/7 <sup>th</sup> Ave	2-65 gallon	1-65 gallon recycle	1/wk	Live Oak
Emeline St 1000	1-6 yd	1-6 yd cardboard	3/wk	Santa Cruz
	-	2-65 gallon recycle	1/wk	
Emeline St 1020	1-6 yd	1-3 yd cardboard	3/wk	Santa Cruz
	-	3-65 gallon recycle	1/wk	
Emeline St 1040	1-6 yd	1-3 yd cardboard	3/wk	Santa Cruz
	-	3-65 gallon recycle	1/wk	
Emeline St 1080	1-6 yd	1-6 yd cardboard	3/wk	Santa Cruz
	-	3-65 gallon recycle	1/wk	
Emeline St 1400	1-6 yd	1-6 yd cardboard	3/wk	Santa Cruz
	-	3-65 gallon recycle	1/wk	
County Government Center	4-4 yd	10-65 gallon recycle	3/wk	Santa Cruz
County Government Center	-	2-2 yd cardboard	3/wk	Santa Cruz
County Jail (Water St.)	4-6 yd	6-65 gallon recycle	3/wk	Santa Cruz
		1-6 yd cardboard	2/wk	
Co. Detention (Rountree)	2-2 yd	2-65 gallon recycle	3/wk	Watsonville
Courts Building (Freedom)	1-1 yd	5-65 gallon recycle	1/wk	Watsonville
Health Services (Crestview)	1-6 yd	1-6 yd cardboard	1/wk	Watsonville
Probation Ctr. (Graham Hill)	3-2 yd	4-65 gallon recycle	2/wk	Felton
Rehab Facility (Rountree)	3-2 yd	2-65 gallon recycle	2/wk	Watsonville
Sheriff Center	1-2 yd	2-65 gallon recycle	1/wk	Aptos
Sheriff Center	1-2 yd	2-65 gallon recycle	1/wk	Felton
Sheriff Center (17 <sup>th</sup> Ave.)	1-1.5 yd	2-65 gallon recycle	1/wk	Live Oak
<u>Center for Public Safety Bldgs.</u>				Live Oak
2400 Chanticleer Ave.	1-4 yd	-	2/wk	
	—	1-2 yd	1/wk	
5200 Soquel Ave.	1-4 yd	-	2/wk	
	—	1-2 yd	1/wk	
	—	4-95 gal greenwaste	1/wk	



## EXHIBIT B5 COUNTY SERVICE LEVELS AND LOCATIONS

<u>SITE</u>	<u>REFUSE<sup>1</sup></u>	<u>RECYCLING<sup>1</sup></u>	<u>FREQUENCY<sup>2</sup></u>	<u>LOCATION</u>
<b><u>PARKS</u></b>				
<u>Debris Boxes/Park Offices</u>				
Emeline St 1100 (shop)	-	8 yd bin greenwaste	On-call	Santa Cruz
Emeline St 1200 (shop)	1-2 yd	2-65 gallon recycle	1/wk	Santa Cruz
Greyhound Rock	8 yd bin	2-65 gallon recycle	On-call	Davenport
Highlands Park	8 yd bin	2-65 gallon recycle	On-call	Ben Lomond
Pinto Lake Park	6-yd	7-95 gallon recycle	1/wk	
	-	8 yd bin greenwaste	On-call	Watsonville
Polo Grounds Park	-	8 yd bin greenwaste	On-call	Aptos
Quail Hollow Park	-	8 yd bin greenwaste	On-call	Ben Lomond
Simpkins Center (17 <sup>th</sup> Ave.)	1-6 yd & 4-95 gal	5-95 gallon recycle	1/wk	Live Oak
Simpkins Center (17 <sup>th</sup> Ave.)	-	8 yd bin greenwaste	On-call	Live Oak
<u>Park Facilities</u>				
<u>A J Cummings Park</u>				
Upper Parking Lot	1-4 yd		1/wk	
Lower Parking Lot	1-4 yd	9-65 gallon recycle	1/wk	Soquel
Aldridge Lane	1-2 yd	1-65 gallon recycle	2/wk-1/wk	Watsonville
Aptos Park	1-4 yd	1-65 gallon recycle	1/wk	Aptos
Ben Lomond Park	2-95 gallon	2-95 gallon recycle	1/wk	Ben Lomond
Bonny Doon	3-95 gallon	2-95 gallon recycle	1/wk	Bonny Doon
Brommer Park	5-95 gallon	2-95 gallon recycle	1/wk	Live Oak
Chanticleer Ave. Park	2-95 gallon	2-95 gallon recycle	1/wk	Live Oak
Coffee Lane Park	1-95 gallon	1-65 gallon recycle	1/wk	Live Oak
The Farm	2-95 gallon	2-95 gallon recycle	1/wk	
	-	1-95 gal greenwaste	1/wk	Live Oak
Felton Covered Bridge	3-95 gallon	2-95 gallon recycle	1/wk	Felton
Felton Deck	1-95 gallon	1-95 gallon recycle	1/wk	Felton
Floral Park	2-95 gallon	1-65 gallon recycle	1/wk	Live Oak
Heart of Soquel	2-95 gallon	2-95 gallon recycle	1/wk	Soquel
Hestwood Park	1-95 gallon	1-65 gallon recycle	1/wk	Live Oak
Highlands Park	2-6 yd	2-95 gallon recycle	1/wk	
	8-95 gallon	-	1/wk	Ben Lomond
Jose Avenue Park	5-95 gallon	4-65 gallon recycle	1/wk	
	-	1-95 gal greenwaste	1/wk	Live Oak
Maplethorpe	1-95 gallon	1-65 gallon recycle	1/wk	Soquel
Mesa Village	2-95 gallon	2-65 gallon recycle	1/wk	Watsonville
Polo Grounds	1-2 yd	2-65 gallon recycle	1/wk	Aptos
Polo Grounds	1-3 yd	2-65 gallon recycle	1/wk	Aptos
Quail Hollow Park	1-3 yd	9-95 gallon recycle	1/wk	
Santa Cruz Gardens	1-95 gallon	1-65 gallon recycle	1/wk	Live Oak
Scott Park	1-4 yd	2-65 gallon recycle	1/wk	Watsonville
Soquel Lions Park	1-95 gallon	1-65 gallon recycle	1/wk	Soquel
Twin Lakes Park	1-95 gallon	1-65 gallon recycle	1/wk	Live Oak
Wilder Hall	2-95 gallon	2-65 gallon recycle	1/wk	Ben Lomond
Willowbrook Park	2-95 gallon	2-65 gallon recycle	1/wk	Aptos
Winkle Farm Park	3-95 gallon	3-65 gallon recycle	1/wk	Live
Valencia Hall (bldg.)	1-2 yd	2-65 gallon recycle	1/wk	Aptos

## EXHIBIT B5 COUNTY SERVICE LEVELS AND LOCATIONS

<u>SITE</u>	<u>REFUSE<sup>1</sup></u>	<u>RECYCLING<sup>1</sup></u>	<u>FREQUENCY<sup>2</sup></u>	<u>LOCATION</u>
<b><u>Beach Access Points (BA)</u></b>				
12 <sup>th</sup> Ave Beach Access (BA)	1-95 gallon	1-65 gallon recycle	3/wk-1/wk	Live Oak
17 <sup>th</sup> Ave (BA)	1-95 gallon	6-65 gallon recycle	1/wk	Live Oak
20 <sup>th</sup> Ave (BA)	1-95 gallon	1-65 gallon recycle	3/wk-1/wk	Live Oak
21 <sup>st</sup> Ave (BA)	1-95 gallon	1-65 gallon recycle	3/wk-1/wk	Live Oak
26 <sup>th</sup> Ave (BA)	2-95 gallon	2-65 gallon recycle	3/wk-1/wk	Live Oak
35 <sup>th</sup> Ave (BA)	1-95 gallon	1-65 gallon recycle	3/wk-1/wk	Live Oak
38 <sup>th</sup> Ave (BA)	1-95 gallon	1-65 gallon recycle	3/wk-1/wk	Live Oak
Carmichael Trail	1-95 gallon	1-95 gallon recycle	1/wk	North Coast
Corcoran Beach (BA)	1-95 gallon	2-65 gallon recycle	3/wk-1/wk	Live Oak
Greyhound Rock (BA)	5-yd	-	1/wk	North Coast
Hidden Beach (BA)	1-2 yd	1-65 gallon recycle	1/wk	Aptos
Moran Lake (BA)	4-95 gallon	3-65 gallon recycle	3/wk -1/wk	Live Oak
Pleasure Point (BA)	1-95 gallon	1-95 gallon recycle	3/wk -1/wk	Live Oak
Rockview (BA)	1-95 gallon	1-65 gallon recycle	3/wk-1/wk	Live Oak
Scott Creek (BA)	2-95 gallon	1-95 gallon recycle	1/wk	North Coast
Seascape (BA)	1-95 gallon	1-65 gallon recycle	1/wk	Aptos
Sunny Cove (BA)	3-95 gallon	3-65 gallon recycle	3/wk-1/wk	Live Oak
The Hook (41 <sup>st</sup> Parking)	1-95 gallon	1-95 gallon recycle	3/wk-1/wk	
	1-4 yd	-	1/wk	Live Oak
The Hook (BA)	4-95 gallon	4-65 gallon recycle	3/wk-1/wk	Live Oak
Via Palo Alto (BA)	2-95 gallon	2-65 gallon recycle	3/wk-1/wk	Aptos
Davenport (BA)	3-95 gallon	2-95 gallon recycle	1/wk	Davenport
Davenport Landing (BA)	2-95 gallon	2-95 gallon recycle	1/wk	Davenport
Davenport Parking Lot	3-95 gallon	2-95 gallon recycle	1/wk	
	1-4 yd	-		
	2-8 yd bins per weekend/mo. x 10 mos. (No Dec-Jan)			Davenport

<u>SITE</u>	<u>REFUSE<sup>1</sup></u>	<u>RECYCLING<sup>1</sup></u>	<u>FREQUENCY<sup>2</sup></u>	<u>LOCATION</u>
<b><u>PUBLIC LITTER CONTAINERS</u></b>				
Aptos Village	6-65 gallon	6-65 gallon recycle	2/wk	Aptos
Ben Lomond Business Dist.	3-95 gallon	3-65 gallon recycle	2/wk	Ben Lomond
Boulder Creek Business Dist.	14-65 gallon	14-65 gallon recycle	2/wk	Boulder Creek
Felton Business Dist.	6-65 gallon	65-65 gallon recycle	2/wk	Felton
Pleasure Point Business Dist.	10-95 gallon	10-65 gallon recycle	2/wk	Live Oak
Soquel Village	10-65 gallon	10-65 gallon recycle	2/wk	Soquel

Contractor agrees to adjust the levels of Solid Waste and Recyclable Materials Collection service provided at each of the above locations based on volumes of material Collected/generated, seasonal changes and other changes in conditions that require modifications of service, at no additional cost.

**Notes:**

1. Number of containers – Volume of containers “gallon” refers to rolling Carts and “Bin” refers to Bins.
2. Weekly Collection frequency for Solid Waste and Recycling. If two frequencies noted (1/wk-2/wk), first is for Solid Waste and second is for Recyclable Materials.

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**EXHIBIT C:  
PUBLIC EDUCATION  
AND OUTREACH REQUIREMENTS**

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## EXHIBIT C

### PUBLIC EDUCATION & OUTREACH REQUIREMENTS

The County places the utmost importance on effective public outreach and education in helping residents and businesses fully understand options for and benefits of source reduction, reuse, Recycling, and Composting. Contractor public education and outreach responsibilities are as follows:

1. In support of the County's public education efforts, Contractor shall provide annual funding to County pursuant to Section 7.6 of the Agreement.
2. Contractor shall participate in and provide annual funding to the Central Coast Recycling Media Coalition pursuant to Section 7.8 of the Agreement.
3. Annually, on or before April 1 of each calendar year, Contractor shall present an annual public education plan to the County Contract Manager for the County's review and approval. The annual plan shall include, at a minimum, a list of all public education and outreach activities to be performed by Contractor, the target Customer Type, and the timeframe for completing the activity.
4. At the County Contract Manager's request, County and Contractor shall meet a minimum of one (1) time per calendar quarter to discuss services, outreach, and educational campaigns including any changes needed to the County's annual public education plan.
5. Contractor shall manage production, printing, and distribution of public education and outreach materials, the content of which shall be developed by the County, except where Contractor is defined as the Party developing material, in which cases County shall review all material prior to production. Such materials shall include, but not limited to, quarterly newsletters, service guides, and billing inserts. Contractor shall work with the County to prepare separate, specific quarterly newsletters, annual service guides, and billing inserts for Single-Family, Multi-Family, and Commercial Customers.
6. Contractor shall develop, produce, print, and affix to all Collection vehicles, sign boards with educational messages up to four (4) times per year, in accordance with Section 5.5 of the Agreement. All such content and its graphical presentation shall be approved by County prior to production.
7. Contractor shall develop, produce, print and distribute signage (e.g., posters, stickers, etc.) as needed, targeted at Commercial and Multi-Family Customers to provide instructions and encourage proper sorting of Discarded Materials.
8. If County exercises its rights to implement the service pursuant to Section 2 of Exhibit B2:
  - a) As part of the implementation process for Food Scraps Collection service for Single-Family Premises (if County exercises its rights to implement the service pursuant to Section 2 of Exhibit B2), Contractor shall develop and implement a public education campaign to educate Single-Family Customers about the Food Scraps Collection program, acceptable and prohibited materials, tips for Food Scraps separation and storage, and availability of Kitchen Pails. Contractor shall prepare and distribute directly to Single-Family Customers educational pieces that may include flyers, Cart hangers, and other special pieces dedicated to describing

## **EXHIBIT C**

### **PUBLIC EDUCATION & OUTREACH REQUIREMENTS**

the Food Scraps Collection program. The Food Scraps education efforts shall be reviewed and approved by the County prior to printing and distribution.

- b) On an on-going basis, following implementation of Food Scraps Collection service for Single-Family Premises, Contractor shall promote the Food Scraps Collection program and the availability of Kitchen Pails to Single-Family Customers on a ongoing basis through quarterly newsletters, service guides, and bill inserts (as needed), and shall develop and manage production of instructional materials to be delivered with the Kitchen Pails, describing the requirements of the Organic Materials Collection program.
9. Contractor shall develop and distribute instructional information, public education, and promotion materials during any implementation of new or enhanced services, upon County request. For any enhanced services not subject to the requirements of Section 3.6, Contractor may accomplish such distribution of information through existing promotional channels (e.g., newsletters, bill insert, website, etc). This shall entail, at a minimum, distributing program literature with delivery of Containers. Such costs may be included by Contractor for County's consideration in any proposal related to a County-directed Change in Scope under Section 3.6 of this Agreement. In the event that the Parties cannot agree on the scope and/or cost of such education and outreach materials, County reserves the right to conduct education and outreach activities it deems appropriate at its own cost.
10. Contractor shall provide to all County facilities any and all public education and outreach materials and services provided by Contractor to the Commercial sector. All such collateral, other than interior containers, shall be provided at no cost to the County.
11. Contractor shall provide all printed public education materials to County offices and facilities to have available for the public that visits those facilities to take and shall replenish the materials as requested by the County Contract Manager. The County Contract Manager shall be responsible for distributing such materials to appropriate locations within the County offices and facilities.
12. Contractor shall develop and utilize corrective action notices that will also function as non-Collection and courtesy notices, and shall be utilized in clear instances of Customer non-compliance. Contractor shall develop and maintain a system of keeping records of and following up with Customers who receive non-Collection notices during Collection of materials.
13. Contractor shall prepare "move-in kits" for Multi-Family Customers to provide to new tenants. Move-in kits shall include, at a minimum, a Multi-Family Recycling guide, a Personal Recycling Bin, and stickers or refrigerator-magnets that clearly define the acceptable and prohibited materials in the Recycling program. Contractor is not responsible for distribution of the move-in kits to the Multi-Family Customers. Contractor shall provide the move-in kits to the County and County technical assistance staff will distribute the move-in kits.
14. Each year as part of the Public Education and Outreach Plan, Contractor shall establish the number of Customers with four cubic yards per week of Solid Waste service or more. This number of Customers shall define the minimum number of technical assistance visits performed by

## EXHIBIT C

### PUBLIC EDUCATION & OUTREACH REQUIREMENTS

Contractor, however County and Contractor may agree in the Public Education and Outreach Plan to focus that number of visits on any target segmentation of Customers. The technical assistance visits shall include offering Recycling opportunity assessments with the Commercial or Multi-Family Customer to promote Recyclable Materials and/or available Organic Materials Collection services. With Customer approval, the assessments shall consist of a visual waste assessment and evaluation (waste volume(s) by material type) of Recyclable Materials, Organic Materials, and Solid Waste, including documentation (photos, written summary, and classification of materials) to illustrate increased opportunities for Diversion. Unless refused by Customer, Contractor shall evaluate and determine the adequacy of the Service Level of Recyclable Materials and Organic Materials and recommend and implement appropriate adjustments, as requested and approved by the Customer; verify Container and public area signage is adequate and provide additional signage, if needed; and, replenish "move-in kits" as needed by each Multi-Family Premises.

15. County staff may perform outreach to any Customer without limitation. If the County's staff intends to offer technical assistance to a Customer, County shall notify Contractor in advance and offer Contractor the opportunity to participate in the site visit. Prior to making any Service Level change recommendations to the Customer, County shall first notify Contractor of its proposed recommendations in writing and Contractor shall have seven (7) days to determine the feasibility of the recommendation. If determined feasible, all County recommendations for Service Level modification(s) shall be made in writing to both Customer and Contractor. If the Customer does not agree to the recommended Service Level change, no change shall be made.
16. Contractor shall develop and dedicate a portion of its website to its operations in the County, with an area landing page and specific sections dedicated to County programs and Customers, where Contractor shall describe services available, post educational materials for download, highlight program successes, and provide Diversion statistics. Contractor shall present Customers with "how-to" information (e.g., service guide, signage, etc.) for participating in Contractor-provided programs including proper Container set-outs, and links for additional resources. Contractor shall cooperate with County to post County-developed educational materials related to waste reduction, Recycling and Composting to the website in PDF and/or video format. On its website, Contractor shall also publish the current Rates charged to Customers within the County.
17. Contractor shall develop and provide written notification to Single-Family and Multi-Family Customers advertising seasonal or periodic programs (e.g., holiday tree Collections) up to four (4) times per year, as agreed upon in the Annual Public Education and Outreach Plan. The seasonal notifications shall inform Customers of schedules, acceptable and prohibited materials, and set-out requirements for the program.
18. Contractor shall develop and provide written notification to Customers of any temporary changes to the Collection schedule caused by Holidays. This may be incorporated with other written notifications to Customers, provided that they are timely.
19. Contractor shall staff an exhibit booth and distribute promotional and educational materials at special events described in Section 4.7 of the Agreement, as requested by County and limited to



## **EXHIBIT C**

### **PUBLIC EDUCATION & OUTREACH REQUIREMENTS**

the County-designated events contemplated in Section 4.7.A. Contractor shall provide visual displays, educational materials (including all appropriate guides, flyers, and brochures produced in relation to this Agreement), and Recycling education activities appropriate to the likely attendees of the event. Display components shall be professionally designed and created and shall be scalable to be appropriate for a variety of booth or display configurations. Materials will include those pertaining to the programs provided under this Agreement and may include general information on "green" and/or sustainable behaviors. Contractor shall also aid in planning service needs, related to Contractor's provision of service under Section 4.7, with a focus on reducing the Disposal of materials resulting from such events or venues.

20. Contractor shall bear all costs to provide notices of non-compliance to Multi-Family and Commercial Customers that are not in compliance with AB 341 and/or AB 1826. All such notices shall be provided on County letterhead and County shall pre-approve all messaging prior to any distribution of such notices.
21. Upon County request, Contractor shall review County-developed materials and publications for content and applicability based on its knowledge of day-to-day operations within the County and the "zero waste" industry in general.
22. Contractor's outreach coordinator shall be available to train County staff on conducting technical assistance to Commercial and Multi-Family Premises. The nature of such training effort shall be agreed upon by the Parties and may involve training sessions in the County's offices and/or training in the field working directly with Customers. The extent of the Contractor's training time shall be no more than sixteen (16) hours per year.

**EXHIBIT D:  
REPORTING REQUIREMENTS**

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## **EXHIBIT D REPORTING REQUIREMENTS**

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

1. Determine and set Rates and evaluate the financial efficacy of operations.
2. Evaluate past and expected progress towards achieving the Contractor's Diversion goals and objectives.
3. Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under the AB 939, AB 341 and/or AB 1826.
4. Determine needs for adjustment to programs.
5. Evaluate Customer service and complaints.
6. Assess Contractor's compliance with the terms of this Agreement including its compliance with performance standards.

### **Monthly Report Content**

Monthly reports shall be presented by Contractor to show the following information for each month in the most recently completed 12-month period.

#### **1. Revenue Report**

Provide a statement detailing Gross Rate Revenues from all operations conducted or permitted pursuant to this Agreement as required by Section 7.12.

Maintain a list of Customers that are thirty (30) or more calendar days past due and include the following information for each delinquent account: name; service address; contact information; number of days the account is delinquent; method(s) the Contractor has used to attempt collection of the bad debt including date of such attempt(s); and, identification, if, and when the Contractor plans to or did stop service to a delinquent account.

### **Quarterly Report Content**

Quarterly reports shall be presented by Contractor to show the following information for each month in the most recently completed 12-month period.

#### **1. Tonnage Report**

- Tonnage delivered to each Approved Facility by Customer Type, subtotaling and clearly identifying those Tons that are Disposed and those that are Delivered for Processing.
- Tonnage reconciliation statement that ties Contractor's reported Tonnage delivered to each Approved Facility to each Approved Facility's records of Tonnage Received from Contractor for services under this Agreement.

## **EXHIBIT D**

### **REPORTING REQUIREMENTS**

- Units of Used Oil, E-Waste, U-Waste, and Bulky Items Collected by Customer Type.
  - Recyclable Materials Tonnage Marketed (by commodity and including average commodity value for each) and Processing Residue Tonnage Disposed.
- 2. Mandatory Recycling and Organics Compliance Report**
- List of Multi-Family and Commercial Customers that are not in compliance with the mandatory Recyclable Materials requirements of AB 341 and/or mandatory Organic Materials requirements of AB 1826. Such list shall include, at a minimum, Customer name, service location address, Recyclable Materials, Organic Materials, and Solid Waste, Service Level information, contact name, address, and phone number, and the date(s) Contractor provided a notice of non-compliance.
- 3. Customer Report**
- Number of Customers by Customer Type and Service Level.
  - Number of Containers at each Service Level by Customer Type and program with a summary of the total gallons of Cart service, total cubic yards of Bin service, and total cubic yards of Drop Box service by Customer Type and material type and calculation of the average volume of service received per week for Single-Family Customers; Multi-Family dwelling units; and, Commercial Customers.
  - Number of Bulky Item/Reusable Materials Collection events by Customer Type.
  - Participation percentage by program and Customer Type where the participation percentage is calculated as the number of Customers who have subscribed to or requested service under the program relative to the number of Customers of that Customer Type subscribing to Solid Waste service. Contractor shall not be required to submit participant Customer names and addresses as part of the regular reporting; however, such information shall be provided to the County Contract Manager upon request.
- 4. County Services Report**
- County facility Diversion rate report (i.e., volume of service by material Type Collected by each County facility and the percentage of the total service volume that is for Diversion services relative to the total service volume).
  - Summary report on the programs offered to County as described in Exhibit B4 focused on when each service was provided and any issues/concerns identified.
- 5. Customer Service Report**
- Number of Customer calls listed separately by complaints and inquiries (where inquiries include requests for Recycling information, Rate information, etc.). For complaints, list the number of calls separately by category (e.g., missed pickups, Containers not returned to proper location, scheduled cleanups, billing concerns, damage claims, etc.). Prior to the commencement of services under this Agreement, County and Contractor shall agree on a list of codes and/or call

## **EXHIBIT D**

### **REPORTING REQUIREMENTS**

categories for Customer service tracking that, at a minimum, track all performance standards of this Agreement.

- Number of new service requests for each Customer Type and program.
- Number of events of Discarded Materials being tagged for non-Collection summarized by the reason for tagging (e.g., inclusion of non-Recyclable or non-Compostable materials, improper setout, Hazardous Waste, etc.).
- Number of hits and unique visitors to the Contractor's website.

#### **6. Education and Outreach Report**

- Provide a status report of Contractor's activities, separately identifying activities directly requested by County public education staff, and other activities as they relate to this Agreement.
- Dates, times, and group names of meetings and events attended.

#### **7. Pilot and New Programs Report**

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

### **Annual Report Content**

The annual report shall include the monthly report data plus the following additional information.

#### **1. Summary Assessment**

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

#### **2. Vehicle Inventory**

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

#### **3. Recyclables Markets**

Contractor shall include a listing of markets for Recyclable Materials and the end use of these materials. This type of information is intended to help the County gauge the sustainability of Recycling markets and the ultimate Processing or Disposal of all types of materials Collected.

#### **4. Cost-Based Rate Adjustment Data**

## EXHIBIT D REPORTING REQUIREMENTS

Along with the Rate application submitted on February 1, provide the following information **only if Rates are to be determined for the upcoming Rate Period using a cost-based adjustment** pursuant to Exhibit E2. With the exception of the "Financial Information" listed below, all other items listed may be requested by the County Contract Manager at any time during the Term of the Agreement and Contractor shall comply with that request in a timely fashion.

- a) **Financial Information.** Within one hundred twenty (120) calendar days after the close of the Rate Period, Contractor shall deliver to the County four (4) hard copies and one (1) electronic copy of the audited consolidated financial statements and profit and loss statements of Contractor for the preceding Rate Period. Financial statements shall include a supplemental combining schedule showing Contractor's results of operations, including the specific revenues and expenses in connection with the operations provided for in this Agreement from others included in such financial statements. The financial statements and footnotes shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied and fairly reflecting the results of operation and Contractor's financial condition. Annual financial statements shall be audited, in accordance with Generally Accepted Auditing Standards (GAAS) by a Certified Public Accountant (CPA) licensed (in good standing) to practice public accounting in the State as determined by the State Department of Consumer Affairs Board of Accountancy, and that the CPA's opinion on Contractor's annual financial statements shall be unqualified, and shall contain the CPA's conclusions regarding the Contractor's accounting policies and procedures, internal controls, and operating policies. The CPA shall perform an evaluation and, if necessary, shall cite recommendations for improvement.
- b) **Related-Party Entities.** As part of the annual reporting requirement, Contractor shall provide the County with a copy of each Related-Party Entity's (whose cost of services are not mutually agreed upon by County and Contractor or determined in this Agreement on a unit-price basis or by a governmental contractor at the time in which the services are provided) audited annual financial statements and management letter for that fiscal year, or within ninety (90) calendar days of each Related-Party Entity's fiscal year-end, if timing does not coincide with the annual report date. Financial statements shall be prepared in accordance with GAAP and audited, in accordance with GAAS, by a CPA licensed in the State, and that the CPA's opinion on each Related-Party Entity's annual financial statements shall be unqualified, and that the CPA make available to the County (or the County's designated representative) such CPA's working papers related to the audit.

Contractor agrees that all financial transactions with all Related-Party Entities shall be approved in advance in writing and disclosed in a separate disclosure letter to the County, upon request. This letter shall include, but not be limited to, the following information:

- A general description of the nature of each Related-Party Entity transaction, or type of transaction (if many similar transactions exist) shall be provided, as applicable. Such description shall include for each (or similar) transaction, amounts, specific Related-Party Entity, basis of amount (how amount was determined), description of the allocation methodology used to allocate any common costs, and profit amount. Amounts shall be reconciled to the Related-Party Entity disclosures made in Contractor's annual audited financial statements referred to in this Exhibit.

## EXHIBIT D REPORTING REQUIREMENTS

- At the County's request, Contractor shall provide the County with copies of working papers or other documentation deemed relevant by the Contractor relating to information shown in the annual disclosure letter.

### 5. Operational Information

#### A. Routes by Customer Type

1. Number of routes per day.
2. Types of vehicles.
3. Crew size per route.
4. Number of full time equivalent (FTE) routes.
5. Number of accounts and cubic yards scheduled per route.
6. Total route hours per Customer Type per year.
7. Average cost per route.

#### B. Personnel

1. Organizational chart.
2. Job classifications and number of employees (e.g., administrative, Customer service representatives, drivers, supervisors, educational staff).
3. Wages by job classification.
4. Number of FTE positions for each job classification.
5. Number of hours per job classification per year.

#### C. Productivity Statistics

1. Average number of accounts per route per day by Customer Type.
2. Average number of setouts per route per day by Customer Type.
3. Average Tons per route per day by vehicle type (i.e., side-loader, front-loader, roll-off).
4. Average cubic yards of Collection scheduled per route.

#### D. Vehicle Information

1. List of Collection vehicles including year purchased and mileage.
2. Average age of mobile equipment with oldest and newest.

#### E. Operational Changes

1. Number of routes.
2. Staffing.
3. Supervision.
4. Collection services.

#### F. Variance Analysis. Provide the following variance analysis for each Customer Type. For any variances greater than five (5) percent annually, Contractor shall provide sufficient rationale to support variance:

1. Variance analysis comparing current Rate Period to each of the prior Rate Periods of Agreement
2. Variance analysis comparing current Rate Period to each of the future projected Rate Periods.



## **EXHIBIT D REPORTING REQUIREMENTS**

- G. Allocations.** Provide the following allocation data:
1. Provide a concise general explanation of the various allocation methodologies used for each Rate application line item.
  2. Provide specific examples of each type of allocation used showing how an entry is reported in the general ledger and ties to the Rate application.
  3. Provide a statement indicating whether there have been any changes in allocation methods used since the last Rate application. If any allocation methods have changed clearly identify those changes.
- H. Projections.** Provide the following projection data:
1. Provide support for the basis for projected Gross Receipts and line item expenses, clearly indicate the supporting calculations and assumptions.
  2. Provide support for the most-recent twelve (12) months of Tonnage data for Rate Period ending October. Clearly indicate the supporting calculations and assumptions.

## **EXHIBIT E: RATE ADJUSTMENT METHODOLOGY**

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- E1: Index-Based Rate Adjustment Methodology*
- E2: Cost-Based Rate Adjustment Methodology*



## EXHIBIT E RATE ADJUSTMENT METHODOLOGY

### 1. GENERAL

Subject to the terms herein, the County shall adjust all Rates on an annual basis. Contractor shall submit its application for a Rate adjustment to the County Contract Manager on or before April 1 of each Rate Period where Rates shall be adjusted using the index-based methodology described in Exhibit E1. Contractor shall submit its application on or before February 1 for any Rate Period where Rates shall be adjusted using the cost-based methodology described in Exhibit E2. Contractor's Rate application shall document all calculations and include all supporting schedules, documentation of per-Ton charges for Approved Facilities, documentation of changes in governmental fees at Approved Facilities (if applicable), and any other documentation or evidence determined by the County Contract Manager to be reasonably necessary to ensure that the calculation of Rate adjustments has been performed in strict conformance to the requirements of this Exhibit E.

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

The table below provides the Rate application date, Rate adjustment methodology, time period for index adjustments, and effective date for each Rate Period throughout the Term of this Agreement.

Rate Period	Application Due	Adjustment Methodology (Index or Cost Based)	Average Index Value Period	Rates Effective
RY1	Approved with Contract	Approved with Contract	Approved with Contract	1/1/2018-12/31/2018
RY2	Approved with Contract	Approved with Contract	Approved with Contract	1/1/2019-6/30/2020
RY3	4/1/2020	Index	1/1/2019-12/31/2019	7/1/2020-6/30/2021
RY4	2/1/2021	Cost Based	1/1/2020-12/31/2020	7/1/2021-6/30/2022
RY5	4/1/2022	Index	1/1/2021-12/31/2021	7/1/2022-6/30/2023
RY6	4/1/2023	Index	1/1/2022-12/31/2022	7/1/2023-6/30/2024
RY7	4/1/2024	Index	1/1/2023-12/31/2023	7/1/2024-6/30/2025
RY8	2/1/2025	Cost Based	1/1/2024-12/31/2024	7/1/2025-6/30/2026
RY9	4/1/2026	Index	1/1/2025-12/31/2025	7/1/2026-6/30/2027
RY10	4/1/2027	Index	1/1/2026-12/31/2026	7/1/2027-6/30/2028
RY11*	4/1/2028	Index	1/1/2027-12/31/2027	7/1/2028-6/30/2029
RY12*	2/1/2029	Cost Based	1/1/2028-12/31/2028	7/1/2029-6/30/2030
RY13*	4/1/2030	Index	1/1/2029-12/31/2029	7/1/2030-6/30/2031
RY14*	4/1/2031	Index	1/1/2030-12/31/2030	7/1/2031-6/30/2032
RY15*	4/1/2032	Index	1/1/2031-12/31/2031	7/1/2032-6/30/2033

\* These Rate Periods are only applicable if the Agreement is extended pursuant to Section 2.1 of the Agreement.

## EXHIBIT E RATE ADJUSTMENT METHODOLOGY

### 2. DEFINITIONS

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

- A. **"Annual Percentage Change"** means (1) the annual percentage change in any of the indices defined below calculated as described in the following paragraph, or (2) seven percent (7%), whichever is less.

The Annual Percentage Change for a cost index shall be calculated as the Average Index Value for the period provided in the table in Exhibit E, Section 1 less the Average Index Value for the same months one year prior, the result of which shall be divided by the Average Index Value for the prior one year. For Rate Period 3, Contractor shall be entitled to make its Rate application on the basis of either: 1) a comparison to the most recent twelve month period; or, 2) a comparison to the most recent eighteen month period.

For example, if the Contractor is calculating the Total Calculated Costs in January 2020 to be effective for Rate Period Three (July 2020 through June 2021), the Annual Percentage Change for the CPI-U would be calculated as follows:

$$\frac{[(\text{Average CPI-U for January 2019 through December 2019}) \text{ minus } (\text{Average CPI-U for January 2018 through December 2018})]}{(\text{Average CPI-U for January 2018 through December 2018})}$$

The calculated Annual Percentage Change shall be carried to three places to the right of the decimal and rounded to the nearest thousandths.

- B. **"Average Index Value"** means the sum of the monthly index values during the 12-month period divided by 12 (in the case of indices published monthly) or the sum of the bi-monthly index values divided by 6 (in the case of indices published bi-monthly).
- C. **"Diesel Fuel Pricing Index"** means the Producer Price Index for No 2 Diesel, seasonally adjusted compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics
- D. **"CPI-U"** means the Consumer Price Index, All Urban Consumers, all items, not seasonally adjusted San Francisco-Oakland-San Jose Metropolitan Area compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- E. **"ECI"** means the Employment Cost Index, Total Compensation, Private Industry, Service-Providing Industries, seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- F. **"Motor Vehicle Maintenance and Repair Index"** means the Consumer Price Index, All Urban Consumers, Motor Vehicle Maintenance and Repair, not seasonally adjusted U.S. city average, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- G. **"Organic Materials Processing Cost"** means the cost of Processing Organic Materials at the

## EXHIBIT E RATE ADJUSTMENT METHODOLOGY

Designated Yard Trimmings Processing Facility and/or the Approved Commercial Organics Processing Facility. Organic Materials Processing Costs shall be calculated separately for Yard Trimmings Processed at the Designated Yard Trimmings Processing Facility and for the Organic Materials Processed at the Approved Commercial Organics Processing Facility.

- H. **“Total Calculated Costs”** means the total amount to be used as a basis for determining the Rate Adjustment Factor. The Total Calculated Costs do not reflect or in any way guarantee the Gross Rate Revenues that are to be generated by Rates or retained by the Contractor. Note that for determining Rates for Rate Period Two, Total Proposal Costs for Rate Period One shall be used for the calculations.

Table 1 provides additional information about the four indices defined above.

**TABLE 1\***

	CPI-U	ECI	Diesel Fuel Pricing Index	Motor Vehicle Maintenance and Repair
Description	Consumer Price Index - All Urban Consumers	Employment Cost Index	Producer Price Index-Commodities	Consumer Price Index – All Urban Consumers, Motor Vehicle Maintenance and Repair
Series ID	CUURA422SA0	CIS2010000000000Q	WPS057303	CUUR0000SETD
Adjusted	Not seasonally adjusted	Seasonally adjusted	Seasonally adjusted	Not seasonally adjusted
Area	San Francisco-Oakland-San Jose Metropolitan Area	Service-Providing Industries, United States	Fuels and related products and power	U.S. City average
Item	All items	All workers	No. 2 diesel fuel	Motor vehicle maintenance and repair
Base Period	1982-84=100	N/A	1982=100	1982-84=100
Periodicity	Bi-monthly	3-month percent change	Monthly	Monthly

\* All indices published by the U.S. Bureau of Labor Statistics.

### 3. COST OF RATE ADJUSTMENT PROCESS

The County may incur costs, including consulting and legal fees, when determining adjustments to the Rates in accordance with this Exhibit and may require the Contractor to pay for such costs within sixty (60) calendar days of receipt of the County’s invoice for such costs. The Contractor may recover such costs through the Rates by treating the costs as an allowable Pass-Through Cost during the next Rate Period by adding the actual dollar amount of the reimbursement to the “Rate Application Review Costs” section, as described in Exhibit E1 Section 2.E.7. Regardless of Contractor’s payment of costs associated with said review, the County shall retain full and unimpeded discretion in selection of its agents to ensure,

**EXHIBIT E**  
**RATE ADJUSTMENT METHODOLOGY**

at a minimum, that no conflict of interest arises in the review of Contractor's request. The County retains the right to select its agents on the basis of their qualifications and experience and without regard to cost.

**EXHIBIT E1:  
INDEX-BASED RATE  
ADJUSTMENT METHODOLOGY**

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# EXHIBIT E1

## INDEX-BASED RATE ADJUSTMENT METHODOLOGY

### 1. GENERAL

The purpose of this attachment is to describe and illustrate the method by which the County will calculate the annual adjustment to Rates to reflect changes in various cost indices and changes to Disposal and Processing Costs based on Tonnages of materials Collected and changes in tipping fees. This index-based adjustment process shall be used to determine Rates for all Rate Periods beginning with Rate Period Two (FY July 1, 2019 through June 30, 2020) with the exception that the Rate adjustment process for Rate Periods Four and Eight, and, if the Term is extended, for Rate Period Twelve, shall involve a detailed review of actual costs, pursuant to Section 8.2 of the Agreement and Exhibit E2.

The index-based adjustment involves application of indices to various costs that comprise the Total Proposed Annual Costs for Rate Period One (and to Total Calculated Costs for future Rate Periods) to determine the Total Calculated Costs for the coming Rate Period. In addition, Processing and Disposal costs shall be adjusted to reflect actual Tonnage Collected during the most-recently completed Rate Period.

The difference (measured as a percentage) between the Total Calculated Costs for the coming Rate Period and the Total Calculated Costs for the then-current Rate Period is the Rate Adjustment Factor. The Rate Adjustment Factor is applied to the current Rates to determine the Rates for the coming Rate Period.

The calculation to determine the Rate Adjustment Factor pursuant to this Exhibit E1 is subject to review for accuracy only. Approval of the Rate Adjustment Factor and its application to determine the new Rates is not subject to discretionary approval by the County Contract Manager or the County Board of Supervisors. In the event that a calculation is in dispute on the basis of mathematical accuracy or compliance with the terms of this Agreement, Contractor shall not implement new Rates until such dispute is resolved.

The Rate Adjustment Factor pursuant to this Exhibit E1 and the index-based Rate adjustments shall be presented to the County Contract Manager for review on or before April 1 of each Rate Period. The County Contract Manager shall have up to ten (10) Business Days to review the accuracy of the calculation and either approve the accuracy of the calculation or make a written request to Contractor for corrections, additional information, or clarification. If by April 15 the County requests additional information, Contractor shall have up to ten (10) Business Days to provide the additional information and the County Contract Manager shall then have up to ten (10) Business Days to review the additional information to confirm the accuracy of the calculation. If either Party fails to meet the timelines described in this paragraph, that Party shall be deemed to have caused the delay in the approval of the Rates.

The percentage change in the Total Annual Cost of Operations (Exhibit E1, Section 2.A.8) may not exceed seven percent (7%) in any one Rate Period. In the event that the calculation described in this Exhibit E1 does result in an increase in the percentage change in Total Annual Cost of Operations exceeding seven percent (7%), Contractor may elect to either: i) accept the percentage change in the Total Annual Cost of Operations of no more than seven percent (7%) in the subject Rate Period; ii) request the consideration of the Board of Supervisors for an increase in the Total Annual Cost of Operations of the calculated amount exceeding seven percent (7%) and County shall agendaize the matter with the Board of Supervisors within two months of receiving such request; or, iii) require that a cost-based Rate adjustment be performed under the procedures described in Exhibit E2, which may be required by Contractor in the event that the Board of

## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

Supervisors denies a request contemplated in (ii) above. In the event that Contractor requires a cost-based Rate adjustment, Contractor shall pay County's costs of the cost-based Rate adjustment review and may not influence or control the County's selection of professional service providers to perform such review. Contractor may recover such costs through the Rates as described in Exhibit E, Section 3. Nothing in this paragraph is intended to limit the allowable percentage increase in the calculated Rate Adjustment Factor that includes both Contractor's portion resulting from the percentage change in the cost indices used to calculate Contractor portion of the Rate Adjustment Factor as well as Pass-through Costs and payments to County as described in this Exhibit E1, Sections 2.C and 2.E below.

In the event that the Annual Percentage Change in the index-based adjustment as calculated by this Exhibit E1 results in a negative Rate Adjustment Factor, the County reserves the right to "roll-under" the Rate reduction, such that there is no Rate adjustment in the Rate Period for which the negative Annual Percentage Change Rate Adjustment Factor would have been applied and defer the dollar value of a negative Rate Adjustment Factor to a subsequent Rate Period(s), using an "Other Adjustment", as a credit against future Rate increase(s).

### 2. ADJUSTMENT OF TOTAL CALCULATED COSTS

The cost categories of the main components of Total Calculated Costs are presented in detail in Exhibit G2. Adjustments to these components to calculate costs for the coming Rate Period shall be calculated as follows:

#### A. Total Annual Cost of Operations

1. **Labor-Related Costs.** The Labor-Related Costs component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the ECI.

For example, in Rate Period Two when calculating the Labor-Related Costs for Rate Period Three, the Labor-Related Costs of Rate Period Two shall be multiplied by one plus the Annual Percentage change in the ECI.

2. **Vehicle-Related Costs (excluding Fuel).** The Vehicle-Related Costs component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index.
3. **Fuel Costs.** The Fuel Cost component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CNG Fuel Pricing Index.
4. **Other Costs.** The Other Costs component of the Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
5. **Direct Depreciation.** Direct Depreciation is One million six hundred sixteen thousand, nine hundred and fifty one dollars (\$1,616,951) per year for Rate Periods Two through Ten, and is not annually adjusted. If the Agreement is extended beyond Rate Period Ten, direct depreciation shall be zero

## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

in any subsequent Rate Periods unless Parties mutually agree to a different amount.

6. **Allocated Costs (Labor, Vehicle, Fuel, and Other Costs).** The Allocated Costs (Labor, Vehicle, Fuel, and Other Costs) component for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
7. **Allocated Depreciation and Start-Up Costs.** The Allocated Depreciation and Start-Up Costs shall be one hundred thirty three thousand two hundred fifty eight dollars (\$133,258) per year for Rate Period Two through Ten, and are not annually adjusted. These costs shall be zero for all subsequent Rate Periods unless Parties mutually agree to a different amount.
8. **Total Annual Cost of Operations.** The Total Annual Cost of Operations for the coming Rate Period equals the sum of the costs calculated in subsections (1) through (7) above.

### **B. Profit**

Profit for the coming Rate Period shall be calculated by dividing the Total Annual Cost of Operations for the coming Rate Period (the value calculated in Section 2.A.8 above) by an operating ratio and subtracting from the result the Total Annual Cost of Operations for the coming year. The operating ratio shall equal eighty-three and eighty seven hundredths percent (83.87%) for Rate Periods Two through Ten and in any extension period.

$$\text{Profit} = \frac{\text{Total Annual Cost of Operations for Coming Rate Period}}{\text{Operating Ratio}} - \text{Total Annual Cost of Operations for Coming Rate Period}$$

### **C. Pass-Through Costs (Costs which are Excluded from the Calculation of Profit)**

1. **Processing/Disposal Costs.** Processing Costs for Organic Materials, Yard Trimmings and Disposal shall each be calculated independently by multiplying the per Ton tipping fee of each material type at the Approved Facilities for the coming Rate Period by the total Tons of material Collected for the most-recently completed 12-month period. It is possible that the Processing/Disposal tipping fees may adjust at different times than the Rates under this Agreement. In the event that such timing differences occur, Contractor shall include in its Rate application an adjustment to the Processing/Disposal costs for the incremental change in tipping fees multiplied by the actual Tonnage Processed/Disposed for that same period. For differences in Tip Fees in Rate Periods One and/or Two from those assumed in Contractor's Proposal, Contractor's Rate application for Rate Period Three shall include those differences in tip fees multiplied by actual Tonnage in the "Other Adjustments" line.

## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

2. **Organic Materials Processing Costs** shall be calculated separately for Yard Trimmings Processed at the Designated Yard Trimmings Processing Facility and for the Commercial Organic Materials Processed at the Approved Commercial Organics Processing Facility.
3. **Disposal Costs.** The Disposal Costs shall be calculated by multiplying the per-Ton Disposal fee at the Designated Disposal Facility and Designated County Transfer Facility (to be specified by the County) for the coming Rate Period by the total Tons of Solid Waste Collected for the most-recently completed Rate Period (with the exception of calculating Rates for Rate Period Two, which shall use Tons Collected during the most-recently completed 12-month period ending October 31).
4. **Reusable Materials Costs.** The Reusable Materials Costs (for charges by the operator of Approved Reusable Materials Facility for acceptance of Bulky Items and Reusable Materials) shall be calculated as the Reusable Materials costs for the then-current Rate Period multiplied by one plus the Annual Percentage Change in the CPI-U.
5. **Interest Expense.** The Interest Expense amount is Three hundred forty five thousand, five hundred seventy two dollars (\$345,572) in Rate Period Two through Ten, is not annually adjusted, and shall be zero in any subsequent Rate Period unless Parties mutually agree to a different amount.
6. **Direct Lease Costs.** The Direct Lease Costs amount is one hundred fifty seven thousand seven hundred six dollars (\$157,706) in Rate Periods One and Two and shall be adjusted in each subsequent Rate Period by one plus the Annual Percentage Change in the CPI-U.
7. **Allocated Lease Costs.** The Allocated Lease Costs amount is twenty thousand dollars (\$20,000) for Rate Period Two through Ten is not annually adjusted, and shall remain unadjusted in any subsequent Rate Period unless Parties mutually agree to a different amount.
8. **Total Pass-Through Costs.** Total Pass-Through Costs for the coming Rate Period are the sum of the amounts in Sections 2.C.1 through 2.C.7 above.

### **D. Total Calculated Costs before County Fees/Payments**

The Total Calculated Costs before County Fees/Payments shall be the sum of the Total Annual Cost of Operations, Profit, and Total Pass-Through Costs for the coming Rate Period.

### **E. County Fees/Payments (Pass-Through Fees)**

1. **Franchise Fee.** Franchise Fees for the coming Rate Period, which shall equal 10% of the Total Calculated Costs, shall be calculated as follows: ((Total Calculated Costs Before Fees + the sum of other County Fees) divided by (1.0-0.1%)) minus (Total Calculated Costs Before Fees + the sum of other County Fees) with County Fees/Payments specified in Sections 2.E.2 through 2.E.7) and other adjustments, if any, pursuant to Section 2.F).
2. **Administrative Payment.** Administrative Payment for the coming Rate Period, which shall equal 2.1% of the Total Calculated Costs.

## **EXHIBIT E1**

### **INDEX-BASED RATE ADJUSTMENT METHODOLOGY**

3. **AB 939/AB 341 Payment.** The AB 939/AB 341 Payments for the coming Rate Period, which shall equal 3.15% of the Total Calculated Costs.
4. **Vehicle Impact Mitigation Payment.** The County Vehicle Impact Payment for the coming Rate Period, which shall equal 5.5% of the Total Calculated Costs.
5. **Illegal Dumping Payment.** The Illegal Dumping Payment for the coming Rate Period, which shall equal 5.8% of the Total Calculated Costs.
6. **County Public Education Support Payment.** The County Public Education Support Payment for the coming Rate Period, which shall equal 0.95% of the Total Calculated Costs.
7. **Rate Application Review Costs.** An amount determined by the County to reimburse the Contractor for payment of the County's costs, including consulting and legal fees associated with determination of Rates under this Exhibit. Such Rate application review costs may or may not be one-time costs and shall be included in subsequent Rate Periods if it is not a one-time cost.
8. **Total County Fees/Payments.** The Total County Fees/Payments for the coming Rate Period shall equal costs calculated in Section 2.E.1 through 2.E.7 above; provided, however, that any adjustment in any such fee, whether pursuant to the relevant index or as the result of the decision of County, shall be pass-through fees (which are excluded from the calculation of profit) and reflected in the Total County Fees/Payments.

#### **F. Other Adjustments**

From time to time during the Term of the Agreement, it may be necessary to make other adjustments to the compensation calculations. These adjustments to the compensation calculations are intended to allow for one-time adjustments for items including, but not necessarily limited to: costs of professional services for Rate reviews, performance reviews, and/or audits; "roll-unders" of Rates from one Rate Period to the next; and, one time programs or services that are mutually agreed upon by the Parties.

#### **G. Total Calculated Costs**

The Total Calculated Costs for the coming Rate Period shall equal the sum of the Total Annual Cost of Operations, Profit, Total Pass-Through Costs, Total County Fees/Payments, and Other Adjustments (if applicable), for the coming Rate Period.

### **3. RATE ADJUSTMENT FACTOR**

The Rate Adjustment Factor shall equal the Total Calculated Costs for the coming Rate Period divided by the Total Calculated Costs for the then-current Rate Period, which shall be rounded to the nearest thousandth.

## **EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY**

### **4. ADJUSTMENT OF RATES**

Each then-current Rate shall be multiplied by the Rate Adjustment Factor to calculate the effective Rate for the coming Rate Period. The adjustment to each Rate shall be rounded to the nearest cent.

### **5. EXAMPLES**

The following example illustrates the index-based adjustment method for determining Rates for Rate Period Three. The dollar amounts shown are hypothetical amounts for Total Calculated Costs for Rate Period Two (July 1, 2019 through June 30, 2020) and the adjustment factors are based on assumed changes in the various indices between the average index values for the twelve (12) months ending October 2018 and for the twelve (12) months ending October 2019.

#### **A. Assumptions for Example Adjustment to Contractor's Compensation:**

Most-Recently Completed Rate Period = Rate Period One (January 1, 2018 through June 30, 2019)

Then-current Rate Period = Rate Period Two (July 1, 2019 through June 30, 2020)

Coming Rate Period = Rate Period Three (July 1, 2020 through June 30, 2021)

Yard Trimmings Materials Processing Costs per Ton for the then-current Rate Period = \$44.00 per Ton

Food Waste Materials Processing Costs per Ton for the then current Rate Period = \$64.00 per Ton

Disposal cost for the coming Rate Period = \$42.00 per Ton

Annual Percentage Change in the CPI-U = 0.040

Annual Percentage Change in the ECI = 0.018

Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index = 0.031

Annual Percentage Change in the Diesel Fuel Pricing Index = 0.075

Tonnages for the most-recently completed Rate Period:

Solid Waste – 44,183 Tons (Includes 10 Tons of SFD/MFD on-Call Resuse Processing Residue)

Yard Trimmings Materials – 20,577 Tons

Food Waste Materials – 1,885 Tons

## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

Note: All values presented in this table are hypothetical and used for illustrative purposes only.

**TABLE 2**  
**Example One - Calculation of Total Calculated Costs for Rate Period Three**

	Rate Period One	Rate Period Two	Adjustment Factor	Rate Period Three
<b>Annual Cost of Operations</b>				
Labor-Related Costs	\$ 4,410,253	\$ 4,542,560	1.018	\$ 4,624,326
Vehicle-Related Costs	\$ 899,375	\$ 926,356	1.031	\$ 955,073
Fuel Costs	\$ 1,217,858	\$ 1,254,394	1.075	\$ 1,347,219
Other Costs	\$ 583,056	\$ 600,548	1.04	\$ 624,570
Direct Depreciation	\$ 1,616,951	\$ 1,616,951	N.A.	\$ 1,616,951
Total Allocated Costs - Labor, Vehicle, Fuel & Other*	\$ 4,969,258	\$ 5,118,336	1.04	\$ 5,323,069
Total Allocated Costs - Depreciation & Start-Up	\$ 133,258	\$ 133,258	N.A.	\$ 133,258
<b>Total Annual Cost of Operations</b>	\$ 13,830,010	\$ 14,192,404	N.A.	\$ 14,624,468
<b>Profit</b>	\$ 2,412,443	\$ 2,729,363	OR=83.87	\$ 2,812,599
<b>Pass-Through Costs</b>				
Disposal Cost	\$ 1,767,320	\$ 1,767,320	44,183*\$42	\$ 1,855,686
Yard Trimmings Processing Costs	\$ 864,234	\$ 864,234	20,577*\$44	\$ 905,388
Food Waste Processing Costs	\$ 113,100	\$ 113,100	1,885*\$64	\$ 120,640
Interest Expense	\$ 345,572	\$ 345,572	N.A.	\$ 345,572
Direct Lease Costs	\$ 157,706	\$ 157,706	N.A.	\$ 157,706
Total Allocated Costs - Lease	\$ 20,000	\$ 20,000	N.A.	\$ 20,000
<b>Total Pass-Through Costs</b>	\$ 3,267,932	\$ 3,267,932	N.A.	\$ 3,404,992
<b>Total Costs before Agency Fees</b>	\$ 19,510,385	\$ 20,189,700	N.A.	\$ 20,842,059
<b>County Fees/Payments</b>				
Franchise Fee	\$ 2,167,821	\$ 2,243,300	10% net of Fees	\$ 2,315,784
Administrative Fee	\$ 800,000	\$ 850,000	3.13%	\$ 877,465
AB 939/341 Fee	\$ 800,000	\$ 1,400,000	5.15%	\$ 1,445,236
Vehicle Impact Fee	\$ 709,450	\$ 1,400,000	5.15%	\$ 1,445,236
AB 1826 Infrastructure	\$ -	\$ 816,113	3.00%	\$ 842,483
Public Education Support Payment	\$ 176,000	\$ 285,000	1.05%	\$ 294,209
Other Adjustments (as needed from time to time)	\$ -	\$ -	N.A.	\$ -
<b>Total Calculated Costs</b>	\$ 24,163,655	\$ 27,184,113		\$ 28,062,472

\*Fuel Costs included in allocated costs shall be adjusted using the CPI-U not Diesel Fuel Pricing Index



## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

**Table 3  
Example Two - Calculation of Total Calculated Costs for Rate Period Three**

	Rate Period One	Rate Period Two	Adjustment Factor	Rate Period Three
<b>Annual Cost of Operations</b>				
Labor-Related Costs	\$ 4,410,253	\$ 4,542,560	1.018	\$ 4,624,326
Vehicle-Related Costs	\$ 899,375	\$ 926,356	1.031	\$ 955,073
Fuel Costs	\$ 1,217,858	\$ 1,254,394	1.075	\$ 1,347,219
Other Costs	\$ 583,056	\$ 600,548	1.04	\$ 624,570
Direct Depreciation	\$ 1,616,951	\$ 1,616,951	N.A.	\$ 1,616,951
Total Allocated Costs - Labor, Vehicle, Fuel & Other*	\$ 4,969,258	\$ 5,118,336	1.04	\$ 5,323,069
Total Allocated Costs - Depreciation & Start-Up	\$ 133,258	\$ 133,258	N.A.	\$ 133,258
<b>Total Annual Cost of Operations</b>	\$ 13,830,010	\$ 14,192,404	N.A.	\$ 14,624,468
<b>Profit</b>	\$ 2,412,443	\$ 2,729,363	OR=83.87	\$ 2,812,599
<b>Pass-Through Costs</b>				
Disposal Cost	\$ 1,767,320	\$ 1,767,320	44,183*\$42	\$ 1,855,686
Yard Trimmings Processing Costs	\$ 864,234	\$ 864,234	20,577*\$44	\$ 905,388
Food Waste Processing Costs**	\$ 113,100	\$ 113,100	1,885*\$70	\$ 131,950
Interest Expense	\$ 345,572	\$ 345,572	N.A.	\$ 345,572
Direct Lease Costs	\$ 157,706	\$ 157,706	N.A.	\$ 157,706
Total Allocated Costs - Lease	\$ 20,000	\$ 20,000	N.A.	\$ 20,000
<b>Total Pass-Through Costs</b>	\$ 3,267,932	\$ 3,267,932	N.A.	\$ 3,416,302
<b>Total Costs before Agency Fees</b>	\$ 19,510,385	\$ 20,189,700	N.A.	\$ 20,853,369
<b>County Fees/Payments</b>				
Franchise Fee	\$ 2,167,821	\$ 2,243,300	10% net of Fees	\$ 2,317,041
Administrative Fee	\$ 800,000	\$ 850,000	3.13%	\$ 877,941
AB 939/341 Fee	\$ 800,000	\$ 1,400,000	5.15%	\$ 1,446,020
Vehicle Impact Fee	\$ 709,450	\$ 1,400,000	5.15%	\$ 1,446,020
AB 1826 Infrastructure	\$ -	\$ 816,113	3.00%	\$ 842,940
Public Education Support Payment	\$ 176,000	\$ 285,000	1.05%	\$ 294,368
			(1885/2)*\$10=\$9,425	
Other Adjustments (as needed from time to time)***	\$ -	\$ -	N.A.	\$ 9,425
<b>Total Calculated Costs</b>	\$ 24,163,655	\$ 27,184,113		\$ 28,087,125

\*Fuel Costs included in allocated costs shall be adjusted using the CPI-U not Diesel Fuel Pricing Index.

\*\* Assumes half of the Food Waste tons were processed at \$70 per ton rather than anticipated \$60/ton in Rate Period Two as a result of a tip fee adjustment. \$10/per ton adjustment applied in "Other adjustments".

## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

**Table 4**  
**Example Three - Calculation of Total Calculated Costs for Rate Period Three**

	Rate Period One	Rate Period Two	Adjustment Factor	Rate Period Three
<b>Annual Cost of Operations</b>				
Labor-Related Costs	\$ 4,410,253	\$ 4,542,560	1.018	\$ 4,624,326
Vehicle-Related Costs	\$ 899,375	\$ 926,356	1.031	\$ 955,073
Fuel Costs	\$ 1,217,858	\$ 1,254,394	1.075	\$ 1,347,219
Other Costs	\$ 583,056	\$ 600,548	1.04	\$ 624,570
Direct Depreciation	\$ 1,616,951	\$ 1,616,951	N.A.	\$ 1,616,951
Total Allocated Costs - Labor, Vehicle, Fuel & Other*	\$ 4,969,258	\$ 5,118,336	1.04	\$ 5,323,069
Total Allocated Costs - Depreciation & Start-Up	\$ 133,258	\$ 133,258	N.A.	\$ 133,258
<b>Total Annual Cost of Operations</b>	\$ 13,830,010	\$ 14,192,404	N.A.	\$ 14,624,468
<b>Profit</b>	\$ 2,412,443	\$ 2,729,363	OR=83.87	\$ 2,812,599
<b>Pass-Through Costs</b>				
Disposal Cost	\$ 1,767,320	\$ 1,767,320	44,183*\$42	\$ 1,855,686
Yard Trimmings Processing Costs	\$ 864,234	\$ 864,234	20,577*\$44	\$ 905,388
Food Waste Processing Costs**	\$ 113,100	\$ 113,100	1,885*\$64	\$ 120,640
Interest Expense	\$ 345,572	\$ 345,572	N.A.	\$ 345,572
Direct Lease Costs	\$ 157,706	\$ 157,706	N.A.	\$ 157,706
Total Allocated Costs - Lease	\$ 20,000	\$ 20,000	N.A.	\$ 20,000
<b>Total Pass-Through Costs</b>	\$ 3,267,932	\$ 3,267,932	N.A.	\$ 3,404,992
<b>Total Costs before Agency Fees</b>	\$ 19,510,385	\$ 20,189,700	N.A.	\$20,842,059
<b>County Fees/Payments</b>				
Franchise Fee	\$ 2,167,821	\$ 2,243,300	10% net of Fees	\$ 2,315,784
Administrative Fee	\$ 800,000	\$ 850,000	3.13%	\$ 877,465
AB 939/341 Fee	\$ 800,000	\$ 1,400,000	5.15%	\$ 1,445,236
Vehicle Impact Fee	\$ 709,450	\$ 1,400,000	5.15%	\$ 1,445,236
AB 1826 Infrastructure	\$ -	\$ 816,113	3.00%	\$ 842,483
Public Education Support Payment	\$ 176,000	\$ 285,000	1.05%	\$ 294,209
				1,885*-\$10=(\$18,850)
Other Adjustments (as needed from time to time)***	\$ -	\$ -	N.A.	\$ (18,850)
<b>Total Calculated Costs</b>	\$ 24,163,655	\$ 27,184,113		\$28,043,622

\*Fuel Costs included in allocated costs shall be adjusted using the CPI-U not Diesel Fuel Pricing Index.

\*\* Assumes all Food Waste tons were processed at \$50 per ton rather than anticipated \$60/ton in Rate Period One. \$10/per ton credit applied in "Other adjustments".

### B. Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Three

As Seen in Table 2 (Example One) - Rate Adjustment Factor =  $\$28,062,471 / \$27,184,112 = 1.032$

## **EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY**

20-gallon Single-Family Rate for Rate Period Three =  $\$21.16 \times 1.032 = \$21.84$ , which shall be effective July 1, 2020.

As Seen in Table 3 (Example Two) - Rate Adjustment Factor =  $\$28,087,125/\$27,184,112 = 1.033$

20-gallon Single-Family Rate for Rate Period Three =  $\$21.16 \times 1.033 = \$21.86$ , which shall be effective July 1, 2020.

As Seen in Table 4 (Example Three) - Rate Adjustment Factor =  $\$28,043,621/\$27,184,112 = 1.032$

20-gallon Single-Family Rate for Rate Period Three =  $\$21.16 \times 1.032 = \$21.83$ , which shall be effective July 1, 2020.

### **6. OTHER**

If an index described in Section 2 is discontinued, the successor index with which it is replaced shall be used for subsequent calculations. If no successor index is identified by the Bureau of Labor Statistics or Pacific Gas and Electric Company, the index published by the either organization which is most comparable shall be used.

**EXHIBIT E2:  
COST-BASED RATE  
ADJUSTMENT METHODOLOGY**

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## EXHIBIT E2

### COST-BASED RATE ADJUSTMENT METHODOLOGY

#### 1. GENERAL

The County shall use the cost-based Rate adjustment method described in this Exhibit to determine Rates for Rate Periods Four and Eight, and, if the Term is extended, for Rate Period Twelve. The cost-based adjustment involves review of the Contractor's actual cost of operations and operational statistics (staffing levels, routes, route hours, Customers and their Service Levels, etc.) to determine the Actual Allowable Total Annual Cost of Operations for the most-recently completed Rate Period and to forecast the Total Contractor's Compensation for the coming Rate Period. The difference (measured as a percentage) between the Total Contractor's Compensation for the coming Rate Period and the Projected Gross Rate Revenues (which is calculated based on most-recent Customer subscription levels at then-current Rates) is the "Rate Adjustment Factor". The Rate Adjustment Factor is applied to the then-current Rates to determine the Rates for the coming Rate Period.

The intent of performing the cost-based adjustment is to examine the actual impact of changes in inflation or deflation, the number of Customers, and the Service Level of Customers.

The County Contract Manager shall approve Rate adjustments if the Total Annual Cost of Operations portion of the Rate Adjustment Factor is equal to or less than seven percent (7%), calculated in accordance with this Exhibit E2. If the Total Annual Cost of Operations portion of the Rate Adjustment Factor is greater than seven percent (7%), the portion that is greater than seven percent (7%) shall be presented to the County Board of Supervisors. The County shall agendaize the matter with the Board of Supervisors for discussion and the Board of Supervisors shall have the option to take any the following actions, effective or retroactive to the beginning of the Rate Period: i) approve the portion of the Rate adjustment over the seven percent (7%); ii) direct a reduction in the scope of services to Customers and/or County facilities in an amount equivalent to or greater than the portion of the Rate adjustment over the seven percent (7%); iii) carry over the dollar value of the portion of the Rate adjustment over the seven percent (7%) to the following Rate Period's adjustment as an "Other Adjustment" referenced in subsection 2.E below; or, iv) direct a reduction in County fee payments in an amount equivalent to or greater than the portion of the Rate adjustment over the seven percent (7%). County's failure to provide Contractor direction on such matter by January 1 of the calendar year following the Rate application shall entitle Contractor to carry forward the dollar value as described in (iii) above in order to compensate Contractor for losses in the current Rate Period and apply the actual Annual Percentage Change to the Adjustment Factor in the following Rate Period for each cost category in order to continue to compensate Contractor in future Rate Periods. In the event County fails to provide Contractor with direction, the amount associated with the prior Rate Period shall not count towards the seven percent (7%) limit on future Rate Period(s).

In the event that the cost-based adjustment calculated in accordance with this Exhibit E2 results in a negative Rate Adjustment Factor, the County reserves the right to "roll-under" the Rate reduction, such that there is no Rate adjustment in the Rate Period for which the negative Rate Adjustment Factor was calculated, but the calculated Rate reduction may be deferred to the following Rate Period, as a credit against future Rate increases.

## **EXHIBIT E2**

### **COST-BASED RATE ADJUSTMENT METHODOLOGY**

#### **2. FORECASTING TOTAL CONTRACTOR'S COMPENSATION**

The Total Contractor's Compensation for the coming Rate Period shall be forecasted in the manner described in this Section.

##### **A. Forecasting Total Annual Cost of Operations**

1. **Determine Actual Allowable Total Annual Cost of Operations.** Contractor's financial statement, books, and records shall be reviewed to determine Contractor's "Actual Allowable Total Annual Cost of Operations" for the most-recently completed Rate Period to perform all the services in the manner required by this Agreement for each of the following cost categories:
  - a. Actual labor-related costs
  - b. Actual vehicle-related costs (excluding fuel and depreciation)
  - c. Actual fuel costs
  - d. Actual other costs (as defined on Form 6D of Exhibit G2)
  - e. Direct depreciation costs (in the amount specified in Exhibit E1)
  - f. Actual allocated costs (labor, vehicle, general and administrative, and other costs)
  - g. Actual allocated costs (depreciation and start-up) (in the amount stated in Exhibit E1)
  
2. **Non-Allowable Costs.** The following list of non-allowable costs shall be deducted from the Contractor's actual costs when determining the Actual Allowable Total Annual Cost of Operations.
  - a. Labor, equipment, fuel, and start-up costs for personnel, vehicles, and facilities that are not specified in the Contractor's Proposal forms contained in Exhibit G2.
  - b. Payments to directors and/or owners of Contractor unless the amount paid is reasonable compensation for services actually rendered. Reasonableness shall be determined based on available market pricing for similar services and shall be in the sole discretion of the County.
  - c. Travel expenses and entertainment (above five thousand dollars (\$5,000) annually in total) expenses, unless authorized in advance by the County.
  - d. Payments to repair damage to public or private property for which Contractor is legally liable.
  - e. Fines or penalties of any nature.
  - f. Liquidated Damages assessed under this Agreement.
  - g. Federal or State income taxes.
  - h. Cash donations or value of in-kind services (except those payments specified in

## EXHIBIT E2

### COST-BASED RATE ADJUSTMENT METHODOLOGY

this Agreement) provided to charitable, political, youth, civic, or other community organizations unless such donation has been previously approved in writing as an allowable expense by the County Contract Manager.

- i. Depreciation or interest expense for Collection vehicles, Containers, other equipment, offices and other facilities if such items are leased as specified in Exhibit G2.
  - j. Attorney's fees and other expenses incurred by Contractor in any court proceeding in which the County and Contractor are adverse Parties.
  - k. Attorney's fees and other expenses incurred by Contractor arising from any act or omission in violation of this Agreement.
  - l. Attorneys' fees and other expenses incurred by Contractor in any court proceeding in which Contractor's own negligence, violation of law or regulation, or wrong doing are in issue and occasion, in whole or in part, the attorneys' fees and expenses claimed; and attorneys' fees and expenses incurred by Contractor in a court proceeding in which the legal theory or statute providing a basis of liability against Contractor also provides for separate potential liability for the County derived from the action of its citizens or Rate payers (such as in a CERCLA lawsuit) unless the Contractor is found not liable in such claims and such claims arise from acts or occurrences within the Term of the Agreement.
  - m. Payments to Related-Party Entities for products or services, in excess of the cost to the Related-Party Entities for those products or services.
  - n. Goodwill.
  - o. Unreasonable profit sharing distributions.
  - p. Replacement costs for Containers that need to be replaced because the useful life of such Container was less than the Term.
  - q. Administrative costs greater than the administrative costs presented in Contractor's Proposal (Exhibit G2) adjusted annually by one plus the Annual Percentage Change in the CPI-U.
  - r. Bad debt write-offs in excess of two percent (2%) of annual Rate revenues.
  - s. Transfer and Processing costs for Recyclable Materials.
  - t. Procurement reimbursement payment (i.e., a payment required pursuant to Section 7.9 of the Agreement).
3. **Forecast Total Annual Cost of Operations.** Forecasted Total Annual Cost of Operations for the coming Rate Period shall be calculated based on Actual Allowed Total Cost of Operations for the most-recently completed Rate Period determined in accordance with Sections 2.A.1 and 2.A.2 above. The forecasts shall be performed in the following manner:



## EXHIBIT E2

### COST-BASED RATE ADJUSTMENT METHODOLOGY

- a. **Forecasted labor-related costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed labor-related costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in the ECI, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the ECI.
- b. **Forecasted vehicle-related costs** (excluding fuel and depreciation costs) shall be calculated for the coming Rate Period by (i) multiplying the allowed vehicle-related costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index.
- c. **Forecasted fuel costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed fuel costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in the CNG Fuel Price Index, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the CNG Fuel Price Index.
- d. **Forecasted other costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed other-related costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in CPI-U, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the CPI-U.
- e. **Forecasted direct depreciation expense** shall be the amount specified in Exhibit G2 for vehicles, Containers, and facilities. Direct depreciation expense is a fixed cost and is not subject to inflation.
- f. **Forecasted allocated labor-related, vehicle-related, general and administrative, and other costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed other-related costs for most-recently completed Rate Period by one plus the Annual Percentage Change in CPI-U, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in CPI-U.
- g. **Forecasted allocated depreciation and start-up expense** shall be the amount specified in Section 2.A.7 of Exhibit E1 for vehicles, Containers, and facilities.
- h. **Forecasted Total Annual Cost of Operations** for the coming Rate Period shall equal the sum of the following costs, which shall have been calculated in accordance with the procedures in this Exhibit E2:
  - (1) Forecasted labor-related costs
  - (2) Forecasted vehicle-related costs (excluding fuel and depreciation costs)
  - (3) Forecasted fuel costs
  - (4) Forecasted other costs

## EXHIBIT E2

### COST-BASED RATE ADJUSTMENT METHODOLOGY

- (5) Forecasted direct depreciation expense
- (6) Forecasted allocated labor-related, vehicle-related, general and administrative, and other costs
- (7) Forecasted allocated costs for depreciation and start-up

#### B. Forecast Profit

Contractor shall be entitled to Profit on Forecasted Total Annual Cost of Operations. Profit shall be calculated using an operating ratio of eighty-three and eighty seven hundredths percent (83.87%) as proposed by Contractor and described in Exhibit G2. Profit shall be calculated using the following formula:

$$\text{Profit} = (\text{Forecasted Total Annual Cost of Operations} / \text{Operating Ratio}) - \text{Forecasted Total Annual Cost of Operations}$$

For example:

- 1. Assuming an operating ratio of 83.87%
- 2. Assuming a Forecasted Total Annual Cost of Operations of \$1,000,000
- 3. Profit =  $(\$1,000,000 / 0.8387) - \$1,000,000 = \$192,321.45$

#### C. Forecast Pass-Through Costs (Costs which are Excluded from the Calculation of Profit)

Pass-Through Costs for the coming Rate Period shall be forecasted in the following manner:

- 1. **Organic Materials Processing Costs.** The Organic Materials Processing Cost shall be calculated by multiplying the per-Ton Organic Materials tipping fee for the coming Rate Period by the total Tons of Organic Materials Collected for the most-recently completed 12-month period (based on available data as of the date of the Rate application). Organic Materials Processing Costs shall be calculated separately for Yard Trimmings Processed at the Designated Yard Trimmings Processing Facility and for the Organic Materials Processed at the Approved Commercial Organics Processing Facility.
- 2. **Disposal Costs.** The Disposal Costs shall be calculated by multiplying the per-Ton Disposal fee at the Designated Disposal Facility and Designated County Transfer Facility (to be specified by the County) for the coming Rate Period by the total Tons of Solid Waste Collected for the most-recent 12-month period.
- 3. **Reusable Materials Costs.** The Reusable Materials Costs (for charges by the operator of Approved Reusable Materials Facility for acceptance of Bulky Items and Reusable Materials) shall be calculated by multiplying the per-Ton tipping fee (for the Approved Reusable Materials Facility) for the coming Rate Period by the total Tons of Bulky Items and Reusable Materials Collected for the most-recent 12-month period.
- 4. **Forecasted Interest Expense.** Interest Expense is \$345,572 per year and shall not be adjusted over the Term of the Agreement, except as required by an Extraordinary Rate Adjustment as contemplated in Section 8.3.
- 5. **Forecasted Direct Lease Costs.** Direct Lease Costs are \$157,706 per year and shall be

## **EXHIBIT E2**

### **COST-BASED RATE ADJUSTMENT METHODOLOGY**

adjusted annually by one plus the Annual Percentage Change in the CPI-U.

6. **Forecasted Allocated Lease Costs.** Allocated Lease Costs are \$20,000 per year and shall not be adjusted over the Term of the Agreement, except as required by an Extraordinary Rate Adjustment as contemplated in Section 8.3.

#### **D. Forecast County Fees/Payments**

County fees shall be calculated in the manner described in Section 2.E of Exhibit E1.

#### **E. Other Adjustments**

Other adjustments may be included in the manner described in Section 2.F of Exhibit E1.

### **3. PROJECTED GROSS RATE REVENUE**

Projected Gross Rate Revenue at then-current Rates shall reflect projected annual Gross Rate Revenues from all Customers based on then-current Rates and then-current Customer Service Levels.

### **4. RATE ADJUSTMENT FACTOR**

The Rate Adjustment Factor shall equal the Forecasted Total Calculated Costs for the coming Rate Period divided by the Projected Gross Rate Revenues calculated in accordance with Section 2 herein. The Rate Adjustment Factor shall be rounded to the nearest thousandth.

### **5. ADJUSTMENT OF RATES**

Each then-current Rate shall be multiplied by the Rate Adjustment Factor to calculate the effective Rate for the coming Rate Period.

**EXHIBIT F:  
PERFORMANCE STANDARDS  
AND LIQUIDATED DAMAGES**

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## **EXHIBIT F**

### **PERFORMANCE STANDARDS & LIQUIDATED DAMAGES**

County wishes to establish standards of performance under the Agreement in each of the five (5) "Performance Areas" listed below. The County Contract Manager may monitor Contractor's performance in each of those areas based on the "Performance Indicator" listed below for each area. In the event that Contractor fails to meet the performance standard established for any "Performance Indicator", County Contract Manager may review Contractor's performance relative to the "Specific Performance Measures" within that performance area. In the event that the County Contract Manager determines that Contractor has failed to meet the performance standard established for any "Specific Performance Measure", the County may assess Liquidated Damages pursuant to Section 10.6 of the Agreement after providing notice to Contractor and following the procedures as described in Section 10.6.B. Liquidated Damages, if assessed, shall only be assessed for the number of events, days, or other measure in excess of the acceptable performance level.

#### **Defined Terms**

Certain terms that are specific to this Exhibit are defined below:

**"Complaint"** shall mean each written or orally communicated statement made by any Person, whether to County or Contractor, alleging: (1) non-performance, or deficiencies in Contractor's performance, of its duties under this Agreement; or, (2) a violation by Contractor of this Agreement.

**"Service Opportunity"** shall mean each individual scheduled opportunity the Contractor has to Collect from a Container at a Customer's location. For example, a Multi-Family or Commercial Customer receiving Solid Waste Collection service three (3) times per week from two (2) Containers and Recyclable Materials Collection service two (2) times per week from two (2) Containers would have a total of ten (10) Service Opportunities each week. Service Opportunities shall be calculated based on the Service Levels presented in Contractor's most-recently submitted monthly report required by Exhibit D (Reporting Requirements).

**"Total Service Opportunities"** shall mean the sum of all Service Opportunities in a given time period.

#### **Performance Area No. 1: Service Quality and Reliability**

Performance Indicator: Contractor's service quality and reliability shall be considered acceptable by the County if the total number of calls, voice messages, and emails (including, without limitation: Complaints, inquiries, billing questions, service requests, and compliments) received by Contractor from Customers served under this Agreement does not exceed twenty (20) per one thousand (1,000) Total Service Opportunities in any calendar quarter. If the number of calls, messages, and emails exceeds this level, County may assess Liquidated Damages for the specific performance measures identified in the following table.

**EXHIBIT F**  
**PERFORMANCE STANDARDS & LIQUIDATED DAMAGES**

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Missed Collections	Each Service Opportunity where Contractor fails to Collect a Container from a Customer who properly placed said Container for Collection.	Less than ten (10) per one thousand (1,000) Service Opportunities	\$50/Event
Failure to Correct Missed Collections	Each "Missed Collection" as defined above that is not Collected by the end of the Business Day following the receipt of the Customer complaint about the Missed Collection.	Less than one (1) per one hundred (100) Missed Collections	\$50/Event
Failure to Clean-Up Spillage	Each failure by Contractor to clean up: (1) any items or materials spilled during the Collection of a Container; or, (2) any fluids spilled or leaked from a Container or Collection vehicle prior to leaving the Collection location.	Less than five (5) per one thousand (1,000) Service Opportunities	\$100/Event
Damage to Property	Each event of damage to either public or private property as a result of Collection activity, including without limitation curbs, sidewalks, landscapes, Container enclosures and gates, signs, light fixtures, and overhead wires and cables.	Less than two (2) per one thousand (1,000) Service Opportunities	\$250/Event
Excessive Noise or Discourteous Behavior	Each Complaint received that is related to either noise during Collection activity or the behavior of Contractor's employees.	Less than five (5) per one thousand (1,000) Service Opportunities	\$250/Event
Inaccurate Billing	Each Complaint received where the Contractor billed a Customer in error. Inaccurate billing may include either over- or under-charging of the Customer relative to the approved Rates for services.	Less than five (5) per one thousand (1,000) bills issued.	\$100/Event
Failure to Perform Other Requirement	Each failure to perform any obligation of the Agreement not specifically stated above.	No acceptable failure level	\$100/Event

**Performance Area No. 2: Customer Service**

Performance Indicator: The level of Customer service provided by Contractor shall be considered acceptable if the total number of Complaints received by County regarding Contractor does not exceed one (1) per one thousand (1,000) Total Service Opportunities in any calendar quarter. If the number exceeds this level, County may assess Liquidated Damages for the specific performance measures identified in the following table.

**EXHIBIT F**  
**PERFORMANCE STANDARDS & LIQUIDATED DAMAGES**

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Failure to Commence Service	Any failure by Contractor to deliver a Container and begin providing Collection to a Customer, at the Service Level requested by said Customer, within seven (7) calendar days of receiving such request. This may include a new Customer receiving new service or an existing Customer requesting a change in or addition to existing Service Levels. This may also include delivering Used Oil Recovery Kits to Customers upon request. This does not include the provision of a higher Service Level at the same cost as the requested Service Level.	Less than one (1) per one hundred (100) Service Requests	\$50/Event
Failure to Replace Container	Any failure by Contractor to replace a damaged or defaced Container within seven (7) calendar days of receiving such a request from a Customer.	No acceptable failure level	\$50/Event
Failure to Deliver Kitchen Pail	Any failure by Contractor to deliver a Kitchen Pail to a Customer within seven (7) calendar days of receiving a request from Customer to do so.	No acceptable failure level	\$50/Event
Failure to Resolve Complaint	Any failure by Contractor to resolve or remedy a Complaint within seven (7) calendar days of receiving such Complaint.	Less than one (1) per one hundred (100) Complaints	\$100/Event
Failure to Answer Phones	Any failure by Contractor to answer a telephone call from a Customer during normal business hours. A call is not considered to be answered if the Customer does not speak with a live operator. A call is considered to be answered if the Customer hangs-up or abandons the call following a hold time of less than three (3) minutes.	Less than five (5) per one thousand (1,000) Calls Received Under this Agreement	\$50/Event
Excessive Call Center Hold Time	Each occurrence of a call being placed "on hold" prior to being answered by a Customer Service Representative for more than two (2) minutes. Contractor may not answer the call and immediately place the Customer on hold without first allowing the Customer to describe the nature of their call.	Less than two (2) per one thousand (1,000) Calls Received Under this Agreement	\$50/Event



**EXHIBIT F**  
**PERFORMANCE STANDARDS & LIQUIDATED DAMAGES**

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Unauthorized Hours of Operation	Each occurrence of Contractor Collecting from Customers during unauthorized hours.	Less than two (2) per one thousand (1,000) Service Opportunities	\$50/Event

**Performance Area No. 3: Diversion**

Performance Indicator: Contractor's Diversion performance shall be considered acceptable if the Contractor's Diversion level is sixty-five percent (65%) or greater in any calendar quarter where the Diversion level percentage shall be calculated by dividing (i) the sum of Tons of Recyclable Materials, Organic Materials, Reusable Materials, and C&D which are Collected under this Agreement, and delivered for Processing less Residue Disposed by (ii) the total Tons of Discarded Materials Collected under this Agreement. If the calculated Diversion level is less, County may assess Liquidated Damages for the specific performance measures identified in the following table.

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Failure to Perform Education and Outreach Activities	Each individual failure by Contractor to develop, produce, and/or distribute public education material or perform community outreach activities in the form and manner required under Exhibit C to this Agreement and the annual public education prepared each Rate Period.	No acceptable failure level	\$500/Activity

**Performance Area No. 4: Facilities**

Performance Indicator: Contractor's performance relative to use of Approved Facilities shall be considered acceptable when one hundred percent (100%) of all material types Collected by Contractor are delivered to the appropriate Approved Facility as required under Article 4 of this Agreement. If Contractor fails to meet this level of performance, County may assess Liquidated Damages for the specific performance measures identified in the following table.

## EXHIBIT F PERFORMANCE STANDARDS & LIQUIDATED DAMAGES

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Delivery to Non-Approved Facility	Each individual occurrence of delivering Discarded Materials to a facility other than the Approved Facility designated for each material type under Article 4 of this Agreement.	No acceptable failure level	\$100/Ton
Disposal of Targeted Diversion	Each individual occurrence of delivering Recyclable Materials, Organic Materials, Reusable Materials or C&D set out for Collection by the Customer for Disposal rather than Processing.	No acceptable failure level	\$500/Ton
Mixing Material Types During Collection	Each individual Container that is Collected by Contractor in a vehicle intended or designated for the purpose of Collecting a different material type (e.g., Recyclable Materials Collected in Solid Waste vehicles (or vehicle compartment, in split-body vehicles), Solid Waste Collected in Organic Materials vehicle, etc.)	No acceptable failure level	\$100/Container
Mixing County Materials with Other Jurisdictions	Each instance of Contractor comingling in the same Collection vehicle Discarded Materials Collected in the County with materials Collected in other jurisdictions.	No acceptable failure level	\$1,000/Route
Excessive Residue	Failure to meet the Residue level requirements for Processing of Recyclable Materials pursuant to Section 4.3.D	No acceptable failure level	\$100/Ton
Excess Contamination	Failure to meet the contamination level requirement for Yard Trimmings delivered to the Designated County Transfer Facility (Ben Lomond Transfer Station) and/or Designated Yard Trimmings Processing Facility (Composting facility at Buena Vista Landfill). If Contamination charges are imposed by the Processing Facility, then no additional Liquidated Damages will be assessed by the County.	No acceptable failure level	\$100/Ton

### Performance Area No. 5: Reporting

Performance Indicator: Contractor's reporting shall be considered acceptable if Reports required under Exhibit D and record requests allowed under Article 6 to this Agreement are received, complete, and accurate within seven (7) calendar days after the date due or requested. If Contractor fails to meet this

## EXHIBIT F PERFORMANCE STANDARDS & LIQUIDATED DAMAGES

level of performance, County may assess Liquidated Damages for the specific performance measures identified in the following table.

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Late Report	Each occurrence of a Report, as required under Exhibit D to this Agreement or elsewhere in this Agreement, being submitted after the due date. Reports shall be considered late until they are submitted in a complete and accurate format.	Less than seven (7) calendar days after report due date	\$250/Day
Failure to Maintain or Provide Access to Records	Each occurrence of County Contract Manager requesting information required to be maintained by Contractor where Contractor fails to provide such information.	Less than seven (7) calendar days after report due date	\$500/Event
Misleading/ Inaccurate Reporting	Each occurrence of Contractor providing misleading or otherwise inaccurate information or reporting to County under or in regard to this Agreement. Typographical, cell reference, mathematical, and/or logic errors shall not be considered legitimate excuses from this requirement, nor shall ignorance.	No acceptable failure level	\$500/Event

By placing Designee's initials at the places provided, each Party specifically confirms the accuracy of the statements made above and the fact that each Party has had ample opportunity to consult with legal counsel and obtain an explanation of Liquidated Damage provisions of the time that the Agreement was made.

Contractor

County

Initial Here: \_\_\_\_\_

Initial Here: \_\_\_\_\_

## **EXHIBIT G: CONTRACTOR'S PROPOSAL**

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- G1: Technical Proposal*
- G2: Cost Basis for Proposal*
- G3: Initial Rates for Collection Services*
  - A) Rate Period One Rates*
  - B) Rate Period Two Rates*
- G4: Implementation Plan and Schedule*



**EXHIBIT G1:  
TECHNICAL PROPOSAL**

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## 2      Technical Proposal for Base Services



## 2.A Recyclable Materials, Organic Materials, and Solid Waste Collection

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GreenWaste Recovery, Inc. (GreenWaste) guarantees that its collection operations align with the goals of each jurisdiction it serves. In serving the County of Santa Cruz (County) over the last 8 years, GreenWaste has refined its collection operations to meet the unique demands of the County's geography and varying subscription levels. GreenWaste is experienced in implementing collection operations that focus on maintaining a high level of service while increasing participation in recycling programs, so that the jurisdictions it serves will achieve the State's 75% recycling goal by January 1, 2020. GreenWaste's proposed operations to the County will result in increased diversion, environmentally sustainable operations, competitive pricing, and will achieve the County's goals for collection services. GreenWaste has designed the following collection operations plan to:

- ✓ *Provide cohesive, high quality, and universal recyclable materials, organic materials, and solid waste collection services for customers;*
- ✓ *Increase recycling and organics participation and diversion programs;*
- ✓ *Minimize vehicle emissions and carbon footprint of collection operations; and,*
- ✓ *Produce excellent customer satisfaction and superior service.*

Under the new Agreement within the Base Proposal, GreenWaste will offer services that differ from current services, including:

- ✓ *Targeting multi-family customers for diversion;*
- ✓ *Offering food scraps collection across all sectors (if the provision of food scraps collection is implemented by the County);*
- ✓ *Offering commercial customers the option to subscribe to organic materials collection in bins (as opposed to carts only);*
- ✓ *Operating the Bulky Item Collection Program across all sectors and promoting reuse of bulky items, rather than disposal only; and,*
- ✓ *Expanding public education and outreach efforts throughout the County.*

In addition to the Base Proposal, GreenWaste proposes various Alternative Proposals that will increase diversion. These are detailed within Section 3 | Technical Proposal for Alternative Services.

The following section details the services GreenWaste will offer to single-family, multi-family, and commercial customers, and the collection methodology, staffing plans, vehicles and equipment to be used for complete provision of recyclable materials, organic materials, and solid waste services by sector and material type. GreenWaste will furnish all personnel, labor, and equipment required to collect, remove, and deliver to the Approved Facilities, as agreed upon, all recyclable materials, organic materials, and solid waste produced, generated, or accumulated in the County during the period this Agreement is in effect. This collection section of this proposal is outlined as follows:

- ✓ *2.A.i Services Provided*
  - ✓ *2.A.i.a Single-Family Customer Collection Services*
  - ✓ *2.A.i.b Multi-Family Customer Collection Services*
  - ✓ *2.A.i.c Commercial Customer Collection Services*
  - ✓ *2.A.i.d County Services*

- ✓ 2.A.i.e Other Services
- ✓ 2.A.i.f Disaster Relief Services
- ✓ 2.A.ii Collection Methodology
  - ✓ 2.A.ii.a Vehicles
  - ✓ 2.A.ii.b Route Planning; and
  - ✓ 2.A.ii.c Personnel
- ✓ 2.A.iii Processing and Disposal
  - ✓ 2.A.iii.a Organics Delivery
  - ✓ 2.A.iii.b Solid Waste Disposal

The detailed plan for all communications with customers regarding opportunities for decreasing contamination, increasing recycling, and ultimately increasing diversion is covered in the following sections:

- Section 2.D | Public Education & Outreach
- Section 2.E | Customer Service
- Section 2.F | Billing

## 2.A.i Services Provided

### 2.A.i.a Single-Family Customer Collection Services

GreenWaste will offer recyclable materials, organic materials, and solid waste collection services to any single-family customer in the franchise area who subscribes to services and who places GreenWaste-provided containers at the curb (or who provides a waiver for access via private road(s) where containers are placed). In hard-to-service areas, including long private roads, low-density rural areas, steep roads, narrow streets, etc., GreenWaste will provide collection services to subscribing customers at County-approved rates. Back/side-yard collection service will be available to single-family customers that request such service and pay an additional fee, or to single-family customers that have a disability as defined by the Americans with Disabilities Act for no additional fee.

<b>Proposed Base Single-Family Collection Services</b>	
Recyclable Materials Collection (includes 1 Cart)	✓
Additional Recyclable Materials Carts	\$
Organic Materials Collection (includes up to 2 Carts)	✓
Additional Organic Materials Carts	\$
Solid Waste Collection (includes 1 Cart)	✓
Additional Solid Waste Carts	\$
Back-/Side-Yard Collection Service	✓ / \$*
Curbside Motor Oil & Filter Collection	✓
Curbside Bulky Item Materials Collection	✓
Curbside Household Battery Collection	✓
Curbside Holiday Tree Collection	✓
<small>*Note: Back/side-yard Collection service will be offered to Single-Family Customers that request such service and pay an additional "long walk" fee. Disabled Single-Family Customers (as defined by the ADA), however, will receive back/side-yard Collection service at no additional fee.</small>	

GreenWaste will provide all single-family customers with weekly collection service for single-stream recyclable materials, organic materials, and solid waste, and will offer additional services as described in this section. Collection containers may be offered in the following sizes, with options for additional containers and/or container sizes available, as detailed in the table below.

Single-Family Carts			
	Recyclable Materials	Organic Materials	Solid Waste
20-Gallon	n/a	n/a	✓
35-Gallon	A ~ as-needed	A ~ as-needed	✓
65-Gallon	✓	✓	✓
95-Gallon	✓	✓	✓
Additional Cart(s)	\$	A ~ up to 1 additional cart \$ ~ beyond the first 2 carts	\$
✓ ~ Offered A ~ Available (No Additional Charge) \$ ~ Available (Additional Charge) n/a ~ Not Available			



Single-Family Recyclable Materials Collection

GreenWaste will provide all single-family customers who subscribe to solid waste collection service with weekly curbside (or back/side-yard service for eligible customers) recyclable materials collection service and will transport all recyclable materials collected to the approved recyclable materials transfer facility. Single-compartment and split-body side-loader vehicles will be utilized. GreenWaste will offer all single-family customers one new recyclable materials cart in 35- (for eligible Customers), 65- (default), and 95-gallon sizes. Additional carts will be available upon customer request and GreenWaste will charge an "Additional Recycling Cart" Rate approved by the County. GreenWaste will ensure that 35-gallon recyclable materials

carts are available on an as-needed basis for customers who have space constraints, are physically unable to move a larger cart, or who had stacking recycling crates under the prior Agreement.

- **Recyclable Materials Overages** | GreenWaste will collect additional recyclable materials from single-family customers in customer-provided 32-gallon bags placed adjacent to the recyclable materials cart on their regularly-scheduled collection day at no additional charge to the customer. For information on how GreenWaste will conduct outreach to customers to notify them of this free service, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.
- **Contamination of Recyclable Materials** | GreenWaste proposes the implementation of contamination fees for customers with chronic contamination. GreenWaste will phase in the implementation of this program by first notifying customers that have continuously contaminated recyclable materials containers and then targeting outreach activities toward these customers. If the contamination continues, contamination fees will be imposed.

Special pickups requested by a customer on days other than their regularly-scheduled collection day will be available at an approved additional charge. GreenWaste proposes to utilize its Operations and Transfer Facility located in Watsonville as a Transfer Station for recyclable materials, which will then be transported to the GreenWaste Material Recovery Facility (MRF) located at 625 Charles Street in San Jose, California. The GreenWaste MRF is fully licensed and permitted to process recyclable materials into usable and/or marketable materials. For a complete list of materials accepted under the single-stream Recycling Program, please refer to Section 2.C | Recyclable Materials Processing.

Additional materials that will be accepted under the GreenWaste recyclable materials collection program are detailed below:

- **Used Motor Oil and Filter Collection** | GreenWaste will collect used motor oil and filters from single-family customers in GreenWaste-provided used oil recovery kits, up to once per week (as requested by Customer) at no additional cost. The customer will be required to call GreenWaste Customer Service and request such a kit from a Customer Service Representative (CSR). Used oil recovery kits will be provided to the customer on the next scheduled service day after such a request is made. The GreenWaste CSR will instruct the customer to place used oil recovery kits adjacent to their recyclable materials cart for collection on their regularly-scheduled collection day. GreenWaste will not be required to collect more than one (1) used oil recovery kit per individual dwelling unit per week. For information on how GreenWaste will conduct outreach to customers to notify them of the used motor oil and filter collection and recycling service, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.
- **Household Battery Collection** | GreenWaste will provide weekly collection of used household batteries to all single-family customers that are set out in a sealed, reusable clear zipper type bag (to be provided by the customer) on top of the recyclable materials cart, and at no additional charge to the customer. Customers will not be required to contact Customer Service in advance. For information on how GreenWaste will conduct outreach to customers to notify them of this free service, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.

### Single-Family Organic Materials Collection

GreenWaste will provide all single-family customers who subscribe to solid waste collection service with weekly curbside (or back/side-yard service for eligible customers) organic materials collection service and will transport all organic materials collected to the designated County transfer facility or designated organic materials processing facility for processing. Single-compartment and split-body side-loader vehicles will be utilized. GreenWaste will offer all single-family customers one new organic materials cart in 35-(for eligible Customers), 65-, and 95-gallon sizes. GreenWaste will offer one additional cart upon customer request at no additional charge and will offer additional carts beyond the first two at an "Additional Organics Cart" Rate approved by the County. GreenWaste will ensure that 35-gallon organic materials carts are available on an as-needed basis for customers who have space constraints or are physically unable to move a larger cart.

Acceptable materials in the organic materials cart include yard trimmings and food scraps. In the event the County has not secured organics processing for residential food scraps by the commencement date of the Agreement, GreenWaste will implement a yard trimmings-only collection service.

- Organic Materials Overages | GreenWaste will offer additional organic materials collection from single-family customers in customer-provided 32-gallon containers placed adjacent to the organic materials cart on their regularly-scheduled collection day at no additional charge; however, this free service will be limited to up to 5 additional customer-provided containers on any given collection day. Additionally, if a customer regularly sets out additional customer-provided containers of organic materials, GreenWaste will conduct outreach to the customer to right-size their service level. This may include a request to the customer to order additional GreenWaste carts and be charged the Additional Organics Cart Rate. For information on how GreenWaste will conduct outreach to customers to notify them of this free service, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.
- Contamination of Organic Materials | GreenWaste proposes the implementation of contamination fees for customers with chronic contamination. GreenWaste will phase in the implementation of this program by first notifying customers that have continuously contaminated organic materials containers and then targeting outreach activities toward these customers. If the contamination continues, contamination fees will be imposed.

Special pickups requested by a customer on days other than their regularly-scheduled collection day will be available at an approved additional charge.

Additional programs that will be offered by GreenWaste are detailed below:

- Kitchen Pails | If the County secures organics processing for residential food scraps, GreenWaste will provide kitchen pails for in-home food scraps collection to single-family customers upon request at no additional charge. Each delivered pail will be accompanied by a flyer describing the organic materials program requirements. For information on how GreenWaste will conduct outreach to customers to notify them of this free service, please refer to Section 2.D | Public Education and Outreach.
- Composting Bins | GreenWaste will offer backyard home or worm composting bins at no charge to single-family customers who have completed a County-certified home or worm

composting workshop. These bins will be made available to purchase at cost to non-customers residing in the unincorporated County upon successful completion of a County-sponsored workshop. For information on how GreenWaste will conduct outreach to customers to notify them of this free service, please refer to Section 2.D | Public Education and Outreach.



### Single-Family Solid Waste Collection

GreenWaste will provide all subscribing single-family customers with weekly curbside (or side/back-yard service for eligible customers) solid waste collection service and transport all solid waste collected to the designated county transfer facility or designated disposal facility for disposal. Single-compartment and split-body side-loader vehicles will be utilized. GreenWaste will offer all single-family customers one new solid waste cart in 20-, 35-, 65-, and 95-gallon sizes. GreenWaste will offer additional carts upon customer request at an additional fee approved by the County. Special pickups requested by a customer, on days other than their regularly-scheduled collection day, will also be available at an additional charge.

- Solid Waste Overages | GreenWaste will collect up to ten (10) additional 32-gallon bags, containers, or bundles of Solid Waste from each single-family customer on their regularly-scheduled collection day at no additional charge. Prior to the beginning of each calendar year, GreenWaste will mail all single-family customers 10 stickers that are to be placed on each extra bag, container, or bundle of solid waste that a customer wishes to be collected. These stickers will have an expiration date of the end of that year. The driver will log if additional bags, containers, or bundles are collected that have these stickers adhered to them. GreenWaste will track the use of the stickers as well as program participation for the County.
- Recurring Solid Waste Overages | If a customer has exhausted their 10 stickers, GreenWaste will offer the option of placing a "Standing Order for Extras" on their account. This allows a customer to agree ahead of time to pay an approved rate for collection of extra bags of garbage that they place out alongside their solid waste cart. Customers will not be required to call Customer Service to schedule these extra collections ahead of time.

GreenWaste currently offers this program in the County of Santa Cruz. If there are one or more bags of solid waste placed curbside without stickers, and without a Standing Order for Extra set up on the customer's account, the driver will take the bag(s) and will leave an "Extra Bag Tag" either on the cart or on the customer's doorknob. This Extra Bag Tag will indicate directions to call Customer Service to inquire about why they received this tag, and that GreenWaste will bill the customer for the extra bag(s) collected. The driver will log and photograph when this occurs and will report to Operations, who will then add the notice and charge to the customer's account.

### Single-Family Bulky Item Collection

The GreenWaste approach to the collection of bulky items is to prioritize convenience to the customer, reuse and diversion, and to minimize carbon footprint. GreenWaste's Bulky Item Collection Program is offered in most of its service areas. GreenWaste has demonstrated success in the diversion of large appliances, furniture, and other hard-to-manage items, which minimizes unlawful dumping in communities.

In the County of Santa Cruz, this program will be offered to single-family customers for a fee and will be structured slightly differently than the current program. Under the current program, GreenWaste charges one rate for bulky item collection. In 2014, GreenWaste scheduled 377 bulky item collection events, which is a 1% participation rate. Under this new program, GreenWaste will offer one rate for items that will be delivered for disposal and a discounted rate for reusable items. Collection will be curbside within five (5) business days after the customer-requested service date. Based on experience in providing a Bulky Item Program currently to the County, and based on this new rate structure, GreenWaste anticipates a 3-5% participation rate in which customers will utilize at least one (1) collection event annually.

**Scheduling Collections Events** | In order to schedule this service, customers will be required to contact GreenWaste during normal business hours. The Customer Service Representative (CSR) will ask for their account information, material characterization, and will outline the program parameters. This person-to-person contact allows the CSR to inquire about the type, quantity, and quality of materials intended for collection, to provide any instructions to the customer regarding material preparation (bundling, covering, etc.), to offer suggestions on set-out location and evaluate the composition of the load to ensure the appropriate vehicle(s) are dispatched with the appropriate personnel.

It is the goal of GreenWaste to "leave no material behind" during these collection events. The contact with the customer during scheduling also allows GreenWaste to communicate the program restrictions and inform the customer that additional charges may be incurred if items are set out for collection that fall outside of the program parameters. GreenWaste will collect additional items during these scheduled events that exceed the required service level at an approved Additional Bulky Item rate.



**Characterization of Materials** | In order to ensure the materials being set out are eligible for pick-up under this program and to maximize the program's reuse and recovery rate, CSRs will ask the customer a series of questions when the customer calls to schedule service.

- ✓ The first set of questions is designed to determine whether the type and quantity of materials intended for set-out are eligible for collection under this program.
- ✓ The second set of questions is intended to determine the quality of the materials and gauge whether the items can likely be re-used and/or recycled (with disposal considered as a last resort).

- ✓ The third set of questions allows the CRS to determine the appropriate type of vehicle and number of drivers that may be required to collect the material.

The CSR will make the appropriate notations on the customer's account and will generate a work order that specifies the collection day, the type and quantity of materials scheduled for set-out, and a description of items that should be eligible for re-use. The CSR will also remind the customer that bulky items shall not be placed at the curb more than twenty-four (24) hours in advance of the scheduled collection day in order to maintain a neat neighborhood appearance.

Acceptable Materials | GreenWaste will accept the following materials during bulky item collection events:

- ✓ Appliances (*For safety reasons, refrigerators and/or freezers must have the doors secured closed with duct tape or a similar tape or doors must be removed and placed beside the item*);
- ✓ Furniture;
- ✓ Tires (*Rates for collection of tires are based on landfill rates*);
- ✓ Carpets;
- ✓ Mattresses;
- ✓ E-Waste; and,
- ✓ Similar large items that require special collection due to their size or nature, but can be collected without the assistance of special loading equipment and without violating vehicle load limits.

Prohibited Materials | GreenWaste will not accept the following materials during bulky item collection events:

- ✓ Solid Waste;
- ✓ Organic Materials;
- ✓ Recyclable Materials;
- ✓ Hazardous Waste;
- ✓ Excluded Waste;
- ✓ U-Waste;
- ✓ Abandoned automobiles;
- ✓ Large auto parts;
- ✓ Trees; and,
- ✓ Any single item that exceeds two hundred (200) pounds in weight

Items Requiring Special or Alternative Collection | In addition to the list of acceptable items and material types listed above, similar large items that require special collection due to size or nature may be accepted if they can be collected without the assistance of special loading equipment (such as forklifts or cranes). When customers contact Customer Service to schedule their bulky item collection event, the CSR will complete a material characterization evaluation. Depending on the item, the CSR may either inform the customer the item(s) will be accepted under the Program or inform the customer that the item is not acceptable under the Program.

In the event that materials slated for pick-up are not acceptable under the Program, GreenWaste CSRs will use the material characterization methodology to identify those bulky items that may be more appropriately collected by local youth, community, or other charitable organizations (such as Goodwill or the Salvation



Army) and suggest alternatives to the customer and provide contact information for such organizations. For items that have been identified for disposal, the CSR may also provide the customer with alternative drop-off locations such as a hazardous materials facility, stores that take back universal waste, Grey Bears Thrift Store, the County's Ben Lomond Transfer Station, or the County's Buena Vista Landfill.

**Collection Methodology** | Once the day's work orders have been generated, the bulky item collection work orders will be assigned to a route. GreenWaste uses a flat-bed truck for collection of bulky items, as well as cart delivery, exchange, and removal. If a vehicle other than a flat-bed truck will be required to collect bulky items, then another appropriate vehicle will be dispatched with either a single driver or a driver and an assistant.

When the vehicle arrives to the pick-up location, the driver will document the amount and type of bulky items set out for collection, confirming whether or not the materials set out match the description on the work order. The driver will evaluate the quality of the items and determine whether or not they are of sufficient quality to warrant reuse, and will begin assessing how to best load the items based on their end-destination. Like-items will be arranged together on the vehicle (reusable, E-waste, bulky items, etc.). If the type, quantity, or quality of materials actually set out is different than the description on the work order, the driver will take a photo and/or document the discrepancies in items if additional charges are likely to be incurred by the customer. Once the items are loaded on the vehicle and the load is full, the vehicle will transport the materials either to the designated disposal facility for processing and/or disposal, or to a reuse facility, such as the Grey Bears Thrift Store. At the end of each day, the driver will turn in the day's work orders to the Dispatch Department, who will then enter the information into the computer system to track which residents are using the on-call bulky item collection program and to track overall program participation.

- **Hard-to-Serve Areas** | GreenWaste has successfully designed and implemented bulky item collection services in all of the hard-to-serve areas in each jurisdiction where collection services are offered, including the County. GreenWaste will provide bulky item collection services in hard-to-serve areas to all single-family customers and will work with each customer to ensure these services are provided in the most efficient and convenient manner.

**Maximizing Reuse & Diversion** | From the first point of contact with the customer through the delivery of the items collected under this program, GreenWaste will seek out every opportunity to maximize reuse and recovery and minimize disposal. With reuse as the top priority and resource recovery as the secondary approach to diversion, the GreenWaste driver's evaluation of the items is critical. GreenWaste drivers will be well versed in the types of acceptable materials. When drivers are collecting materials under this program, they will organize materials on the vehicles according to reusability and then items slated for recovery will be arranged on the vehicle together to allow for streamlined unloading. Preservation of the quality of materials is also a top priority, so items intended for reuse will be carefully loaded to ensure furniture is not scratched, fabrics are not torn and the overall appearance of the item remains intact.

GreenWaste is committed to designing and implementing a successful Bulky Item Collection Program that integrates customer service, operations, and the outreach and educational team. Ultimately, GreenWaste is confident this combination of efforts from various departments will maximize the diversion rate of materials collected under this program.

## 2.A.i.b Multi-Family Customer Collection Services

GreenWaste will offer recyclable materials, organic materials, and solid waste collection services to multi-family properties in unincorporated County with five (5) residential units or more, where residents share collection containers, and where the property owner or manager subscribes to collection services. These services will be offered to any multi-family customer who places GreenWaste-provided containers in a public right-of-way or who provides a waiver for access via private road(s) where containers are placed. In hard-to-service areas, including long private roads, low-density rural areas, steep roads, narrow streets, etc., GreenWaste will provide collection services to subscribing customers at County-approved rates.

Proposed Base Multi-Family Collection Services	
Recyclable Materials Collection	✓
Organic Materials Collection	✓
Solid Waste Collection	✓
Curbside Bulky Item Materials Collection	✓
Curbside Holiday Tree Collection	✓

GreenWaste will provide all multi-family customers with at least once weekly, up to 5x/week, collection service for single-stream recyclable materials, organic materials, and solid waste, and will offer additional services as described in this section. GreenWaste will make it a priority, however, to adjust service levels of multi-family customers to the least number of days per week, so that traffic and trips are limited. Collection containers may be offered in the default sizes, with options for additional containers and/or container sizes available, as detailed in the table below.

Multi-Family Containers			
	Recyclable Materials	Organic Materials	Solid Waste
35-Gallon	n/a	✓	✓
65-Gallon	✓	✓	✓
95-Gallon	✓	✓	✓
1-8 cubic yard bins	✓	✓*	✓
Additional Container(s)	May increase service frequency up to 5x/wk	May increase service frequency up to 5x/wk	May increase service frequency up to 5x/wk
✓ ~ Offered n/a ~ Not Available *1-2 cubic yard bins available for Multi-Family Organic Materials			

### Multi-Family Recyclable Materials Collection

GreenWaste will provide all multi-family customers that subscribe to solid waste collection service with single-stream recyclable materials collection service at least weekly, up to 5x/week. GreenWaste will make it a priority to adjust service levels of multi-family customers to the least number of days per week, so that traffic and trips are limited. Collected recyclable materials will be transported to the Approved Recyclable Materials Transfer Facility. Since GreenWaste is the current service provider, the transition into the new Agreement will be seamless.

GreenWaste will operate single-compartment and split-body side-loader vehicles, and rear- and front-loader vehicles, depending on the type of containers being utilized by the multi-family premises. The various types of vehicles allow GreenWaste to be more versatile in addressing potentially restrictive collection circumstances. GreenWaste will offer all multi-family customers new single-stream recyclable materials carts in 65- and 95-gallon sizes and 1-8 cubic yard bins. The default service level will be a minimum of 32 gallons per dwelling unit, and customers will be charged a per-unit recycling rate. Multi-family customers who had stacking crates for recyclable materials will be provided with 35-gallon recyclable materials carts, by default. Special pickups requested by a customer, on days other than their regularly-scheduled collection day, will be available at an approved additional charge.

When servicing multi-family customers, GreenWaste will open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers. These services will have an additional charge. GreenWaste will pick up and return each container to the location where the customer properly placed the container for collection, upright with lids properly secured.

- **Recyclable Materials Overages** | To accommodate additional service needs, GreenWaste will collect recyclable materials from multi-family customers at a greater frequency than the customer's regularly-scheduled service, up to the maximum service frequency of 5x/week, and will charge the appropriate rate for the higher service level.
- **Contamination of Recyclable Materials** | GreenWaste proposes the implementation of contamination fees for customers with chronic contamination. GreenWaste will phase in the implementation of this program by first notifying customers that have continuously contaminated recyclable materials containers and then targeting outreach activities toward these customers. If the contamination continues, contamination fees will be imposed.

GreenWaste proposes to utilize its Operations and Transfer Facility located in Watsonville as a Transfer Station for recyclable materials, which will then be transported to the GreenWaste MRF located at 625 Charles Street in San Jose, California. The GreenWaste MRF is fully licensed and permitted to process recyclable materials into usable and/or marketable materials. For a complete list of materials accepted under the single-stream Recycling Program, please refer to Section 2.C | Recyclable Materials Processing.

For additional information on how GreenWaste will conduct outreach to multi-family customers to notify them of recycling services offered, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.

#### Multi-Family Organic Materials Collection

Under the Base Proposal, GreenWaste will provide all multi-family customers with yard trimmings collection service at least weekly, up to 5x/week, in GreenWaste-provided containers. GreenWaste will make it a priority to adjust service levels of multi-family customers to the least number of days per week, so that traffic and trips are limited. This service will be voluntary and at a County-approved rate for multi-family customers. If the County implements a Food Scraps Collection Program, then food scraps and yard trimmings will become the acceptable materials under the Multi-Family Organic Materials Collection Program. Collected organic materials will be transported to the Designated County Transfer Facility or

Designated Organic Materials Processing Facility. Since GreenWaste is the current service provider, the transition into the new Agreement will be seamless.

GreenWaste will operate single-compartment and split-body side-loader vehicles, and rear- and front-loader vehicles, depending on the type of containers being utilized by the multi-family premises. The various types of vehicles allow GreenWaste to be more versatile in addressing potentially restrictive collection circumstances. GreenWaste will offer all multi-family customers new organic materials carts in 35-, 65-, and 95-gallon sizes, and 1-2 cubic yard bins. The default service level will be a 95-gallon cart. Special pickups requested by a customer, on days other than their regularly-scheduled collection day, will be available at an approved additional charge.

When servicing multi-family customers, GreenWaste will open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers. These services will have an additional charge. GreenWaste will pick up and return each container to the location where the customer properly placed the container for collection, upright with lids properly secured.

- Organic Materials Overages | To accommodate additional service needs, GreenWaste will collect organic materials from multi-family customers at a greater frequency than the customer's regularly-scheduled service, up to the maximum service frequency of 5x/week, and will charge the appropriate rate for the higher service level.
- Contamination of Organic Materials | GreenWaste proposes the implementation of contamination fees for customers with chronic contamination. GreenWaste will phase in the implementation of this program by first notifying customers that have continuously contaminated organic materials containers and then targeting outreach activities toward these customers. If the contamination continues, contamination fees will be imposed.
- Kitchen Pails | If the County expands the Organic Materials Collection Program to include food scraps, within thirty (30) calendar days, GreenWaste will start to conduct outreach for this expanded service. GreenWaste will perform public education and outreach to multi-family customers, and will provide kitchen pails for in-home food scraps collection upon request and at no additional charge. Each delivered pail will be accompanied by a flyer describing the organic materials program requirements. For information on how GreenWaste will conduct outreach to customers to notify them of this free service, please refer to Section 2.D | Public Education and Outreach.

For additional information on how GreenWaste will conduct outreach to multi-family customers to notify them of organic materials services offered, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.

#### Multi-Family Solid Waste Collection

GreenWaste will provide all subscribing multi-family customers with solid waste collection service at least weekly, up to 5x/week, in GreenWaste-provided containers. GreenWaste will make it a priority to adjust service levels of multi-family customers to the least number of days per week, so that traffic and trips are

limited. This service will be subscription-based, offered at County-approved rates, and solid waste collected in the County will be transported to the Designated County Transfer Facility or Designated Disposal Facility for Disposal or, at the direction of the County Contract Manager or the County, to the Approved Mixed Waste Processing Facility for processing prior to disposal. Since GreenWaste is the current service provider, the transition into the new Agreement will be seamless.

GreenWaste will operate single-compartment and split-body side-loader vehicles, and rear- and front-loader vehicles, depending on the type of containers being utilized by the multi-family premises. The various types of vehicles allow GreenWaste to be more versatile in addressing potentially restrictive collection circumstances. GreenWaste will offer all subscribing multi-family customers new solid waste carts in 35- (for eligible customers), 65-, and 95-gallon sizes, and 1-8 cubic yard bins. The default service level will be a 95-gallon cart. Special pickups requested by a customer, on days other than their regularly-scheduled collection day, will be available at an approved additional charge.

#### Multi-Family Solid Waste Drop Boxes

It is GreenWaste's understanding that all drop box and compactor services are open market and regulated under a separate non-exclusive Agreement. However, per the Franchise Agreement distributed during the RFP process, within Exhibit B2 (page B2-3), multi-family solid waste collection services indicate the contractor is to offer drop boxes and compactors.

GreenWaste assumes multi-family customers will not be offered drop box or compactor service unless Alternative Proposal #1 Permanent Roll-Off Services is implemented into the Franchise Agreement by the County. Therefore, this section of the proposal does not indicate multi-family customers are eligible to receive drop box or compactor solid waste collection services.

When servicing multi-family customers, GreenWaste will open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers. These services will have an additional charge. GreenWaste will pick up and return each container to the location where the customer properly placed the container for collection, upright with lids properly secured.

- **Solid Waste Overages** | To accommodate additional service needs, GreenWaste will collect solid waste from multi-family customers at a greater frequency than the customer's regularly-scheduled service, up to the maximum service frequency of 5x/week, and will charge the appropriate rate for the higher service level.

#### Multi-Family Bulky Item Collection

GreenWaste will provide multi-family customers with bulky item collection services in the same manner as will be provided to single-family customers. Please refer to the single-family bulky item collection section within 2.A.i.a Single-Family Customer Collection Services for a comprehensive description of scheduling, material characterization, acceptable materials, collection methodology, and other program-specific details.

The distinction for the Multi-Family Bulky Item Collection Program is that the property owner or manager will initiate the collection event, rather than the occupant of the unit. Further, the location for the bulky item collection event will be curbside, or another location as determined by the GreenWaste CSR and customer.

### 2.A.i.c Commercial Customer Collection Services

GreenWaste will offer recyclable materials, organic materials, and solid waste collection services to any commercial customer in unincorporated County who subscribes to services and who places containers in a public right-of-way or provides a waiver for access via private road(s) where containers are placed. In hard-to-service areas, including long private roads, low-density rural areas, steep roads, narrow streets, etc., GreenWaste will provide collection services to subscribing customers at County-approved rates.

Proposed Base Commercial Collection Services	
Recyclable Materials Collection	✓
Organic Materials Collection	✓
Solid Waste Collection	✓
Curbside Bulky Item Materials Collection	✓
Curbside Holiday Tree Collection	✓

GreenWaste will provide all commercial customers with at least once weekly collection service for recyclable materials (up to 6x/week), organic materials (up to 3x/week), and solid waste (up to 6x/week), and will offer additional services as described in this section. GreenWaste will make it a priority to adjust service levels of commercial customers to the least number of days per week, so that traffic and trips are limited. Collection containers will be offered in various sizes, with options for additional containers, as detailed in the table below.

Commercial Containers			
	Recyclable Materials	Organic Materials	Solid Waste
65-Gallon	✓	✓	✓
95-Gallon	✓	✓	✓
1-8 cubic yard bins	✓	✓*	✓
Additional Container(s)	May increase service frequency up to 6x/wk	May increase service frequency up to 3x/wk**	May increase service frequency up to 6x/wk
✓ ~ Offered *1-2 cubic yard bins available for Commercial Organic Materials **Base Proposal allows for up to 3x/week; Alternative Proposal allows for up to 5x/week for Commercial Organic Materials Collection			

#### Commercial Recyclable Materials Collection

As has been the case historically, commercial recyclable materials collection will be open market in the County. GreenWaste will make recyclable materials collection service available, though, to all subscribing commercial customers. Service will be at least weekly, up to 6x/week. GreenWaste will make it a priority to

adjust service levels of commercial customers to the least number of days per week, so that traffic and trips are limited. Collected recyclable materials will be transported to the Approved Recyclable Materials Transfer Facility. Since GreenWaste is the current service provider, the transition into the new Agreement will be seamless.

GreenWaste will operate single-compartment and split-body side-loader vehicles, and rear- and front-loader vehicles, depending on the type of containers being utilized by the commercial customer. The various types of vehicles allow GreenWaste to be more versatile in addressing potentially restrictive collection circumstances. GreenWaste will offer all commercial customers new single-stream recyclable materials carts in 65- and 95-gallon sizes and 1-8 cubic yard bins. Commercial customers that subscribe to GreenWaste solid waste collection service will be offered up to one (1) cubic yard per week of recyclable materials collection capacity at no charge, while quantities greater than one (1) cubic yard will incur a charge equaling 20% of the solid waste rate.

- If a commercial customer subscribes to drop box solid waste collection service from a party other than GreenWaste, then GreenWaste will provide recyclable materials collection service upon customer request, but this customer will not be eligible to receive the free 1 cubic yard capacity.

Special pickups requested by a customer, on days other than their regularly-scheduled collection day, will be available at an approved additional charge.

When servicing commercial customers, GreenWaste will open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers. These services will have an additional charge. GreenWaste will pick up and return each container to the location where the customer properly placed the container for collection, upright with lids properly secured.

- Recyclable Materials Overages | To accommodate additional service needs, GreenWaste will collect recyclable materials from commercial customers at a greater frequency than the customer's regularly-scheduled service, up to the maximum service frequency of 6x/week, and will charge the appropriate rate for the higher service level.
- Contamination of Recyclable Materials | GreenWaste proposes the implementation of contamination fees for customers with chronic contamination. GreenWaste will phase in the implementation of this program by first notifying customers that have continuously contaminated recyclable materials containers and then targeting outreach activities toward these customers. If the contamination continues, contamination fees will be imposed.

GreenWaste proposes to utilize its Operations and Transfer Facility located in Watsonville as a transfer station for recyclable materials, which will then be transported to the GreenWaste MRF located at 625 Charles Street in San Jose, California. The GreenWaste MRF is fully licensed and permitted to process recyclable materials into usable and/or marketable materials. For a complete list of materials accepted under the Recycling Program, please refer to Section 2.C | Recyclable Materials Processing.

For additional information on how GreenWaste will conduct outreach to commercial customers to notify them of recycling services offered, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.

### Commercial Organic Materials Collection

As required under the Base Proposal, GreenWaste will offer commercial organic materials (yard trimmings and food scraps) collection service at County-approved rates to commercial customers currently participating in the County's pilot Commercial Food Scraps Collection Program, plus additional commercial customers that may subscribe to this collection service in order to comply with AB 1826 requirements. GreenWaste currently provides food scraps collection to approximately 50 commercial customers under the County of Santa Cruz's pilot program.

Organic materials collection service will be offered at least weekly, up to 3x/week (available Mondays, Thursdays, and Saturdays), in GreenWaste-provided containers. GreenWaste will make it a priority to adjust service levels of commercial customers to the least number of days per week, so that traffic and trips are limited. Organic materials will be transported to the Designated County Transfer Facility or Designated Organic Materials Processing Facility for processing. Since GreenWaste is the current service provider, the transition into the new Agreement will be seamless.

GreenWaste will operate single-compartment and split-body side-loader vehicles, and rear-loader vehicles, depending on the type of containers being utilized by the commercial customer. The various types of vehicles allow GreenWaste to be more versatile in addressing potentially restrictive collection circumstances. GreenWaste will offer all commercial customers new organic materials carts in 65- and 95-gallon sizes and 1-2 cubic yard bins. Commercial customers that subscribe to GreenWaste solid waste collection service will be offered up to 65-gallons per week of organic materials collection capacity at no charge, while quantities greater than 65-gallons will incur a charge equaling 80% of the solid waste rate.

- If a commercial customer subscribes to drop box solid waste collection service from a party other than GreenWaste, then GreenWaste will provide organic materials collection service upon customer request, but this customer will not be eligible to receive the free 65-gallon capacity.

Special pickups requested by a customer, on days other than their regularly-scheduled collection day, will be available at an approved additional charge.

When servicing commercial customers, GreenWaste will open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers. These services will have an additional charge. GreenWaste will pick up and return each container to the location where the customer properly placed the container for collection, upright with lids properly secured.

- **Organic Materials Overages** | To accommodate additional service needs, GreenWaste will collect organic materials from commercial customers at a greater frequency than the customer's regularly-scheduled service, up to the maximum service frequency of 3x/week, and will charge the appropriate rate for the higher service level.
- **Contamination of Organic Materials** | GreenWaste proposes the implementation of contamination fees for customers with chronic contamination. GreenWaste will phase in the implementation of this program by first notifying customers that have continuously contaminated organic materials containers and then targeting outreach activities toward these customers. If the contamination continues, contamination fees will be imposed.



For additional information on how GreenWaste will conduct outreach to commercial customers to notify them of organic materials services offered, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.

#### Commercial Solid Waste Collection

GreenWaste will provide all subscribing commercial customers with solid waste collection service at least weekly, up to 6x/week, in GreenWaste-provided containers. GreenWaste will make it a priority to adjust service levels of commercial customers to the least number of days per week, so that traffic and trips are limited. This service will be subscription-based, offered at County-approved rates, and solid waste collected in the County will be transported to the Designated County Transfer Facility or Designated Disposal Facility for Disposal. Since GreenWaste is the current service provider, the transition into the new Agreement will be seamless.

GreenWaste will operate single-compartment and split-body side-loader vehicles, and rear- and front-loader vehicles, depending on the type of containers being utilized by the commercial customer. The various types of vehicles allow GreenWaste to be more versatile in addressing potentially restrictive collection circumstances. GreenWaste will offer all subscribing commercial customers new solid waste carts in 65- and 95-gallon sizes and 1-8 cubic yard bins. Special pickups requested by a customer, on days other than their regularly-scheduled collection day, will be available at an approved additional charge.

When servicing commercial customers, GreenWaste will open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers. These services will have an additional charge. GreenWaste will pick up and return each container to the location where the customer properly placed the container for collection, upright with lids properly secured.

- Solid Waste Overages | To accommodate additional service needs, GreenWaste will collect solid waste from commercial customers at a greater frequency than the customer's regularly-scheduled service, up to the maximum service frequency of 6x/week, and will charge the appropriate rate for the higher service level.

#### Commercial Bulky Item Collection

GreenWaste will provide commercial customers with bulky item collection services in the same manner as will be provided to single-family customers. Please refer to the single-family bulky item collection section within 2.A.i.a Single-Family Customer Collection Services for a comprehensive description of scheduling, material characterization, acceptable materials, collection methodology, and other program-specific details.

For the commercial bulky item collection program, the location for the bulky item collection event will be either curbside or another location as determined by the GreenWaste CSR and customer.

## 2.A.i.d County Services

In addition to single-family, multi-family, and commercial collection services, GreenWaste is pleased to provide additional services to the County, its residents, and businesses.

### Services to County Facilities

GreenWaste will collect recyclable materials, organic materials, solid waste, and bulky items from County facilities in the same manner as those services are provided to commercial customers. (Please see prior section 2.A.i.c Commercial Customer Collection Services for details).

While a list of County facilities and service levels is included in the Franchise Agreement under Exhibit B5, GreenWaste understands there may be future County facilities or changing service levels that will need to be accommodated. Services to County facilities will be provided at no cost to the County.

### Public Litter Container Services

GreenWaste will collect solid waste and recyclable materials from public litter containers at the service levels identified in Exhibit B5, which may change from time to time, and may increase at no additional cost up to 10% in the number of containers listed. GreenWaste will also clean up any litter surrounding the containers. Collected solid waste will be delivered to the Designated County Transfer Facility or Designated Disposal Facility and collected recyclable materials will be delivered to the Approved Recyclable Materials Transfer Facility, which is proposed as GreenWaste's Operations and Transfer Facility in Watsonville for consolidation and transfer to GreenWaste's MRF in San Jose.

In addition to collection, GreenWaste will also perform cleaning, repairing, and replacing of public litter Containers listed in Exhibit B5 as needed. GreenWaste will steam-clean or pressure-wash each public litter container, upon County request, up to once per year.



### County Clean-Up Events

GreenWaste will provide a total of thirty (30), 40-cubic-yard drop boxes (or such other size containers as may be designated by the County Contract Manager) per year for the collection of recyclable materials, yard trimmings, or solid waste at community clean-up events designated by the County Contract Manager; at no charge, but the County will waive the cost of disposal of the materials collected for County-sponsored clean-up events. It is understood that some events may require more than one drop box. These containers will

be delivered to specified sites and the discarded materials will be transported to the appropriate Approved Facility depending on the material type.

#### Illegal Dumping Abatement

GreenWaste will collect and remove abandoned materials in any volume which has been unlawfully abandoned or discarded from the County's streets, alleys, parks and other public areas in the unincorporated area of the County. The County Contract Manager will be required to contact GreenWaste and request such service, which will be completed within seven (7) days, and GreenWaste will offer the first \$5,000 worth of such services in each rate period at no charge to the County. Disposal fees will be waived at the Designated Disposal Facility and GreenWaste will be reimbursed by the County for removal of abandoned materials in excess of the first \$5,000 worth of services in each rate period. A specific type of work order will be created to track such requests from the County and summary information will be reported to the County quarterly.

#### **2.A.i.e Other Services**

GreenWaste will also provide other services as specified within this section to the County, its residents, and businesses.

#### Special Collection Services

GreenWaste will offer special collection services, including long walks and back/side-yard service for a fee; however, disabled single-family customers (as defined by the ADA) will receive back/side-yard collection service at no additional fee. In hard-to-service areas, including long private roads, low-density rural areas, steep roads, narrow streets, etc., GreenWaste will provide collection services to subscribing customers at county-approved rates, but will not be required to travel over 200 feet from the nearest public or private road. GreenWaste will also service unusual container placements, including in-ground or below grade, which require lifting, at no additional cost.

#### Seasonal Programs

GreenWaste will develop materials to educate all customers about the availability of, and participation requirements for, programs dealing with seasonal or periodic waste management demands that exceed regularly scheduled collection, including: holiday trees, Halloween pumpkins, spring cleaning, and fall leaves.

- **Holiday Tree Collection** | Single-family, multi-family, and commercial customers will be able to place their whole, un-flocked, and undecorated holiday trees curbside during the first three (3) regularly scheduled collection days after New Year's Day at no charge. Additionally, GreenWaste will provide up to eight (8) drop boxes for holiday tree collection at County-designated locations. Holiday trees will be delivered to the Designated Organic Materials

Processing Facility. Customers will be notified of their options for holiday tree disposal via outreach and the GreenWaste website.

- Halloween Pumpkin Collection | Customers will be able to place their raw pumpkins in their organic materials carts for collection. All non-biodegradable debris such as candle wax, glue, and paint must be removed.
- Spring Cleaning | Customers may utilize a bulky item collection event in order to conveniently dispose of excess items during spring cleaning.
- Leaf Season | As is detailed in the single-family organic materials overages section, single-family customers may bag their extra fallen leaves and place them next to their organic materials cart on their regularly-scheduled collection day. This free service will be limited to up to 5 additional customer-provided 32-gallon containers on any given collection day. If a customer regularly sets out additional customer-provided containers of organic materials, GreenWaste will conduct outreach to the customer to right-size their service level. This may include a request to the customer to order additional GreenWaste carts and be charged the Additional Organics Cart Rate

For more extensive information on how GreenWaste will conduct outreach to customers to notify them of these services, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.

#### Special Event Collection Services

GreenWaste will provide recyclable materials, organic materials, and solid waste collection services to a maximum of fifteen (15) large County-sponsored or County-designated events per year at no cost to the event organizer or the County. Services include collection, planning, and staffing. Additional events may be added for a fee.

- Event Collection Stations | GreenWaste will supply each event with a sufficient number and capacity of collection stations that include a separate receptacle for each of recyclable materials, organic materials and solid waste.
- Collection Station Monitors | GreenWaste Outreach Coordinator(s) will monitor and service event collection stations, will educate attendees about acceptable materials in each receptacle, and will ensure receptacles do not overflow or produce litter.
- Containers | GreenWaste will provide sufficient containers for the accumulation of material removed from event collection stations during the event. GreenWaste will service containers, as agreed-upon with the event organizer, and deliver the collected materials to the appropriate Approved Facility for transfer, processing and/or disposal.
- Public Education Booth | Upon request, GreenWaste will staff a booth or exhibit at the event for the purpose of educating the public about the services and programs provided under this Agreement and the benefits of source reduction, reuse, recycling, and composting.

- Reporting | Within fourteen (14) calendar days of the end of the event, GreenWaste will submit a report to the County Contract Manager and event organizer, which will include: the number of event collection stations deployed at the event, the number of collection station monitors, the tonnage of each material type (i.e., recyclable materials, organic materials and solid waste) collected, and a description of the public education provided at the event.
- Coordination with Others | GreenWaste will make an effort to coordinate with local youth, community, or charitable organizations to provide some or all of the required services.
- Services for Additional Events | For special events in excess of the maximum of fifteen (15) or events that are not sponsored by the County, GreenWaste may provide the above-described special event services at the request of the event organizer and may negotiate the charges for such services with the event organizer. If the event organizer subscribes to GreenWaste solid waste collection service for the special event, then GreenWaste will provide recyclable materials and organic materials collection services for the special event at no additional charge.

#### Recyclable Materials Collection for Schools

GreenWaste will provide recyclable materials collection services to public and private schools in the franchise area that subscribe to GreenWaste solid waste collection services. The scope of recyclable materials collection services offered will be the same as those offered to commercial customers (please refer to prior section 2.A.i.c Commercial Customer Collection Services), but will be offered at no cost to the school. This is a voluntary, subscription-based service.

#### Litter Abatement

GreenWaste will use care to prevent spills or leaks of material placed for collection, used motor oil, fuel, and fluids while providing services under this Agreement. If any materials are spilled or leaked during collection and transportation, GreenWaste will clean up all spills or leaks before leaving the site of the spill. In the event a spill too large for the collection driver to handle himself, a supervisor will be called to the site to handle the clean-up and ensure the satisfaction of the County.

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

GreenWaste will utilize automatic covers to cover all open drop boxes at the pickup location before transporting materials to the Approved Facility.

#### **2.A.i.f Disaster Relief Services**

GreenWaste is prepared to provide disaster relief assistance services to the County. The GreenWaste approach to providing these services begins with the foundation of partnership and collaboration. GreenWaste will work with the County to evaluate the scope and scale of the disaster and will provide

services in accordance with the County's requirements. GreenWaste will ensure the prompt delivery of services, will assess the equipment and labor needs for each event, and will determine the resources needed, timelines, and cost for service delivery. All collection vehicles, containers (when needed), and all labor needed to collect, contain, and remove all debris, litter, and waste will be provided by GreenWaste.

GreenWaste has an extensive equipment inventory that can be utilized to meet the County's debris removal and clean-up needs during and/or after a disaster. In addition, GreenWaste has relationships with equipment suppliers within the Bay Area, Santa Cruz area, and Monterey Peninsula area, which can be harnessed to supply additional equipment to fully complete the disaster relief services. GreenWaste will deliver collected debris to an Approved Facility for processing, sorting, and/or recovery of personal property. GreenWaste can provide labor to assist with processing. Further, GreenWaste will staff a dedicated Supervisor to oversee the clean-up of debris caused by natural disasters. This Supervisor will remain onsite throughout the provision of services.

In fact, GreenWaste and its sister company, Zanker, have provided various forms of aid to cities in need as a result of natural disasters. Examples of disaster relief assistance services include:

- Flooding of Capitola Village | On March 24, 2011, a pipe ruptured under the city-owned Pacific Cove Mobile Home Park, eroding the soil around the pipe and creating a sinkhole directly under a mobile home, sending water into the village. GreenWaste reacted and started delivering debris boxes and providing hauling services as soon as the City allowed (two days after the flood started). GreenWaste continued providing relief services that Sunday and the following week until all debris was cleared. Collected debris included dirt, mud, silt, and various materials picked up in the flood. Collected debris was delivered to the Monterey Regional Waste Management District (MRWMD) for processing per the City's request.
- Loma Prieta Earthquake | Following the 1989 Loma Prieta earthquake, Zanker Road Landfill, GreenWaste's sister company, handled all of the debris from buildings destroyed in the City of San Francisco's Mission District. Because of the unbelievable personal hardship caused by this earthquake, Zanker worked hand-in-hand with the City of San Francisco to carefully sort through the incoming debris, salvage and preserve invaluable personal treasures (photographs, papers, jewelry, heirlooms, keepsakes, etc.), and return them to their rightful owners.
- Flooding of Guadalupe River | In March of 1995, a flood occurred in San Jose that caused the Guadalupe River to overflow its banks. 300 homes and businesses were flooded, and residents and workers were forced to evacuate the Downtown center. GreenWaste and Zanker readily provided waste loading and hauling equipment for clean-up to occur quickly and efficiently.
- Flooding of Petaluma River | In the week before GreenWaste implemented its services in Petaluma (December 2005 to January 2006), the City of Petaluma experienced a powerful storm that flooded a large portion of the City, including the GreenWaste corporation yard. Even though GreenWaste experienced extreme hardship by losing the use of the corporation yard, GreenWaste ensured that the City received the assistance needed to clean up after the flood. In addition, GreenWaste still needed to complete the distribution of carts and bins to service recipients prior to the start of services. Not only did GreenWaste help the City and residents of Petaluma recover from the devastation of the flooding, but GreenWaste also began service for all residents on schedule and with no disruption in service.

## 2.A.ii Collection Methodology

For a detailed description of GreenWaste's proposed collection containers, please refer to Section 2.B | Collection Containers. Under an alternative cost-saving proposal, GreenWaste offers the option for the County to utilize existing containers rather than require new containers. The details of this cost-saving proposal, the associated benefits, and the potential impacts are discussed in detail in Section 4 | Innovative or Cost-Saving Services.

### 2.A.ii.a Vehicles

Under this new Agreement, GreenWaste will purchase all new collection vehicles for servicing the County. Under the Base Proposal, GreenWaste proposes vehicles that are fueled by biodiesel (B20 specifically). Separately, under an Innovative Proposal, GreenWaste proposes vehicles that are fueled by compressed natural gas (CNG), and the details for this proposal may be viewed in Section 4 | Innovative or Cost-Saving Services. GreenWaste has reviewed its current operations, travel conditions, geographic demands, and densities, and determined that the following will best meet the needs of the County. The table below displays the proposed vehicles.

For details on the process of securing production slots, tracking production, taking delivery, testing and preparing vehicles for use, please refer to Section 2.G | Implementation Plan.

Proposed Biodiesel Collection Vehicles Under Base Proposal

	Vehicle Type	Fuel Type	Quantity	Age	Capacity	Crew Size	Cost	Vehicle Manufacturer
Residential	Fully-automated Single-compartment Side-loader	Biodiesel	22 (+1 spare)	New	31 yd <sup>3</sup>	1	\$319,360	2017 Peterbilt Chassis NewWay Sidewinder body
	Fully-automated Split-body Side-loader	Biodiesel	4 (+1 spare)	New	14 yd <sup>3</sup>	1	\$298,032	2017 Peterbilt Chassis Bridgeport body
	Fully-automated Split-body Side-loader	Biodiesel	3 (+1 spare)	New	30 yd <sup>3</sup>	1	\$322,152	2017 Peterbilt Chassis Bridgeport body
Commercial – Carts	Single-compartment Semi-automated Rear-loader	Biodiesel	4 (+1 spare)	New	25 yd <sup>3</sup>	1	\$262,105	2017 Peterbilt Chassis NewWay Viper body
Commercial – Bins	Single-compartment Semi-automated Front-loader	Biodiesel	4 (+1 spare)	New	28 yd <sup>3</sup>	1	\$289,782	2017 Peterbilt Chassis NewWay Mammoth body
Container delivery, removal, exchange, and Bulky Item	Manual Flatbed with Lift Gate	Biodiesel	2	New	22 ft	1	\$130,103	Peterbilt Chassis with Western Truck body

### Collection Vehicles

Under the Base Proposal, GreenWaste proposes a collection fleet of all new biodiesel vehicles. GreenWaste collection vehicles will be maintained in safe, clean, and operable conditions at all times. All collection vehicles will display the GreenWaste name and local telephone number, and will also be equipped with sign board holders or other hardware to allow public education signage to be displayed on both sides of the vehicles. Vehicles will have watertight bodies designed to prevent leakage, spillage, and overflow. They will meet on-road heavy duty vehicle emissions requirement for model year 2017 and all State of California Air Resources Control Board regulations, and they will comply with all Federal, State, and local laws, regulations, and proposed legislations throughout the term of the Agreement.

- **Hard-to-Service Areas** | In hard-to-service areas, including low-density rural areas, long private roads, steep roads, narrow streets, etc., GreenWaste will utilize smaller split-body fully-automated collection vehicles. This type of vehicle is currently being used in these types of areas of the County and has proven to perform well. GreenWaste has refined its collection operations to take all of the County's hard-to-service areas into consideration and ensure services are provided to all subscribing customers. While hard-to-service areas are experienced all throughout the County, perhaps the most difficult-to-service area is the San Lorenzo Valley, which includes rural mountain towns and narrow roads. GreenWaste has the experience necessary to navigate this difficult terrain and ensure all customers in these hard-to-service areas are serviced in an efficient and complete manner.

### Real-Time Data Exchange

GreenWaste is offering the County the innovative on-truck data management system, ELEMOS, which is an AMCS technology that links to Tower and allows for real-time data tracking. By connecting throughout the service day with Tower (the database system used by Customer Service, Accounting, and accessible by the County currently and going forward), services are updated throughout the day, and drivers are able to attach notes and photos to accounts. This product provides the best balance between useful information and ease of use for drivers.

ELEMOS reduces the opportunity for inconsistencies between the customer and GreenWaste. ELEMOS documents pick-up times, missed set-outs, additional material set-out, contamination, and other items that may include additional charges. ELEMOS ensures customers are charged accurately for services rendered, and also that the County receives the franchise fees to which it is entitled. For additional information regarding ELEMOS, please refer to [Section 2.1 | Management and Customer Service Systems](#).

### Inspection and Maintenance

GreenWaste will inspect each vehicle daily to ensure all equipment is operating properly and safely. Under the supervision of the Route Supervisors and Maintenance Manager, a Driver Vehicle Inspection Report (DVIR) is completed both pre-trip and post-trip for each and every collection vehicle. Preventative maintenance is performed on a regular basis and is based on hours of vehicle use. The County Contract Manager may inspect vehicles at any reasonable time, and within three (3) calendar days of such a request, to determine compliance with sanitation requirements. Additionally, sufficient back-up vehicles will be



available to respond to scheduled and unscheduled maintenance, service requests, complaints, and emergencies.

#### Other Vehicles

GreenWaste Manager(s) and Supervisor(s) are already equipped with the fuel-efficient Ford EcoBoost F150 pick-up truck. Outreach staff will be provided with the eco-friendly Ford Fusion Hybrid (or similar product if this vehicle is no longer available). These vehicles emit fewer GHG emissions and have increased fuel economy over standard gasoline fueled vehicles.

#### Fueling

GreenWaste currently fuels its County collection fleet with biodiesel at Agron Bio Energy, located at 860 W. Beach Street in Watsonville, just 0.2 miles from the GreenWaste Operations and Transfer Facility. Agron Bio Energy provides a reliable product that yields reductions in GHG emissions over petroleum diesel.

#### Reduced Emissions and Other Benefits

GreenWaste has taken into consideration the County's commitment to reducing environmental impacts and has selected to propose biodiesel, which is in line with this commitment.

- Emissions Reduction Plan | GreenWaste will continue to minimize fleet emissions by fueling with biodiesel for its collection vehicles utilized throughout the County. Biodiesel extends the longevity and cleanliness of diesel engines, helping to keep moving parts from wearing prematurely. Biodiesel provides reduced emissions of carbon monoxide, particulate matter, unburned hydrocarbons, and sulfates when compared to petroleum diesel fuel. It is produced domestically, safer because it is less combustible, and use of B20 reduces carbon dioxide emissions by 15%. Manufacturer specification brochures on the proposed vehicles are included in Section 9 | Attachments. Also, vehicle sizes and types have been carefully chosen for the purpose of maximizing collection efficiency and minimizing environmental impacts. By reducing vehicle passes on city streets, emissions and noise concerns will also be greatly reduced. Supervisor and outreach staff vehicles will be efficient light duty trucks and passenger cars, which emit fewer GHG emissions and have increased fuel economy.

Please refer to Section 5.A | Vehicle Air Emissions Impacts and Fueling Proposal for the carbon footprint calculations of GreenWaste's collection fleet.

#### Age & Replacement Schedule

All collection vehicles in service for the County will have an average vehicle life of 10 or more years throughout the term of the Agreement. GreenWaste will replace or retrofit collection vehicles as necessary in order to maintain compliance with all State of California Air Resources Control Board regulations and all Federal, State, and local laws, regulations, and proposed legislations.

## 2.A.ii.b Route Planning

### Effective Route Planning

GreenWaste will minimize collection frequency and optimize routes in order to mitigate the environmental emissions impacts of collection operations. GreenWaste will have all routes finalized for the County well in advance of the requested date of November 1, 2017. Since GreenWaste is the incumbent, routes throughout the County are constantly audited and refined to ensure optimal efficiency.

GreenWaste understands that route planning is pivotal in reducing potential impacts to the safety of the general public and the environment. CSRs will be required to geocode and map all new service recipients to consistently work towards compacted routes. On an ongoing basis, existing and proposed routes will be researched during normal collection hours on assigned collection days by the Route Supervisor in order to maintain familiarity with the route collection services. Route Supervisors will continually review and verify the following information:

- ✓ *Number of service units per route;*
- ✓ *Number and type of containers set out per home/route;*
- ✓ *Cart size/corresponding service address; and,*
- ✓ *Number of containers needing repair or replacement.*

The Route Supervisor will drive routes and document all pertinent information in order to effectively time routes based on productivity estimates provided by vehicle manufacturers. To increase safety and efficiency, special treatment will be given to areas where collection is impacted by potential constraints, including narrow roads, low hanging limbs, etc. Routes will be calculated to ensure anticipated productivity and driver activities are both balanced and achievable. The standard crew size for each collection vehicle is one (1) highly trained full-time driver servicing each resident and business in a timely, effective, and professional manner. Since GreenWaste is the current hauler, existing drivers will continue to be employed under the new Agreement, and they will continue to service their current areas because of their familiarity and experience in the County.

### Operating Assumptions

Based on the information provided by the County and based on GreenWaste's current position as the County's franchised hauler, GreenWaste has calculated operating assumptions sufficient for servicing the County. Please refer to Section 7 | Cost Proposal for detailed information on these operating assumptions.

GreenWaste will perform collection services with the following specifications:

- **Collection Times and Schedules** | GreenWaste will provide collection services to residential premises between the hours of 5:00 a.m. and 3:00 p.m., Monday through Friday, throughout the County. GreenWaste will provide collection services to commercial premises between the hours of 5:00 a.m. and 3:00 p.m., Monday through Friday, and between 8:00 a.m. and 3:00 p.m. on Saturday. GreenWaste understands the importance of limiting noise impacts to residential premises before 7:00 a.m. and will design routes to avoid this wherever feasible.

- **Holidays** | GreenWaste recognizes the following as legal holidays for the purposes of this Agreement: New Year's Day, Thanksgiving Day, and Christmas Day. GreenWaste will operate in such a way that when a regularly scheduled collection falls on a legal holiday, or later during the holiday week, the collection for that day will be rescheduled for one day later (except Sunday). Customer service days will be returned to the normal schedule within one (1) week of the holiday. Customers will be notified of holiday-related changes in collection schedules at least two (2) weeks prior to the change through multiple means, which may include newsletters, website, social media, e-mails, and phone calls.
- **Missed Pick-Ups** | GreenWaste will, on the next working day after demand, notice, or request, collect and remove any and all missed pick-ups that GreenWaste failed to collect and remove as required at the regularly scheduled time.
- **Non-Collection Notices** | To support the County's Mandatory Recycling Ordinance, GreenWaste drivers will make a reasonable effort not to collect recyclable materials or organic materials from containers which contain visible amounts of contaminants. Similarly, solid waste containers containing in excess of 5% recyclable materials or organic materials will also not be collected. In the event of non-collection, GreenWaste will leave one part of a two-part "Non-Collection Notice" which provides the time and date that the notice was made, the reason for non-collection, and the manner in which the materials should be prepared for collection. GreenWaste will leave a hard copy attached to the container not collected, or attached to the doorknob of the house. GreenWaste will retain a record of each Non-Collection Notice, as well as a photograph. If materials are not collected and a Non-Collection Notice is not left at the residence or attached to the container, the materials will be considered a missed pick-up and handled in the previously described manner.
- **Routes** | Prior to the commencement of the new Agreement, GreenWaste will provide the County with sufficient route information for the County to review. Route safety will be of the utmost importance when planning routes, and route efficiency to minimize wear and tear on streets in the Franchise Area will be given priority. Since GreenWaste is the current franchised hauler, and since GreenWaste has consistently reviewed its routes, it is not expected that there will be many customers who experience a change in their service day. It is anticipated that fewer than 3% of customers will experience collection day changes in the first 12 months of the Agreement. For those customers who will experience a collection day change, GreenWaste will conduct outreach to notify these customers of their change in service and when they can expect to experience this. Outreach will be conducted at least 2 weeks prior to the commencement of the collection day change via cart/door hangers and/or a phone campaign. GreenWaste currently operates collection routes in the County where materials are kept separate from other materials generated outside of the Franchise Area.

## 2.A.ii.c Personnel

### Qualifications and Safety Training

Safety is of the utmost importance to GreenWaste. All GreenWaste personnel are constantly trained to perform their roles in a safe and efficient manner. The GreenWaste General Manager will be the County's primary point of contact regarding operational inquiries or requests, and will be principally responsible for Collection operations and resolution of service requests and complaints. All GreenWaste employees will present a neat appearance and conduct themselves in a courteous manner. GreenWaste will not permit its employees to accept, demand, or solicit, directly or indirectly, any additional compensation, or gratuity from members of the public.

- **Driver Qualifications** | All GreenWaste drivers possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles. GreenWaste will use the Class II California Department of Motor Vehicles employer "Pull Notice Program" to monitor drivers for safety.
- **Training** | Operational and safety training for all GreenWaste employees who operate collection vehicles or equipment is conducted on a weekly and monthly basis, depending on the topics covered. Please refer to Section 1.E | Past Performance Record for details about GreenWaste's Safety and Training Program.

### Encounters with Excluded Waste

GreenWaste thoroughly trains its employees who are involved with collection services on identifying and handling excluded waste.

- **Identified During Collection** | If a GreenWaste driver determines that material placed in any container for collection is excluded waste or presents a hazard to him, the driver will refuse to accept such material. The driver will then contact GreenWaste's Dispatch Team, and while the driver is still at the premises, the customer who put out the excluded waste for collection will be contacted by the Dispatch Team to assist in arranging proper disposal of the excluded waste. If the customer cannot be reached immediately, the driver will leave a Non-Collection Notice indicating the reason for refusal as well as the GreenWaste Customer Service contact information, so the customer may be provided with information on proper disposal of the excluded waste. Drivers will also be equipped with ELEMOS, the on-truck data management system as described in prior Section 2.A.ii.b Vehicles, which will allow for tracking of such excluded waste in real-time and in connection to the customer's account. In the instance that excluded waste is found in a collection container or collection area that could possibly result in imminent danger to people or property, the GreenWaste driver will notify the Route Supervisor who will then notify the Fire Department.
- **Identified at Disposal or Processing Facility** | In the event that load checkers and/or equipment operators at the Approved Facilities identify excluded waste in the loads delivered by GreenWaste, the materials will be removed for storage in approved, on-site, excluded waste storage containers. GreenWaste will arrange for removal of the excluded waste at its cost. GreenWaste may attempt to identify and recover the cost of disposal from the customer who generated the excluded waste.

### Hazardous Waste Inspection and Handling

GreenWaste will work with the County and the Approved Facilities on developing a load inspection program that will include: (i) personnel and training; (ii) load checking activities; (iii) management of wastes; and, (iv) record keeping and emergency procedures. Recyclable materials that are transported to the GreenWaste MRF in San Jose for processing and marketing will also be subject to a load inspection program. GreenWaste's load checking personnel will be trained in: (i) the effects of hazardous substances on human health and the environment; (ii) identification of prohibited materials; and, (iii) emergency notification and response procedures. Collection vehicle drivers will inspect containers before collection when practical.

### **2.A.iii Processing and Disposal**

For a detailed description of GreenWaste's proposed Recyclable Materials Processing Plan, please refer to Section 2.C | Recyclable Materials Processing.

#### **2.A.iii.a Organics Delivery**

GreenWaste will transport all organics materials collected in the County to the County's Ben Lomond Transfer Station or to the County's composting operations at the County's Buena Vista composting facility, or other Designated County Transfer Station and/or Designated Organic Materials Processing Facility. GreenWaste will pay all costs associated with transport and delivery of these materials, including payment of tipping fees, except for the County's reimbursement to GreenWaste for removal of abandoned materials in excess of the first \$5,000 worth of services in each rate period, and except for the cost of disposal of materials collected for County-sponsored clean-up events. GreenWaste will observe and comply with all regulations and posted rules in effect at these facilities.

Organic materials includes yard trimmings and food scraps, which are specifically accepted at the Approved Organic Materials Processing Facility, and are source separated from solid waste and recyclable materials.

#### Acceptable Yard Trimming Materials

GreenWaste will collect yard trimmings in designated organic materials carts, which include, but are not limited to:

- ✓ *Green trimmings;*
- ✓ *Grass;*
- ✓ *Weeds;*
- ✓ *Leaves;*
- ✓ *Pruning;*
- ✓ *Branches;*
- ✓ *Dead plants;*
- ✓ *Brush;*
- ✓ *Tree trimmings;*
- ✓ *Dead trees; and,*
- ✓ *Small pieces of unpainted and untreated wood.*

Yard trimmings placed for collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit within the organic materials cart.

#### Acceptable Food Scrap Materials

GreenWaste will collect food scraps (along with acceptable yard trimming materials) in designated organic materials carts, which include, but are not limited to:

- ✓ *All kitchen and table food waste;*
- ✓ *Animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs;*
- ✓ *Discarded paper that is contaminated with food scraps;*
- ✓ *Fruit waste, grain waste, dairy waste, meat, and fish waste; and,*
- ✓ *Non-recyclable paper or contaminated paper (excluding wax/film coated cardboard or cardboard food/beverage containers).*

#### **2.A.iii.b Solid Waste Disposal**

GreenWaste will transport all solid waste collected in the County to the County's Ben Lomond Transfer Station or to the County's Buena Vista Landfill, or other Designated County Transfer Station or Designated Disposal Facility. GreenWaste will pay all costs associated with transport and disposal of solid waste, including payment of tipping fees, except for the County's reimbursement to GreenWaste for removal of abandoned materials in excess of the first \$5,000 worth of services in each rate period, and except for the cost of disposal of materials collected for County-sponsored clean-up events. GreenWaste will observe and comply with all regulations and posted rules in effect at these facilities.

According to California Public Resources Code, Division 30, Part 1, Chapter 2, §40191, "solid waste" means all putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, and other discarded solid and semisolid wastes, and does not include excluded waste, C&D, source separated recyclable materials, source separated organic materials, and radioactive waste.

## 2.B Collection Containers

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GreenWaste has extensive experience in container procurement, distribution, and inventory management. The anticipated quantity of containers to be ordered for the County may be referenced in Section 7 | Cost Proposal. Per the County's request issued through the RFP documents, GreenWaste proposes all new containers, which are detailed below. Under an alternative cost-saving proposal, GreenWaste offers the option for the County to forego the condition of new containers and instead utilize existing containers. The details of this cost-saving proposal, the associated benefits, and the potential impacts are discussed in detail in Section 4 | Innovative or Cost-Saving Services.

### Containers

#### Carts

GreenWaste proposes to provide new collection carts for recyclable materials, organic materials, and solid waste to all subscribing customers in the County. These carts will be manufactured by Rehrig Pacific (Rehrig) in 20-, 35-, 65-, and 95-gallon sizes. GreenWaste has found Rehrig to be reliable after working with them on numerous occasions, including for cart distribution to the County in 2007. For detailed information on placing the orders for and taking delivery of carts, please refer to Section 2.G | Implementation Plan.

All carts will be of universal design to ensure consistency in educational messaging with programs in other parts of the County and State. Carts will be color-coded as follows: recyclable materials carts will be blue, organic materials carts will be green, and solid waste carts will be a dark neutral color (black or grey). This color-coding requirement will be met through painting the entire body and lid of the cart in the coded color. All cart lids will be hot-stamped with a list of acceptable and prohibited items in both English and Spanish, and all carts will be designed and constructed to be watertight and prevent the leakage of liquids. Carts will also display the GreenWaste name, local telephone number, and an inventory/serial number.

GreenWaste will maintain and replace containers as necessary. Customers using carts will be responsible for cleaning such carts; however, if any cart is marked with graffiti, GreenWaste will remedy the situation within fourteen (14) calendar days of notification at no additional charge. Manufacturer brochures with detailed specifications of the various cart sizes and options are included in Section 9 | Attachments. The County will have the option to assume ownership of GreenWaste carts upon expiration of the new Agreement.

- Tracking | GreenWaste proposes the use of RFID tags in carts. Carts equipped with RFID tags are readable by the AMCS ELEMOS on-vehicle system. The ELEMOS system is described in detail in Section 2.1 | Management and Customer Service Systems. The utilization of RFID tags is especially important in the many cluster-point collection areas of the county. When customers set their carts out in clusters, it can be difficult to determine which cart belongs to which customer, and if there are issues with a particular cart, then it is nearly impossible to determine who it belongs to. Through equipping the carts with RFID tags and employing the ELEMOS system, GreenWaste will be able to match carts set out in cluster-points to the owner of the carts, and if any issues arise

(i.e.: contamination, no set-out, etc.), then GreenWaste can communicate confidentially with the customer about their particular cart and resolve the issue at hand.

Examples of cluster-point collection areas:



### Bins

GreenWaste will provide new collection bins for recyclable materials, organic materials, and solid waste to all subscribing customers in the County. These bins will be manufactured by Consolidated Fabricators Corporation (Consolidated) in 1-8 cubic yard sizes. GreenWaste has worked with Consolidated for many years and has found the company to be extremely dependable and capable of producing high quality products. For detailed information on placing the orders for and taking delivery of bins, please refer to Section 2.G | Implementation Plan.

All bins will be of universal design to ensure consistency in educational messaging with programs in other parts of the County and State. The bins will be color-coded as follows: recyclable materials bins will be blue, organic materials bins will be green, and solid waste bins will be a consistent dark neutral color (black or grey). This color-coding requirement will be met by painting the whole body of the bin in the coded color. All bins will be labeled with a list of acceptable and prohibited items in both English and Spanish, and all bins will be designed and constructed to be watertight and prevent the leakage of liquids. Bins will also display the GreenWaste name, local telephone number, and an inventory/serial number.

GreenWaste will maintain and replace containers as necessary. Additionally, GreenWaste will steam clean and repaint bins as requested by customers, or as deemed necessary by GreenWaste, in order to present a clean appearance. However, if a customer requests steam cleaning more frequently than one (1) time per year, GreenWaste will charge the customer a County-approved rate. If any bin is marked with graffiti, GreenWaste will remedy the situation within fourteen (14) calendar days of notification at no additional charge. Manufacturer brochures with detailed specifications of the various Bin sizes and options are included in Section 9 | Attachments. The County will have the option to assume ownership of GreenWaste bins upon expiration of the new Agreement.



- Tracking | GreenWaste proposes the use of front-load vehicles equipped with the AMCS Front-Load Truck Scale System. This system connects to Tower through the AMCS ELEMOS on-vehicle system. The ELEMOS system is described in detail in Section 2.I | Management and Customer Service Systems. This system guarantees lift verification, identifies heavy weighing customers, and tracks each load. This system also assists in optimizing load efficiency and ensures each truck is operating to full capacity.

#### Drop Boxes and Compactors

It is GreenWaste's understanding that all drop box and compactor services are open market and regulated under a separate non-exclusive Agreement. Under the base proposal, drop boxes are to be offered by the contractor for County clean-up events and holiday tree collection only. For information about drop boxes and compactors to be offered by GreenWaste to customers under the alternative proposal for permanent roll-off services, please refer to Section 3.A | Alternative #1: Permanent Roll-Off Services.

For County clean-up events and holiday tree collection, GreenWaste will provide collection drop boxes. Drop boxes will be manufactured by Consolidated in 10-, 20-, 30-, and 40- cubic yard sizes. For detailed information on placing the orders for and taking delivery of containers, please refer to Section 2.G | Implementation Plan.

Drop boxes will be green, labeled with a list of acceptable and prohibited items in both English and Spanish, and will be designed and constructed to be watertight and prevent the leakage of liquids. Drop boxes and compactors will also display the GreenWaste name, local telephone number, and an inventory/serial number.

GreenWaste will maintain and replace drop boxes as necessary. Additionally, GreenWaste will coordinate the steam cleaning and repainting of containers as deemed necessary by GreenWaste in order to present a clean appearance. If any drop box is impacted by graffiti, GreenWaste will remedy the situation within fourteen (14) calendar days of notification. Manufacturer brochures with detailed specifications are included in Section 9 | Attachments.

#### Kitchen Pails

Please refer to Section 2.A | Recyclable Materials, Organic Materials, and Solid Waste Collection for details about the kitchen pails GreenWaste will distribute to single-family customers for food scraps collection.

#### **Container Distribution**

GreenWaste has varied experience in container distribution to numerous jurisdictions. Working with many different container companies has allowed GreenWaste to filter through and find the companies that provide the most reliable service and product. Since GreenWaste is the current franchised hauler for the County, container distribution throughout the County will be seamless. GreenWaste will be able to control both the removal of existing containers and delivery of new containers within a timeframe that ensures no subscribing customer will have missing or duplicate containers. Familiarity with the County's geography, communities, and unique requirements will be of the utmost importance when performing container

distribution. As the existing service provider, GreenWaste is assured to provide the smoothest possible container distribution for the County.

#### Container Distribution Plan

GreenWaste has direct experience in container distribution to the County and all of its hard-to-service areas. GreenWaste proposes to enlist the expertise of Rehrig, which was the company selected during GreenWaste's first cart distribution to the County in 2007. In fact, GreenWaste has worked with the same crew from Rehrig on its Monterey Peninsula Cities cart distribution as it did for the County in 2007, so it is anticipated that the same crews who are already familiar with the County's geography will be enlisted for the new cart distribution to the County under this new Agreement.

GreenWaste and Rehrig will work closely together throughout cart distribution. Approximately 4 months prior to the commencement of service, Rehrig will begin delivering carts on GreenWaste routes using data provided by GreenWaste as well as what is seen on site. GreenWaste will follow closely behind Rehrig removing the old carts. Approximately 1,000 carts per day are expected to be delivered. Container distribution in the hard-to-service areas will be conducted solely by GreenWaste, as familiarity and experience are essential for servicing these cluster-point pick-ups, roads, and private driveways.

Consolidated will provide bins and drop boxes to GreenWaste, and GreenWaste will be responsible for the container distribution prior to the commencement of service.

#### **Container Maintenance and Inventory**

##### Maintenance of Inventory and Parts

GreenWaste aims to maintain approximately 5% of carts and bins by size and color in inventory at its Operations and Transfer Facility in Watsonville. Drop box inventory at the Watsonville facility changes seasonally and GreenWaste's San Jose facility maintains a sufficient supply for its Watsonville operations to utilize as well. GreenWaste's Watsonville Facility also includes a maintenance shop where routine maintenance is performed on containers to ensure they work properly and present a neat appearance. GreenWaste utilizes the Tower system, which includes data on container serial numbers both in inventory and in the field. This area of Tower is maintained and audited periodically, so that GreenWaste sustains an adequate amount of containers in inventory.

GreenWaste maintains records of repairs and replacements. When enough containers to fulfill a container order from the manufacturer are removed from inventory, they are then re-ordered. Supervisors oversee the inventory of containers, maintain logs, and conduct inventory audits approximately once per month.

##### Lost or Stolen Containers

Since GreenWaste maintains an adequate supply of containers in inventory, replacement of lost or stolen containers occurs within five (5) working days of the customer reporting this to Customer Service. GreenWaste currently has a route dedicated to container delivery, exchanges, or removals. GreenWaste replaces stolen containers at no charge to the customer. However, if a customer admits to neglecting or damaging their container and assumes the responsibility, then GreenWaste will charge the customer a fee for replacement.

## County Issues

### Overflow Issues and Illegal Dumping

GreenWaste has experience responding to issues with overflow and illegal dumping at various County areas. GreenWaste has offered to supply varying service levels to try to mitigate the issues, but they persist. Drop boxes have been offered, but providing larger containers may invite even more illegal dumping and encourage illegal dumpers to use the area as a drop-off point. GreenWaste is committed to partnering with the County to come up with the best possible approach, including varying container sizes and frequencies of service, in order to remedy the overflow and illegal dumping issues. GreenWaste believes that the adoption of the universal service areas in the Urban Services Line and Urban/Rural Services Boundary will assist in alleviating part of the illegal dumping issue. By requiring residential and commercial premises in this designated area to subscribe to collection services, illegal dumping within those boundaries will be decreased significantly.

### Scavenger Deterrent

Raccoons and poachers are a known problem for residents and businesses in the County. GreenWaste proposes the use of carts with gravity locking lids for customers who experience problems with raccoons that rummage through carts and make a mess. This is a proven method for preventing raccoons from gaining access to carts. For bin customers who experience raccoon issues or recyclables poachers, GreenWaste will offer bins with locking lids and bars. Drop box customers may be offered tarps or covered drop boxes with locks at County-approved rates.

**2.C Recyclable Materials Processing**

GreenWaste will transfer, transport, and process recyclable materials in the same manner as is currently performed throughout the County. GreenWaste owns and operates the transfer and processing facilities proposed herein. What follows are the details of how GreenWaste will perform the requirements under the Agreement. Please note that all processing fee and revenue rebate information is included in Section 7 | Cost Proposal.

GreenWaste anticipates the following tonnage of recyclable materials to be collected and processed from the County's residential and commercial sectors:

	Estimated Recyclable Materials Tonnage
Residential	Collected: 20,117 annually Processed: 20,117 annually Residue: 1,005 annually (at 5% residue)
Commercial	Collected: 2,379 annually Processed: 2,379 annually Residue: 118 annually (at 5% residue)

**Acceptable Recyclable Materials**

Below is the minimum list of recyclable materials to be collected as well as the expanded list of single-stream recyclable materials accepted at the GreenWaste Material Recovery Facility (MRF).

Minimum List of Recyclable Materials to be Collected for Recycling (Inside Container)\*

- ✓ Newspaper (including inserts, coupons, and store advertisements);
- ✓ Mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal, and other similar food boxes yet excluding paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-line paper, Tyvex non-tearing paper envelopes);
- ✓ Aseptic packaging;
- ✓ Milk and juice cartons;
- ✓ Corrugated cardboard;
- ✓ Glass containers of any color (including brown, clear, and green glass bottles and jars);
- ✓ Aluminum (including beverage containers and small pieces of scrap metal);
- ✓ Steel, tin, and bi-metal cans;
- ✓ Mixed plastics, including bottles, jars, tubs, and containers, all types/colors, Plastics 1-7;
- ✓ Bottles including containers made of HDPE, LDPE, or PET;

- ✓ Polyethylene film plastics (including bags for dry cleaning, groceries, produce and bread, bubble wrap, newspapers, and other stretchable plastic films);

Minimum List of Recyclable Materials to be Collected for Recycling (Curbside, Outside Container)\*

- ✓ Used motor oil (collected in used oil recovery kits);
- ✓ Used oil filters (collected in used oil recovery kits);
- ✓ Used household batteries (collected in a sealed, reusable clear zipper type bag); and,
- ✓ Christmas trees (seasonally).

Expanded Single-Stream Recyclable Materials to be Collected for Recycling (Inside Container)\*

Due to the advanced state of the new GreenWaste MRF, as well as the marketing efforts of the MRF Manager, GreenWaste is able to offer a more comprehensive list of recyclable materials than any other MRF in the region. The expanded list of single-stream recyclable materials available to the County includes:

- ✓ Shredded paper (must be bagged);
- ✓ Candles;
- ✓ CDs & DVDs;
- ✓ Rigid plastics;
- ✓ Plastic bags (must be bagged; used for dry cleaning, groceries, newspapers);
- ✓ Empty aerosol cans;
- ✓ Scrap aluminum foil and pans;
- ✓ Scrap metal less than 40 lbs.;
- ✓ Small kitchen appliances less than 40 lbs. (i.e., toasters, microwaves, non-Freon containing appliances); and,
- ✓ Waxed Cardboard.

*\*It is important to note that materials are only recyclable where markets exist. If a market disappears for a material on the above lists, then GreenWaste can no longer accept it as a recyclable material.*

### **Recyclable Materials Processing**

GreenWaste proposes to utilize its Operations and Transfer Facility in Watsonville, California as a Transfer Station for all recyclable materials collected in the County. Recyclable materials will then be transported to the GreenWaste MRF, located at 625 Charles Street in San Jose, California for processing and marketing.

### Transfer Site Information

GreenWaste's Operations and Transfer Facility in Watsonville, California will be utilized for consolidating and transferring all recyclable materials collected from the County of Santa Cruz residents and businesses. County material will be consolidated for transportation in transfer vehicles with 50 cubic yards of capacity or more with recyclable materials from the Cities of Capitola and Scotts Valley, California State University Monterey Bay, and the Santa Cruz and San Mateo County State Parks and Beaches. This is how the County's recyclable materials are currently handled. Adequate capacity will always be available at the GreenWaste MRF for the County under the new Agreement.

Recyclables Transfer Station	
Owner & Operator	GreenWaste Recovery, Inc.
Special Use Permit	APN 018-491-02
Permitted Hours of Operation	5:00 a.m. – 10:00 p.m.
Capacity	Up to 100 tpd
General Manager Contact Information	Jim Moresco   831.768.4722

Processing Site Information

The GreenWaste MRF is permitted to accept up to 2,000 tons per day (tpd) of material and has been processing the County's recyclable materials since 2007. The MRF is currently processing tonnage below the permitted level, with available capacity of approximately 400 tons per day. The County's tonnage is already accounted for within what the MRF is currently processing and the MRF guarantees processing capacity for the County's recyclable materials through the term of this new Agreement. The MRF is open Monday through Sunday, and is permitted to operate twenty-four (24) hours per day, seven (7) days per week. The MRF is typically open from 4:00am - 9:00pm Monday through Friday, 5:00am - 5:00pm on Saturday, and on an as-needed basis for maintenance on Sunday, generally operates 309 days per year, and is closed on the following holidays:

- ✓ *New Year's Day;*
- ✓ *Easter Sunday;*
- ✓ *Thanksgiving Day; and,*
- ✓ *Christmas Day.*

In 2008 the GreenWaste MRF underwent a multi-million dollar expansion, installing a dual stream side-by-side MSW and single-stream recyclable materials processing system. While this version of the MRF was widely recognized as one of the most innovative processing facilities in the world, consistently demonstrating a recovery rate from single-stream recyclables processed of over 97%, GreenWaste continued to search for methods of getting even cleaner recyclable materials, and determined an expansion was necessary in order to achieve this.

In July 2015, GreenWaste started operation of its new MRF, a multi-building processing operation where MSW is processed in a separate building than recyclable materials; however, materials are constantly moved between buildings to ensure as much material is diverted from landfill as possible. Organic material is recovered from all streams processed, and is consolidated and transferred to GreenWaste's sister company, Z-Best Composting Facility, in Gilroy, California. Processing the streams separately, with updated equipment and processes, and with the ability to move material between processing buildings and to a related organics processing facility, has resulted in cleaner, more marketable materials.

Recyclables Processing Facility	
Owner & Operator	GreenWaste Recovery, Inc.
SWFP No.	43-AN-0019 and 43-AN-0020
Permitted Hours of Operation	24 hours per day
CEQA	SCH # 2004112032
Capacity	Up to 2,000 tpd
MRF Manager Contact Information	Ricardo Lopez   408.938.4936

### MRF Processing Operations

Depending on the jurisdiction being served, GreenWaste either processes or transfers incoming materials at its MRF. GreenWaste offers jurisdictions the option to process solid waste, recyclable materials, and organic materials, not just those materials that are source separated and easy to recover.

The single-stream recyclable materials processing building is capable of processing up to forty-five (45) tons per hour of material, while consistently recovering over 97% of processed material. Processing the recyclable materials from the County at the GreenWaste MRF in San Jose will promote the highest diversion rates by capturing recyclable materials and organics residue, which will be sent to Z-Best Composting Facility for composting.



What follows are the details of the various stages of the single-stream recyclable materials processing cycle.

- **Direct Baling** | Clean source-separated loads, such as cardboard and film plastics, are fed directly into one of two baler feed conveyors, which provide more than forty-five (45) feet of direct load capability.
- **Floor Sort** | Recyclable material is dumped and undergoes an initial manual floor sort, where sorters remove large recoverable items and contaminants. After the floor sort, a bucket loader operated by a MRF employee feeds recyclable material into the metering bin.
- **Pre-Sort** | The pre-sort process includes up to eight (8) pre-sorting stations along conveyors where sorters remove contaminants, large items, film plastics, bagged shredded paper, and rigid plastics prior to the material stream entering the mechanical portion of the facility. Staffing levels and locations are determined by the composition of the feedstock being processed. The pre-sort stations are essential to MRF operations and increase the total system throughput, improve the efficiency of machinery separation, and result in higher quality output products.

- Bag Breaker | During the pre-sort, sorters pull off unopened bags and toss them down a chute where the bag breaker mechanically opens the bags and a conveyor belt reintroduces the materials to the line, meeting up with the rest of the materials that have made it past the pre-sort.
- OCC Screen | The OCC disc screen is used to capture cardboard and allow other materials to continue on for further processing. The spacing in the screen allows for cardboard to float over the top, separating the larger cardboard from the smaller paper, plastic, and other materials. One quality control sort station removes any contaminants from the cardboard before directing it to the cardboard bunker conveyor for subsequent baling.
- Debris Roll Screen | Directly under the OCC screen, glass falls onto debris roll screens, separating glass from the rest of the material and moving it onto a glass cleanup system. Here, fiber is separated from glass for maximum recovery. GreenWaste deals with glass in a broken state because of the compaction during collection. This system has resulted in a cleaner, more marketable glass product.
- Polishing Screens | A series of 3 polishing screens separate newsprint and mixed paper from the rest of the material. These screens are adaptable. If a material is no longer marketable, GreenWaste can change the disc screen to accommodate other marketable materials.
  - #1 Newsprint Polishing Screen | Newsprint floats over the top of the screen and all of the other materials continue onto the next screen.
  - #2 Newsprint Polishing Screen | An additional newsprint screen directs newsprint to float over the top of the screen and all of the other materials continue onto the next screen. GreenWaste added the second newsprint screen in the new MRF to handle the sheer volume of newsprint in the recyclables stream.
  - #3 Mixed Paper Polishing Screen | Mixed paper floats over the top of the screen, fines fall through the screen spaces and meet the organic materials line (for consolidation and transfer to Z-Best Composting Facility), and all other materials continue onto the container line.
- Post-Sort | After each screen is a quality control station with up to 3 sorters each to ensure optimum marketability of the recovered commodities. This is the end of the line for paper.
- Vacuums | Directly above the post-sort quality control lines are vacuums for recovering film plastic, which is transported to a bunker.
- Electro-magnetic Separator | Ferrous metals are separated using electro-magnetic separators. All ferrous metals are stored in bunkers prior to baling.
- Optical Sorters | A series of 3 optical sorters separate various types of plastics from the rest of the material.
  - #1 PET Optical Sorter | PET beverage containers are optically sorted.
  - #2 HDPE Optical Sorter | HDPE color and natural containers are optically sorted.
  - #3 Plastics 2-7 Optical Sorter | Plastic containers #2 through #7 are optically sorted.



- **Post-Sort** | After each optical sorter are quality control stations where sorters pull off any material that isn't PET, HDPE, or Plastics 2-7 to ensure optimum marketability of the recovered commodities.
- **Eddy Current Separator** | Non-ferrous metals (i.e. aluminum cans) are separated utilizing an eddy current separator. A magnetic rotor spins rapidly inside a non-metallic drum. Alternating magnetic charges on the belt, combined with the velocity of the conveyor, force the non-ferrous metal to repel away from the conveyor, while the other materials drop off at the end.
- **Last Line of Defense** | After the eddy current separator are 2 sorters who separate (1) scrap aluminum from other aluminum and (2) non-landfill material from landfill material.
- **Baler** | 2 balers prepare material for market. One machine is primarily used for mixed paper, while the other is primarily used for OCC. Both balers are adapted to use for various materials and computer systems connected to the material bunkers notify MRF employees when there is enough material accumulated for baling.

GreenWaste's new multi-building MRF has improved the quality of the recyclable materials products for market. In the past, containers and plastics would contaminate the mixed paper line. Now, the contamination is negligible. Additionally, the new MRF contains a series of sensors all throughout the facility that communicate with MRF operators when:

- ✓ *Preventative maintenance has to be performed;*
- ✓ *There is jamming in a machine;*
- ✓ *There is a bunker of material ready for baling (i.e.: Bunker 1 is at 75% capacity); and,*
- ✓ *A door or latch is open or not secure and must be attended to in order for operations to continue.*

The new MRF contains various safety features, including:

- ✓ *Continuous handrails;*
- ✓ *Walkways and platforms;*
- ✓ *Emergency stops (buttons and pull cords); and,*
- ✓ *Equipment access/guarding.*

Overall, the new GreenWaste MRF offers:

- ✓ *Optimized recovery;*
- ✓ *Flexible and adaptable design; and,*
- ✓ *Effective control systems.*

GreenWaste MRF personnel are thoroughly trained and the MRF Operations Manager has a strong presence in the facility, frequently reviewing operational data to increase operational efficiency. The equipment is calibrated and consistently achieves high diversion rates. For these reasons, GreenWaste will achieve a residue level of less than ten percent (10%) for recyclable materials through the term of this Agreement.

#### Tracking Jurisdictional Tonnage

Collection vehicles containing recyclable materials collected from the County of Santa Cruz will be weighed

upon arrival at the GreenWaste Operations and Transfer Facility in Watsonville. This tonnage will be recorded prior to consolidation of recyclable materials for transfer to the GreenWaste MRF in San Jose. The recorded tonnage will be maintained and reported to the County.

Materials from multiple jurisdictions are delivered to the GreenWaste MRF for processing. All vehicles carrying recyclable materials are directed to the inbound scale where the gross weight of each vehicle and its contents is recorded. Vehicles are then directed to dump their contents on the tipping floor where they are commingled for processing. Vehicles are weighed again on the outbound scale and the tare weight of each empty vehicle is recorded. The tonnage of recyclable material is calculated and maintained in GreenWaste's database. The scale system, database, and operational procedures in place allow GreenWaste to allocate material and residue percentages to the appropriate jurisdiction, which are based on the residue audits conducted prior to processing.

- *Upon the County's request, GreenWaste will conduct two (2) waste characterization studies per year of the residue from the recyclable materials collected under this Agreement.*

All data is generated in a suitable Excel pivot table format that is both user-friendly and capable of managing recycling operations. The Excel pivot tables allow for virtually unlimited flexibility in viewing data. All scale employees are fully trained on daily operations in order to reduce potential data collection and management errors. All scales are registered with the Santa Clara County Department of Weights and Measures and are regularly maintained to ensure reliability and proper function.

GreenWaste services the following jurisdictions, and processes the accompanying material(s) at its MRF:

- County of Santa Cruz | Recyclables
- City of Capitola | Recyclables
- City of Scotts Valley | Recyclables
- Santa Cruz County and San Mateo County State Parks and Beaches | Recyclables
- California State University Monterey Bay | Recyclables
- City of San Jose | Yard Trimmings
- Town of Woodside | MSW, Recyclables, & Compostables
- Town of Portola Valley | MSW, Recyclables, & Compostables
- Town of Los Altos Hills | MSW, Recyclables, & Compostables
- County of Santa Clara | Recyclables
- City of Palo Alto | Recyclables
- City of Carmel-by-the-Sea | Recyclables
- City of Del Rey Oaks | Recyclables
- City of Marina | Recyclables
- City of Pacific Grove | Recyclables
- Pebble Beach Community Services District | Recyclables
- City of Sand City | Recyclables
- City of Seaside | Recyclables
- GreenTeam of San Jose | SFD/MFD MSW & City Facilities
- Recology Silicon Valley | MSW & Recyclables

Any commingled material from jurisdictions other than the County that are processed at the GreenWaste MRF are accurately allocated and tracked through the GreenWaste scale system and database.

### Residue from Recyclable Materials

Residue from the recyclable materials collected in the County and processed at the GreenWaste MRF, which cannot be marketed, will be consolidated with residue from the remainder of MRF operations and transported to the Monterey Regional Waste Management District's Monterey Peninsula Landfill for disposal. This tonnage will be tracked and reported to the County.

### MRF Load Check Program

GreenWaste's load check program consists of thoroughly trained staff that can easily recognize unacceptable material in loads and know how to properly handle and remove these materials before processing. As the first line of detection, all spotters are trained to interact with collection vehicle operators during the unloading of materials to identify and manage possible contaminants. If unacceptable or hazardous waste is observed during unloading, the load check spotter will remove the contaminants and place them in the designated and/or hazardous waste storage areas. The State of California requires random inspections of incoming waste loads in an attempt to find occasional amounts of prohibited waste; however, GreenWaste far exceeds that requirement by using load check personnel to inspect all incoming loads in an effort to reduce possible contamination at the GreenWaste MRF. Any instance of hazardous or other excluded waste found at the GreenWaste MRF will be properly recorded, including type of material and origin, and maintained in accordance with all local, State, and Federal regulations. All GreenWaste employees that might come into contact with hazardous and excluded waste receive proper training to identify, handle, and remove such wastes.

### Permits and Regulatory Compliance

GreenWaste's Solid Waste Facility Permits (SWFP # 43-AN-0019 and 43-AN-0020) are issued and conferred upon by the California Department of Resources Recycling and Recovery (CalRecycle). The GreenWaste MRF is also governed through permits issued by the following State and local regulatory agencies:

- ✓ *California Department of Toxic Substances Control (DTSC);*
- ✓ *California Department of Industrial Relations (OSHA);*
- ✓ *California Regional Water Quality Control Board (RWQCB);*
- ✓ *California Air Resources Board (CARB);*
- ✓ *City of San Jose;*
- ✓ *County of Santa Clara; and,*
- ✓ *San Jose Fire Department.*

The GreenWaste MRF has complied with all permits and environmental documents since its inception. At its request, GreenWaste can provide the County with all documentation verifying compliance. Safety is of the utmost importance at the GreenWaste MRF, and following all applicable local, state, and federal laws and regulations allow for the GreenWaste MRF to boast its excellent safety and compliance record.

### Available Processing Capacity

As of July 6, 2015, the GreenWaste MRF has an available processing capacity of approximately 400 tons per day. Since GreenWaste is the current processor of the County's recyclable materials, GreenWaste is

happy to guarantee the County sufficient recyclable materials processing capacity collected under the Agreement throughout the term of the Agreement, and any extensions thereto.

#### Contingency Plan

The GreenWaste MRF has never experienced an unforeseen closure since its inception, so the need for an alternate facility is not anticipated. In fact, the GreenWaste MRF has four (4) separate tipping floors where recyclable materials can be dumped, so if one area of the MRF is closed, there are supplementary areas to accommodate material.

Regardless, in order to ensure uninterrupted service for the County and in the event that the GreenWaste MRF is closed on a temporary basis, GreenWaste can deliver materials to an alternate facility. GreenWaste will enter into an agreement with a nearby recycling facility to act as an alternate processing facility if the need arises and only with County approval.

#### MRF Tours

GreenWaste is accustomed to providing detailed and interactive tours of its MRF. The GreenWaste educational center is ideal for accommodating younger children and educating them about the GreenWaste MRF. This is a classroom-type set-up and is located adjacent to the processing buildings. GreenWaste does not encourage young children to walk throughout the processing buildings as it can be a safety hazard. GreenWaste does give tours throughout the processing buildings to adults. Visitors are provided with personal protective gear, including hard hats, safety vests, and eye protection, and are advised ahead of time to wear comfortable, close-toed shoes and long pants. The tour guide communicates with visitors throughout the processing buildings via headsets. Visitors are briefed prior to the tour about safety and are encouraged to ask questions and interact with the tour guide during the tour.

#### **Recyclable Materials Marketing**

Since starting the processing of recyclables in 1991, GreenWaste has diligently worked to create and expand relationships within the commodities market. GreenWaste is consistently able to sell commodities, even in a down market, due to relationships and reputation. GreenWaste has reliably demonstrated the production of high-quality materials and makes continual improvements in the quality and quantity of recyclable materials produced, resulting in high diversion rates and minimal residue. Most of the commodities recycled are baled, consolidated, and whenever possible, transported locally to reduce transportation costs and environmental impacts. GreenWaste commits to processing and marketing all of the recyclable materials collected in the County for the duration of this Agreement.



Marketing Method & Approach

GreenWaste has continued to build and strengthen relationships with long-term vendors and continues to cultivate relationships with new vendors. The marketing of recyclable materials will utilize these strong relationships to get the highest market value for each commodity. The GreenWaste MRF Manager constantly meets with vendors to review and identify improvement opportunities in the quality of materials and to address any issues that arise in constantly changing markets. Recyclable commodities recovered at the GreenWaste MRF are sold to both domestic and foreign markets. GreenWaste makes all reasonable business efforts to sell materials to domestic markets, in order to reduce the environmental footprint of international transportation.

Included in the below table are the estimated annual tonnage figures for recovered and marketed recyclable materials, which is based on audited single-stream recyclable materials at the GreenWaste MRF and current tonnage processed by GreenWaste for the County.

Products	Estimated Annual Tonnage Recovered and Marketed
Old Corrugated Cardboard	4,124 annually
Mixed Paper & Newspaper	9,725 annually
Colored HDPE Plastic #2	153 annually
Natural HDPE Plastic #2	140 annually
Mixed Plastics #1-7	261 annually
Rigid & Injection Grade Mixed Plastics	535 annually
PET Bottles	472 annually
PET Clamshells	51 annually
Plastic Bags & Other Film Plastics	478 annually
Aluminum Cans	77 annually
Scrap Aluminum	25 annually
Metal	357 annually
Steel Cans	427 annually
Glass	5,328 annually

Severe Market Demand & Pricing Fluctuations

GreenWaste has experience in enduring severe fluctuations in recyclables markets. If there happens to be a dramatic decrease in the recyclables markets, GreenWaste has ample storage for recyclable material prior to marketing to withstand significant market fluctuations. In fact, with the onset of China's Operation Green Fence, in which China is implementing higher standards on imports of recycled material,

GreenWaste has not seen any interruption in marketing operations and has maintained a steady flow of materials, unlike its competitors. There are several reasons for GreenWaste's ability to handle severe market fluctuations:

- ✓ *Strong relationships with existing vendors;*
- ✓ *Consistent outreach to new markets;*
- ✓ *Tested contingency plans to handle extreme market conditions;*
- ✓ *Steady production of clean products; and,*
- ✓ *Continual monitoring of markets and economic situations to anticipate and adapt to changes.*

During extreme market fluctuations with recyclables in previous years, GreenWaste continued to process and market the variety of materials collected. In March and April of 2008 when it was extremely difficult to move mixed paper internationally because of the limited number of shipping containers in the Bay Area, GreenWaste was able to ship some material domestically but retained baled products at locally owned storage facilities while waiting for the market to rebound. When the market began to rebound, vendors knew GreenWaste consistently produced a high-quality and clean product, which attracted vendors to purchase the stored materials. Similarly, during the recent labor disputes at the Oakland port, GreenWaste saw a slowdown in the movement of recyclables, but maintained strong relationships, stored materials, and has been able to move these materials since then.

- **Emergency Storage** | The GreenWaste MRF property has ample storage space to maintain materials ready for market. GreenWaste also owns several large warehouses within five (5) miles of the GreenWaste MRF where bales and recyclables can be stored for long periods of time.

#### Highest & Best Use

GreenWaste prioritizes its "highest and best use" philosophy to its own business practices and encourages subcontractors to adopt and implement the same philosophy. Since all recyclable materials generated in the City are going to be processed at the GreenWaste MRF, GreenWaste can ensure that a highest and best use philosophy is strictly enforced. As an environmentally responsible and sustainable company, GreenWaste works to find highest and best use solutions for recyclable materials and organics, donates to reuse centers, prefers to market materials domestically, and gives preference to these markets in order to reduce the carbon footprint of shipping commodities internationally, thereby also supporting the local economy.

GreenWaste understands the County's preference for making processed recyclable materials available to remanufacturing businesses within the Central Coast Recycling Market Development Zone. If the County Contract Manager requests processing of recyclable materials to certain specifications desired by such businesses in the Recycling Market Development Zone, GreenWaste will cooperatively engage the County in fulfilling this requirement.

#### Drop-Off Recycling Centers

GreenWaste will partner with the drop-off recycling centers located at the Ben Lomond Transfer Station, the Buena Vista Landfill, and other locations the County is contracted with regarding purchase, processing, and/or marketing of recyclables collected at these centers.

### Characterization Studies

In addition to the two (2) residue characterization studies GreenWaste will perform each year for the residue resulting from processing of the County's recyclable materials, GreenWaste will also conduct six (6) seasonal characterization studies during the Term of this Agreement of the discarded materials collected. The purpose of these studies will be to promote diversion through marketing and public outreach, and to determine contamination levels of recyclable materials and organic materials. These studies will be performed at a County-designated site for study and the County will be involved throughout the entire process.

## 2.D Public Education and Outreach

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GreenWaste is excited about the opportunity to partner with the County of Santa Cruz (County) in providing expanded public education and outreach activities to the County's residents and businesses. The proposed expanded public education and outreach program is in line with GreenWaste's past experience in many of the jurisdictions it serves. GreenWaste strives to increase customer participation in recycling and diversion programs through positive behavioral changes, and believes people will do the right thing if provided the information and resources to be successful. Accordingly, GreenWaste has designed its Public Education & Outreach Program (Program) for the County by targeting sectors, understanding the most effective means of distributing information, and specifically tailoring programs based on the collection programs available.

### Public Education & Outreach Program

GreenWaste understands that the Program will require coordination with the County throughout the term of the Agreement. While the County will manage the public education and outreach activities related to this Agreement, GreenWaste will provide outreach and technical assistance support including material development, production and distribution, direct funding and sponsorships, staffing events and assistance with AB341 and AB1826 compliance. The Program will inform customers about the services provided under the Agreement, and will aim to communicate the methods and benefits of source reduction, reuse, recycling, and composting. Public education and outreach materials will instruct customers on how to properly place materials in containers and set containers out for collection. Education and outreach will focus specifically on minimizing contamination of recyclable and organic materials and opportunities to maximize participation in recycling and diversion programs. GreenWaste will ensure that excluded waste and its hazards are clearly defined in public education and outreach materials, and will educate customers about opportunities for proper handling.

### Contractor Responsibilities

As outlined in **Exhibit C** of the Franchise Agreement, GreenWaste will fulfill the following public education and outreach responsibilities:

- ✓ Provide annual funding to the County;
- ✓ Provide annual funding to the Central Coast Recycling Media Coalition;
- ✓ Develop an annual public education plan, to be presented to the County for review and approval, and to include a list of all activities to be performed by GreenWaste, the target customer Type, and the timeframe of completion for each activity;
- ✓ Meet quarterly with County Contract Manager to discuss services, outreach, and educational campaigns;
- ✓ Work with the County to develop and manage, fund the production, printing, and distribution of public education and outreach materials for single-family, multi-family, and commercial customers, including quarterly newsletters, annual service guides and billing inserts;



- ✓ Develop, produce, and print sign boards with educational messages up to four (4) times per year, and affix to all GreenWaste Collection vehicles;
- ✓ Encourage proper sorting of discarded materials for commercial and multi-family customers by developing, producing, printing and distributing posters, signage and stickers;
- ✓ Promote Kitchen Pails to residential customers with quarterly newsletters, annual service guides, bill inserts, and instructional materials describing the requirements of the Organic Materials Collection Program;
- ✓ Distribute and develop instructional information, public education, and promotion materials during any implementation of new or enhanced services;
- ✓ Provide any and all public education and outreach materials and services to all County facilities that are provided to the commercial sector;
- ✓ Make available to the visiting public all printed public education materials in County offices, and replenish the materials as requested by the County Contract Manager;
- ✓ Develop and utilize corrective action notices, which will also function as non-collection and courtesy notices, in cases of customer non-compliance;
- ✓ Develop and maintain a system of keeping records of and following up with customers who receive non-collection notices during collection of materials;
- ✓ Issue notices of non-compliance to multi-family and commercial customers that are not in compliance with AB 341 and/or AB 1826;
- ✓ Prepare and provide the County with new tenant "move-in kits" for property managers and owners to distribute on their multi-family premises, which will include a Multi-Family Recycling Guide, a personal recycling bin, and stickers or refrigerator magnets that define acceptable and prohibited materials in the recycling program;
- ✓ Promote recyclable materials and organic materials collection services through recycling opportunity assessments, including visual waste assessments, data collection and preparation of quantitative recommendations to promote opportunities for increased diversion;
- ✓ Check the service level of recyclable materials and organic materials, verify container and public area signage is adequate, and replenish "move-in kits" as needed for multi-family premises;
- ✓ Develop a website containing information specific to County customers including: collection programs and operations, program successes and diversion statistics, program participation instructions, and posting educational materials, current rates charged to customers, and links for additional resources;
- ✓ Notify customers and property managers of each seasonal or periodic program, including in notifications the schedule, acceptable and prohibited materials, and program set-out requirements;
- ✓ Develop and provide written notification to customers and property managers of any temporary changes to the collection schedule caused by holidays;

- ✓ Staff an exhibit booth at special events, which will include conducting recycling education activities appropriate to a variety of age groups, as well as distributing promotional and educational materials such as visual displays, educational materials, guides, flyers, and brochures;
- ✓ Aid in planning service needs and maximizing diversion of materials for special events and large venues;
- ✓ Coordinate, promote, and conduct educational field trips to the Approved Facilities; and,
- ✓ Communicate with the County Contract Manager to provide additional public education and outreach or technical assistance, including follow-up outreach and communication in conjunction with County staff.

### The GreenWaste Approach

GreenWaste's approach to developing and implementing a successful Public Education & Outreach Program is to identify Program goals and objectives, understand target audiences, coordinate and synthesize messaging, develop effective implementation strategies and continually evaluate and adapt the program as needed. During the transition period, GreenWaste will follow its initial Public Education and Outreach Transition Plan, and on an ongoing basis, will develop and implement Annual Public Education & Outreach Plans. During the transition period, GreenWaste will work with the County to develop and distribute collateral materials, and to conduct outreach informing Customers of service changes and new program offerings. Many of the initial collateral materials developed will continue to be updated and provided throughout the term of the Agreement. Following the commencement of services, ongoing collateral materials will be developed and distributed to customers through direct mail, bills, site visits and community events. Ongoing collateral materials will include timely information such as the promotion of upcoming events, new and emerging issues, and the ongoing promotion of recycling and diversion programs. While it is understood that County staff will continue to provide all initial technical assistance, GreenWaste will provide supplemental technical assistance to commercial and multi-family customers, as requested by the County or customers. This assistance will ensure compliance with AB 341 and/or AB 1826, and will aid in meeting the statewide goal to achieve no less than 75% diversion by the year 2020.

### Public Education & Outreach Transition Plan

The launch of GreenWaste's Public Education and Outreach Transition Plan will begin well in advance of the commencement of services, and will ensure adequate notification and accurate information is provided to all customers across all sectors. GreenWaste will evaluate the most appropriate media sources to effectively deliver information to customers that may include print, radio, television and electronic and/or social media, to notify customers of their new program offerings. Transition and sector-specific collateral materials will be developed using both direct mail pieces and dissemination during container distribution. GreenWaste will also identify and conduct appropriate direct outreach to community groups, business and industry groups, and homeowner associations as an opportunity to develop communication networks with the leaders in the community. For additional information on GreenWaste's Public Education & Outreach Transition Plan development, please refer to Section 2.C | Implementation Plan.

### Annual Public Education & Outreach Plan

Prior to the service commencement date, and throughout the term of the Agreement, GreenWaste will meet with the County to scope, develop and refine its Annual Public Education and Outreach Plan (PEOP). The PEOP will outline the approach and appropriate methodology to conduct outreach and identify the public education materials to be used. The PEOP will identify the outreach approach for each sector, which will include the different methods to increase program participation of single-family, multi-family and commercial customers. The PEOPs will also identify subsets of multi-family and commercial customers for the provision of technical assistance by the County and/or GreenWaste. Successful methods GreenWaste has used to achieve high participation in recycling and organics collection programs and increase diversion will be incorporated into each year's PEOP, and will reflect on the previous year's successes and challenges. Each PEOP will identify program objectives, individual tasks, public educational materials to be developed, opportunities for expanded partnerships, and timelines for implementation. PEOPs will also specify their target audience, and include upcoming promotions for ongoing and known special events. Input will be solicited from the County, and each PEOP's implementation success will be measured by deadlines and products developed.

### Public Education & Outreach Program Implementation

GreenWaste is committed to assisting the County in achieving the State's 75% recycling goal locally by 2020 and also meet the aggressive goal of the County to divert 65% of materials handled under the exclusive franchise. In order for any hauler to meet these aggressive diversion goals, a comprehensive and coordinated Public Education & Outreach Campaign must be launched well in advance of the commencement of services, and must be sustained throughout the term of the Agreement. For additional information on GreenWaste's diversion services approach, please refer to Section 2.K | Diversion Services.

GreenWaste has worked diligently to develop the communication channels and data-sharing infrastructure to its outreach, customer service, and operations teams are working together to provide services to customers. Each department within GreenWaste has a separate and distinct opportunity to interact with customers. It is through the open communications between departments that the outreach team can determine the extent to which programs and outreach methodologies are working, and to identify opportunities for improvement.

Successful implementation of GreenWaste's Public Education and Outreach Program is crucial to increasing and sustaining the participation of single-family, multi-family and commercial customers in available source reduction, reuse, recycling, and composting programs. GreenWaste's Public Education and Outreach Program includes the following types of activities:

- Collateral Development & Distribution
  - ✓ *Implementation Collateral Development;*
  - ✓ *Collateral Development for Alternative Programs;*
  - ✓ *Ongoing Public Education & Outreach;*
  - ✓ *Collateral Distribution;*
  - ✓ *Website Development;*
  - ✓ *Social Media;*
  - ✓ *AB 341 and AB 1826 Outreach Activities; and,*

✓ *Promotion of the New Food Scraps Collection Program.*

- Public Education and Outreach Team
- Outreach to Public Schools
- Community Service
- Funding

### **Collateral Development and Distribution**

GreenWaste understands the County prefers to manage and lead the public education and outreach activities, while GreenWaste will finance the production of collateral materials identified in Exhibit C of the Franchise Agreement, and generally provide support and assistance to the County and customers upon request. During the transition and throughout the term of the Agreement, GreenWaste will support the County to ensure up-to-date and accurate information and materials are made available to all customers. Collateral materials will be developed specific to the service offerings of each sector and will maintain thematic branding.

While the exact roles and responsibilities of the County and GreenWaste in collateral material development are not explicit in the RFP, GreenWaste is under the assumption that it will lead the development of all collateral materials. GreenWaste intends to work with the County to determine the appropriate roles, responsibilities and timelines for each piece to be developed and ensure coordinated messaging. Once the roles and responsibilities are clearly defined for each piece and the initial content has been developed, GreenWaste will develop a graphic mock-up and provide a copy to the County for review. GreenWaste and the County will then work collaboratively to revise and refine content based on layout parameters, and GreenWaste will be responsible for translations once content and layout have been finalized. GreenWaste will work with the County to identify the target audience(s), the message(s) to be communicated, and the purpose(s) of the collateral. A final draft will be provided to the County for a final review prior to printing or distributing any collateral materials.

All public education and outreach materials identified below will be customized for single-family, multi-family and commercial customers. The initial collateral pieces developed specifically for the implementation and announcement of the new program offerings will be disseminated through direct mail, during container distribution and/or in person during outreach and educational events. These pieces will be revised and/or adapted periodically, as appropriate.

GreenWaste has included a representative cross-section of the diverse types of outreach materials currently developed and customized for distribution to its customers. These materials are distributed based on sector and program offerings. Initial program start materials, ongoing outreach and education materials, and also those related to specific sectors and/or materials have been included in Section 9 | Attachments.

All outreach and educational materials will be:

- ✓ *Thematically branded with consistent color, font, look and feel;*
- ✓ *Produced in English and Spanish (as appropriate);*
- ✓ *Photo-oriented to appeal to varied language and literacy levels;*

- ✓ *Provided in digital form to prevent excessive printing and provide easy access to information; and,*
- ✓ *Printed on recycled content and recyclable paper (double-sided as appropriate).*

#### Implementation Collateral Development

Well in advance of the service commencement date, GreenWaste will have developed and finalized the initial collateral materials in preparation for distribution. Informing Customers in advance of new and expanded programs is the key to helping assist the GreenWaste outreach, customer service, and operations teams in completing necessary tasks. GreenWaste's goal is to keep all Customers within the County well informed and at ease with any changes in services. Below are the collateral pieces that will be developed specifically for the contract implementation.

- **Introductory Mailers** | Introductory mailers will be developed and tailored for single-family, multi-family and commercial customers. These ¼-cut sheet postcards will communicate that GreenWaste will continue to be the hauler under the new Agreement, outline program changes, and provide other related information deemed appropriate and timely by the County. These mailers will also indicate new and expanded services, and complimentary "how-to" guides will be distributed closer to the date of transition. Introductory Mailers will be distributed to all customers approximately two (2) to three (3) months in advance of the date services commence.
- **New & Expanded Services Notice** | Depending on the extent of service changes, these tri-fold self-mailers or ½-cut sheet postcards will inform customers of the new and expanded services available, provide an overview of container size and collection frequency options and include other related information deemed appropriate and timely by the County. These notices will be mailed to customers approximately one (1) to two (2) months in advance of the date services commence.
- **Inclusion of Expanded Service Programs** | Additionally, depending on whether the County selects any or all of the Alternative Proposals (#1-#3), these direct mail pieces may include relevant information on the following programs:
  - ✓ *Permanent Roll-Off Services;*
  - ✓ *New Residential On-Call Reuse Collection Service; and,*
  - ✓ *Full Implementation of Commercial Food Scraps Collection Program.*

In addition to these collateral pieces designed and distributed specifically for the implementation of the new Agreement, comprehensive Recycling Guides will also be delivered to customers prior to the commencement of services. These guides will be provided to new customers throughout the course of the Agreement as well.

- **Single-Family Recycling Guide** | Detailed single-family "How-to" Recycling Guides will be developed to inform single-family customers of new and expanded services. These booklets will include a four (4) full page color-coded spread (8 pages total, including front and back cover) identifying the list of acceptable materials organized by material type. The booklets will also include graphic illustrations of proper set-out procedures, acceptability and necessary preparation of materials for each of their collection carts, details on how to utilize services available to single-family customers, and will offer other related information deemed appropriate and timely by the

County. These Single-Family Recycling Guides will be updated as necessary, and will include topics such as:

- ✓ *Food Scraps Collection;*
- ✓ *Extra Material Collection;*
- ✓ *Holiday Tree Collection;*
- ✓ *Bulky Item Collection Events;*
- ✓ *Household Hazardous Waste Disposal;*
- ✓ *Household Batteries & Cell Phone Collection;*
- ✓ *Used Motor Oil and Oil Filters Recycling;*
- ✓ *Promotion of Compost/Worm Bins;*
- ✓ *Instructions for Enrolling in Paperless Billing;*
- ✓ *Drop-off and Pick-up Resources for Donations; and,*
- ✓ *Useful Phone Numbers & Other Resources.*

- **Multi-Family Recycling Guide** | Detailed Multi-Family "How-to" Recycling Guides will be developed to inform multi-family customers of the new and expanded services available. These booklets will be intended to notify owners and managers of multi-unit complexes of opportunities to reduce costs through participation in waste reduction and recycling. These booklets will include a four (4) full page color-coded spread (8 pages total, including front and back cover) identifying the list of acceptable materials organized by material type, graphic illustrations of proper set-out procedures, acceptability and necessary preparation of materials for each of their containers and container types, details on how to utilize services available to multi-family complexes, and will offer other related information deemed appropriate and timely by the County. These Multi-Family Recycling Guides will be updated as necessary and include topics such as:

- ✓ *Extra Material Collection;*
- ✓ *Holiday Tree Collection;*
- ✓ *Instructions for Enrolling in Paperless Billing (as appropriate);*
- ✓ *Drop-off and Pick-up Resources for Donations;*
- ✓ *AB 341 and AB 1826; and,*
- ✓ *Useful Phone Numbers & Other Resources.*

- **Commercial Recycling Guide** | Detailed Commercial "How-to" Recycling Guides will be developed to inform commercial customers of the new and expanded services available and will be intended to notify business owners and facility operators of opportunities to reduce costs through participation in waste reduction, recycling and/or organics programs. These booklets will include a four (4) full page color-coded spread (8 pages total, including front and back cover) identifying the list of acceptable materials organized by material type, graphic illustrations of proper set-out procedures, and acceptability and necessary preparation of materials for all each of their Containers and Container types, details on how to utilize services available to businesses, and will offer other related information deemed appropriate and timely by the County. These Commercial Recycling Guides will be updated as necessary and include topics such as:

- ✓ *Extra Material Collection & Debris Box Services;*
- ✓ *Useful Phone Numbers & Other Resources;*

- ✓ *Drop-off and Pick-up Resources for Donations;*
  - ✓ *Information on AB 341 and AB 1826;*
  - ✓ *Waste Assessments & Technical Assistance Available;*
  - ✓ *Instructions for Enrolling in Paperless Billing; and,*
  - ✓ *Information on the Monterey Bay Area Green Business Program.*
- **Commercial Recycling & Solid Waste Poster Sets** | Commercial recycling and solid waste poster sets will be developed, and will detail the acceptable materials in each material stream. An 11"x17" portrait orientation poster will be developed for each material stream, and include representative photos of acceptable materials on the top half and details acceptable materials by material type in the lower half. Another 8.5"x11" poster may be developed for each material stream, and would include only the representative photos and contact information for additional information.

#### Collateral Development for Alternative Programs

Depending on whether the County selects one or both of the Alternative Proposals (#2-#3), the following Program-specific stand-alone collateral materials may be developed:

- **New Residential On-Call Reuse Collection Service** | Residential on-call reuse collection flyers may be developed to inform residential customers of their allowable number of collection events per calendar year at no charge, and would express the importance of reuse and recovery rather than disposal. The flyer may also provide contact information for local reuse organizations, and other related information deemed appropriate and timely by the County.
- **Full Implementation of Commercial Food Scraps Collection Program** | Commercial organics collection brochures may be developed to introduce commercial customers to the expanded Commercial Organics Collection Program, highlight benefits of the program to both the subscriber and the environment, offer "how-to" information, provide proper set-out instructions, explain contamination, describe how organics are processed and include other related information deemed appropriate and timely by the County.

#### Ongoing Public Education & Outreach

As the Program continues post-commencement of services, GreenWaste will constantly seek ways to improve program effectiveness, make adjustments to ensure customer and County needs are met, and diversion goals are attained. Messaging will be coordinated with the County and focused on issues that need to be addressed in order to increase participation and achieve diversion.

Collateral materials generated throughout the term of the Agreement will meet or exceed all County requirements. At a minimum, the following ongoing collateral materials will be developed and distributed to customers:

- **Single-Family Recycling Newsletter** | Quarterly Single-Family Newsletters will be developed for single-family customers, and will be inserted with bills. Newsletters may include information on recycling and diversion programs, collection services, special waste handling tips, special event promotions, changes to collection services, timely and related announcements, seasonal recommendations on recycling and waste reduction, a section designed specifically for kids with

fun-facts, activities and occasional contests, and other related information deemed appropriate and timely by the County.

- Multi-Family Recycling Newsletter | Quarterly Multi-Family Newsletters will be developed and distributed to multi-family customers, and may include information on available recycling and diversion programs, collection services, special waste handling tips, special event promotions, changes to collection services, timely and related announcements, seasonal recommendations on recycling and waste reduction, a section designed specifically for kids with fun-facts, activities and occasional contests, and other related information deemed appropriate and timely by the County.
- Commercial Recycling Newsletter | Quarterly Commercial Newsletters will be developed and distributed to commercial customers, and may include information on available recycling and diversion programs, new program promotions, collection services, special waste handling tips, changes to collection services, timely and related announcements, seasonal recommendations on recycling and waste reduction and other related information deemed appropriate and timely by the County.
- Seasonal Program Notification Postcards | Quarterly Seasonal Notification Postcards will be developed and mailed directly to single-family, multi-family and/or commercial customers as needed, and ideally timed between the quarterly newsletters. At a minimum, these ¼-cut sheet Seasonal Program Notification Postcards will inform customers of Halloween pumpkin collection, holiday tree collection, spring cleaning and fall leaves and other seasonal program offerings.
- Services & Program Notifications | On an as-needed basis, these ½-cut sheet bill inserts will be developed and included in customer invoices to provide notification to customers of upcoming and timely information including rate increases, service day changes, approved service modifications, expanded materials accepted under the recycling and diversion program and other related information deemed appropriate and timely by the County.
- Non-Collection Notices | Non-Collection Notices (NCNs) will be developed as cart and/or door hangers for use by drivers when issues with contamination or improper set-out are encountered. The top ¾ of these NCNs will include information on the container and the reason(s) for non-collection and will provide information on contacting Customer Service. The bottom ¼ of these NCNs will include a perforated detachable portion for the driver to retain that identifies the premise and the reason the container was not collected in order for the NCN to be entered into the customer database and tracked at the end of the route.
- Multi-Family Move-In Kits | New tenant “move-in kits” that include a “Recycle Buddy” (personal recycling bin) and Recycling Guide will be assembled and available to multi-family premises, and will be replenished as needed.

#### Collateral Distribution

Public education and outreach campaigns are most successful when outreach is conducted regularly to customers, and when multiple sources are used to distribute information. GreenWaste will identify and utilize the most effective distribution channels for single-family, multi-family, and commercial customers and will also use direct outreach methods to disseminate appropriate information to each sector. In addition to



the specific direct mailing and container distribution delivery mechanisms discussed above, GreenWaste may also print limited information directly on invoices. Outreach materials will also be distributed directly at community events, presentations, and outreach events. GreenWaste will post all collateral materials in Adobe Acrobat PDF format on the County's section of the GreenWaste website.

- **County Material Distribution** | At the request of the County, GreenWaste may manage the production, printing, and distribution of waste reduction, re-use, recycling and/or composting related public education and outreach materials developed by or in cooperation with the County.
- **Paperless Billing Customers** | Customers who have enrolled in GreenWaste's paperless billing program will receive all outreach materials digitally. All paperless billing customers will receive the same outreach materials that have been previously reviewed and approved by the County, on the same distribution schedule as those receiving materials via bill inserts and/or direct mailers. Customers enrolled in the paperless billing program will receive an email with the outreach material either imbedded in the body of the email or provided as an attachment. Outreach materials developed by or in cooperation with the County related to waste reduction, re-use, recycling and/or composting will also be provided to paperless billing customers digitally on the same schedule as those receiving materials via bill inserts and/or direct mail.

#### Website Development

GreenWaste has developed an easily navigable website that maintains the same look and feel as other collateral materials. GreenWaste has an in-house outreach team and Graphic Designer who are responsible for the development and maintenance of the website. Utilizing an in-house team allows GreenWaste the flexibility to make changes as necessary, usually within forty-eight (48) hours of a request.

As the current hauler, GreenWaste has already developed a section of the GreenWaste website dedicated to the County. Currently, there are separate sections designated for residential and commercial sectors, and each section includes information on new programs, services, and additional resources available. The County's section will be updated to reflect new and expanded services prior to the commencement of services and the addition of a section for multi-family customers. The County section of the GreenWaste website is currently organized as follows:

- **Area Home** | Describes the collection services provided to each sector by material type, and explains where each of the materials collected are processed or disposed.
- **Services Offered** | Provides a comprehensive overview of services offered by sector, including the sizes of containers available by material type, collection services available for extra materials, bulky item pick-ups, holiday trees, e-waste, used motor oil and oil filters, and household batteries.
- **Online Bill Pay** | Offers a secure online portal where customers can view and/or pay bills, confirm collection day(s), review and add new services (additional pick-ups, bulky item collection, etc.)
- **Service Rates** | Provides current rate schedules for all single-family, multi-family, and commercial customers by material type, container size, and collection frequency. The rate schedule also includes rates for additional services.

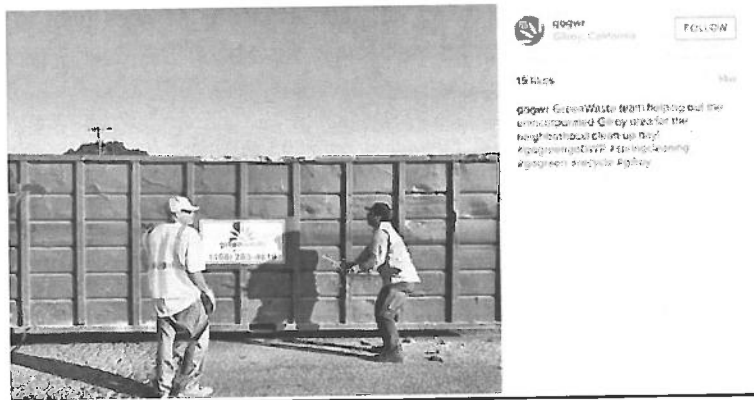
- Debris Box Rental | Describes debris box services provided by size and material type, and allows customers to request a quote, as appropriate.
- Outreach & Education | Includes downloadable files of all outreach and educational materials produced and distributed, and provides important links and contact information for GreenWaste and the County.

Using the functionality of the eTower application (a subprogram to the Tower system), GreenWaste is also offering customers the ability to view and pay invoices online, request a change in service, and view their personal service history. This system also allows all customers to start, stop, or modify service. GreenWaste also offers a "Contact Us" option which allows customers to submit questions, comments, or concerns to GreenWaste via the website and sends an e-mail to Customer Service that is responded to within one (1) business day. The website will track and record visitor logs and page visitation counts and the number of web-based bill payments per month, which will be included in regular reports. For additional information, to view the current County section and other jurisdictional sections of the GreenWaste website, please refer to <http://www.greenwaste.com>.

### Social Media

GreenWaste has made strides in improving its social media presence with the goal of increasing awareness of the company, affiliated companies, service offerings, and general environmental issues. The GreenWaste corporate office in San Jose has expanded its use of social media, and has experienced increased online traffic to its website and social media accounts and increased interest in what GreenWaste shares and posts. This same effort will be carried over to the other GreenWaste social media pages and accounts, including GreenWaste Santa Cruz County. What follow are examples of the GreenWaste Recovery posts and tweets on both Facebook and Twitter.

- Real-time posts and tweets about special events and clean-ups hosted by GreenWaste.





➤ Themed contests (i.e.: #TriviaTuesday).



➤ Jurisdiction-specific information.

- General industry facts and ideas for being more environmentally conscious.



- Company information, facts, and links (i.e.: #MRFmonday).



AB 341 and AB 1826 Outreach Activities

To support the County's compliance with AB341 and AB1826, GreenWaste will provide outreach and technical assistance support to multi-family and commercial customers as part of its ongoing Public Education & Outreach Program. GreenWaste will work with the County and promote the inclusion of information on AB341 and AB1826 in outreach materials developed for multi-family and commercial customers to notify owners and managers of multi-family complexes and businesses of the regulations and

expanded recycling options with GreenWaste as their hauler. GreenWaste will also fund the production of outreach pieces identified and assist with the dissemination of outreach pieces to multi-family and commercial customers.

#### Promotion of the New Food Scraps Collection Program

GreenWaste's Public Education & Outreach Program will promote the new Food Scraps Collection Program available to customers, assuming the County has secured sufficient organics processing capabilities. GreenWaste's affiliate, GreenWaste of Palo Alto, recently rolled out a Food Scraps Collection Program for residential customers in the City of Palo Alto. Based on the successes of that program, GreenWaste proposes to follow a similar model will in the County that may include the following elements:

- ✓ *Drivers will promote the upcoming program through use of cart-hangers and let them know about upcoming community meetings or events they can attend;*
- ✓ *Newsletters will include timely information on the upcoming program, inform customers of opportunities to provide input and promote the availability of kitchen pails;*
- ✓ *EOCs will provide support and attend County-hosted community meetings to answer questions and explain how similar programs have worked in other areas serviced by GreenWaste;*
- ✓ *GreenWaste will include information about the new program on the single-family section of its website;*
- ✓ *GreenWaste will collaborate with the County to table at appropriate community events in order to continue to educate customers and encourage participation; and,*
- ✓ *On an ongoing basis, GreenWaste will manage the kitchen pails for single-family customers, including storage and replacement, upon customer request.*

Once multi-family customers are eligible for the Food Scraps Collection Program, outreach will be conducted in a similar manner as commercial customers. A brochure with program specifications will be mailed to qualifying customers that includes a tear-off section to facilitate ease of enrollment.

#### **Public Education & Outreach Team**

GreenWaste will employ two (2) full-time Environmental Outreach Coordinators (EOC) to develop and implement GreenWaste's Public Education and Outreach Program for single-family, multi-family, and commercial customers in the County. The EOCs will work with the County to conduct outreach, promote waste reduction, recycling and diversion programs, and to provide technical assistance to qualifying multi-family and commercial customers at the request of the County or the qualifying customer.

The GreenWaste EOC will have the following duties and responsibilities:

- ✓ *Serving as liaison with County and participating in strategy development meetings related to source reduction, reuse, recycling, and composting;*
- ✓ *Participating in community activities and offering support to local service organizations;*
- ✓ *Ensuring customer satisfaction with services and compliance with the Agreement;*
- ✓ *Attending meetings and events in the community to promote recycling and diversion programs;*
- ✓ *Providing support for the development and assisting with distribution of educational and outreach materials;*

- ✓ *Maintaining a thorough understanding of the history and challenges in managing solid waste and increasing recycling and diversion efforts;*
- ✓ *Communicating with customers and educating them about the importance of the food scraps collection program, if implemented;*
- ✓ *Conducting recycling opportunity assessments and developing recommendations to maximize participation in available programs and increase opportunities for diversion;*
- ✓ *Identifying recurring contamination issues, proposing and assisting with the implementation of solutions, including education and service level changes;*
- ✓ *Participating in educational and County-sponsored activities as well as workshops, civic and business group meetings, and other community events;*
- ✓ *Tracking and reporting events attended;*
- ✓ *Providing tours of Approved Facilities, as appropriate; and,*
- ✓ *When requested by the County, providing technical assistance to multi-family and commercial customers to comply with AB 341 and AB 1826 by conducting site surveys to right-size containers and collection frequency, and making recommendations to increase participation and reduce contamination.*

### **Outreach to Public Schools**

GreenWaste understands public education & outreach to public schools is not a requirement of the Agreement. However, GreenWaste is committed to educating and investing in future generations in a focused and purposeful effort, so that they will gain the knowledge, tools, and resources to make environmental sustainability and resource conservation an ingrained and habitual part of living on this earth. To inspire environmental stewardship in future generations, GreenWaste's Program includes an environmental education piece, which recognizes the powerful role that schools play in promoting awareness and fostering an environmental agenda within local communities. Waste reduction and recycling education can inspire students to become recycling ambassadors who will carry home lessons learned, and eventually become environmentally minded adults with great influence in their community.

GreenWaste has dedicated significant resources to the development of educational materials geared at younger audiences. GreenWaste's single-family and multi-family newsletters include a "Green Kids" section with different themes and seasonal activities related to recycling and waste reduction. The stars of GreenWaste's "Green Kids" section of its newsletters, and the role-model characters in GreenWaste's 20-page full size coloring and activity book "Color the Earth Green," are superhero "Captain GreenWaste" and his sidekick bulldog "Recovery." The "Color the Earth Green" activity book includes a two-page educational comic strip and a range of different coloring and educational activities geared toward children of different age ranges. Upon request, GreenWaste conducts tailored outreach, education, and equipment demonstrations to K-12 schools and has developed kid-friendly recycling posters using materials that are often found in classrooms, packed lunches and cafeterias.

GreenWaste also participated in the filming of an episode for Curiosity Quest, a family-oriented, environmentally conscious and upbeat educational program as part of their "Curiosity Quest Goes Green" series. The episode focused on the GreenWaste Material Recovery Facility (MRF) in San Jose, and explained the processes, operations, and importance of recycling and diverting resources away from

landfills. GreenWaste will provide schools and teachers with copies of the Curiosity Quest video for use in classrooms upon request, and can make the video accessible through the County portion of the GreenWaste website.

### Community Service

GreenWaste firmly believes in being a strong community citizen by integrating and giving back to the communities we serve. In addition to focusing on educating and providing support to the customers and schools through education, outreach, and technical assistance programs, GreenWaste also strives to maintain active involvement and offer support to community groups, youth groups, business associations, and non-profit charitable organizations. GreenWaste staff members participate in numerous community organizations and chambers throughout our service areas, in addition to supporting many charitable causes. While by no means an all-inclusive list, during the past few years, GreenWaste has sponsored the following events and charities:

- ✓ *Fourth of July Beach Clean-ups with Save Our Shores;*
- ✓ *Bonny Doon Art and Wine Festival;*
- ✓ *Golden Gate Relay;*
- ✓ *Scotts Valley Music at Skypark;*
- ✓ *Capitola Begonia Festival ;*
- ✓ *Capitola Art and Music at the Beach;*
- ✓ *Cabrillo College Baseball Team Sponsorship;*
- ✓ *CSUMB Basketball Team Sponsorship;*
- ✓ *Soquel High School Sponsorship;*
- ✓ *Pajaro Valley High School Strawberry Fields Bike Ride;*
- ✓ *"Santa Visits Alviso" Holiday Program;*
- ✓ *San Jose's Downtown Ice;*
- ✓ *Applied Materials Silicon Valley Turkey Trot;*
- ✓ *Pumpkins in the Park - San Jose Friends of Guadalupe River Park & Gardens;*
- ✓ *Almaden Valley Art & Wine Festival;*
- ✓ *SJSU Blue & Gold Go Green Expo Day;*
- ✓ *San Jose Bark in the Park;*
- ✓ *San Martin Neighborhood Annual Custom & Classic Car Show;*
- ✓ *San Jose Jazz Festival & San Jose Salsa Festival;*
- ✓ *Los Altos Hills Annual Town Picnic;*
- ✓ *Bay Area Schools Environmental Conference;*
- ✓ *Spring in Guadalupe Gardens - San Jose Friends of Guadalupe River Parks & Gardens;*
- ✓ *Willow Glen Senior Center Composting Workshops and Bin Sale & Compost Give-Away;*
- ✓ *Los Altos Hills and Portola Valley Earth Day Celebration;*
- ✓ *Greenlight Organic Go Green St. Patrick's Day 5k/10k Run at Vasona Park in Los Gatos; and,*
- ✓ *Willow Glen Middle and High School's Performing Arts' Crab Feast Fundraiser;*

GreenWaste will actively pursue opportunities to participate in community and educational events, including staffing booths and displays, participating in one-time, annual, and recurring events, making direct and/or in-

kind sponsorships, and ensuring special events throughout the County are poised to reduce the amount of waste sent to landfill.

### **Funding**

In support of the County's Public Education and Outreach Program, GreenWaste will provide monthly funding in the amount of \$23,000 in Rate Period One. GreenWaste will also provide annual funding in the amount of \$30,000 to support the Santa Cruz County Green School Program, in order to further the education of students, teachers, and staff on environmental topics. GreenWaste is also committed to its existing partnership with the Central Coast Recycling Media Coalition, and will provide annual funding on behalf of the County in an amount of \$20,000.



## 2.E Customer Service

GreenWaste places critical importance on its interactions with customers. While drivers and Environmental Outreach Coordinators are the faces of the organization in the field, the Customer Service Representatives (CSRs) are the main point of contact with the majority of customers. GreenWaste provides superior customer service by investing in technical infrastructure, and providing CSRs with the appropriate tools to effectively do their job.

The Customer Service Department for the County will be housed in the GreenWaste Operations and Transfer Facility, located at 375 Industrial Road in Watsonville. This is the location of the current Customer Service Department that services the County under the existing Agreement. Customer Service will consist of one (1) Supervisor and four (4) Customer Service Representatives (CSRs). Please refer to Section 1.D | Key Personnel for a detailed description of the proposed Customer Service Supervisor, Ms. Valerie Sandoval, who currently serves the County as a Customer Service Lead under GreenWaste's existing Agreement.

The phone queue for the County will also be linked to GreenWaste's office currently under construction at the Monterey Regional Waste Management District in Marina and to GreenWaste's Corporate Office in San Jose for overflow assistance. GreenWaste currently handles Customer Service for over seventeen (17) jurisdictions and more than 300,000 accounts. GreenWaste trains all CSRs about how to address overflow calls from appropriate outside jurisdictions.

With over 20 years of experience providing exemplary customer service, GreenWaste has identified a core set of values relating to the customer experience:

- ✓ *Listen with empathy to all customer issues;*
- ✓ *Ask relevant questions to understand the purpose of the customer's call;*
- ✓ *Do things right the first time;*
- ✓ *Offer realistic solutions to all problems; and,*
- ✓ *Confirm the customer is satisfied with the solutions presented by the CSR and follow up with the customer, if necessary.*

These core values maintain an environment in which team members are both empowered and encouraged to make decisions, which optimizes the customer experience. By ensuring that team members follow these values, GreenWaste consistently reports hold times well under 30 seconds.

### Customer Service Staffing

Customer Service will consist of one (1) Supervisor and four (4) CSRs. GreenWaste employs CSRs who can read, write, and speak Spanish. CSRs will be available from 7:00 AM – 6:00 PM, Monday through Friday. In the event of weekend service due to a holiday, GreenWaste will adequately staff the Customer Service Department. The



GreenWaste call center will be reached through both local telephone numbers and toll free numbers. Calls received between 6:00 PM and 7:00 AM or on the weekend will be offered the opportunity to leave a message. All messages will be returned the following business day. GreenWaste also has a 24 hour hotline that reaches a manager in case of emergency.

GreenWaste has serviced the County since 2007. Existing CSRs are trained in the specifics of the County's Collection Agreement, service offerings, and unique requirements. It is anticipated that one (1) CSR will need to be hired, and this CSR along with existing CSRs, will be sufficient for servicing the County under the new Agreement.

GreenWaste meets a targeted call volume ratio of approximately sixty (60) calls per day per CSR. Allotting approximately seven and a half (7.5) minutes per call gives CSRs enough time to listen to the customer, analyze the customer's issue, and propose a solution, all while fully documenting the details of the call and meeting GreenWaste's core values.

### Training

Training for the CSR to be hired will be handled by the Customer Service Supervisor at GreenWaste's Watsonville facility. By the end of the initial training period, the CSR will be able to use the software and telephone systems to their full capabilities, will understand operational aspects of material collection and processing, and will embrace and embody GreenWaste's core values and beliefs relating to both customer service and employee satisfaction. GreenWaste anticipates minimal initial training on systems since the existing CSRs servicing the County of Santa Cruz will be retained.

The first stage of the training program is the same for all employees – Orientation. During this period, all new staff is taught the GreenWaste policies, procedures, and philosophies. Orientation occurs during the first few days of employment, when all new hire paperwork is completed and the GreenWaste Employee Handbook is distributed and discussed. GreenWaste believes all employees can excel at their positions when they have a thorough understanding of all aspects of the company.

The second and more technical portion of CSR training is geared towards understanding the technical aspects of the position. Initially, the CSR will be trained in the use of GreenWaste's data management system, Tower. This training includes: navigation within the system; starting and stopping service; adding, deleting and adjusting service levels; adding, deleting and adjusting routing; inputting comments to a customer's account; and verifying and adjusting any billing discrepancies. GreenWaste will utilize a copy of the County's existing database to allow the CSR to train on realistic data. During the initial training, the CSR will be provided with a "cheat sheet" developed specifically for the County of Santa Cruz that answers most commonly asked questions.

Next, the CSR will be trained on the appropriate use of GreenWaste's Mitel phone system. This system incorporates many features, including an instant messaging queue, where customers are able to start a live chat with a CSR from the GreenWaste website. Messages will be queued up similarly to phone calls, so that multiple methods of communication can be handled simultaneously. In addition, the Mitel call system will record all queue calls, allowing CSRs and Management to review all calls connected through the phone system to help clarify any questions about a conversation.

Finally, the CSR is trained to work with the operations dispatch team. Dispatchers have live contact with all drivers throughout the day. If a driver has a question about service levels, issues with contamination, or

improper set-outs, then the driver will input the information directly into the ELEMOS computer system in their vehicle. This information, as well as all collection verifications, are sent to the Tower database throughout the day, and are almost instantly visible to the CSRs. Please refer to upcoming Section 2.1 | Management and Customer Service Systems for a detailed description of the ELEMOS computer system. In the event of an unusual or difficult issue, the driver may also contact the Dispatch queue to speak with one of the dispatchers for guidance about the issue. This communication ensures that information is available for the CSRs as quickly as possible, allowing the CSRs to research and solve any issues efficiently.

After the technical portion of training is complete, the third stage of CSR training begins. Learning the logistics and nuances of collection and processing operations is critical. With this knowledge, CSRs can not only answer customer questions, but also understand why certain services are offered and how decisions are made. All CSRs participate in a comprehensive tour of GreenWaste's facilities and a ride-along with drivers, showing new employees the value of communication between departments and the issues that can arise in the field.

The Customer Service Supervisor will then review the CSR's comprehension of the "cheat sheet" created specifically for the County. When the CSR understands this information, he or she will be able to respond to frequently asked questions from customers. The Customer Service Supervisor asks them common questions, and gauges their responses using the basic service skills on which GreenWaste's customer service philosophy is based. Once the Supervisor is confident in the CSR's ability to answer common questions, the CSR then begins to answer phone calls while the trainer listens in. The trainer then constructively coaches and critiques the CSR on best practices in answering and responding to customer questions.

#### Customer Service Operations

CSRs begin each call with a standardized greeting that includes GreenWaste, their name, and an offer of assistance. CSRs are trained to fully listen to the customer's request, asking clarifying questions as appropriate, and then repeating the pertinent details back to the customer. Once the CSR has verified that they completely understand the nature of the issue, they propose a solution to the issue. Once the issue has been resolved to the customer's satisfaction, the CSR then inputs all pertinent details into Tower.

To assist CSRs in entering customer interaction data in a timely manner, GreenWaste sets default comments in Tower for commonly used phrases and remarks, giving CSRs a starting place while also allowing them to customize comments for an individual situation. Standardized titles for comments allow CSRs to produce reports that are filtered out by specific type of service issue.

Tower is designed to:

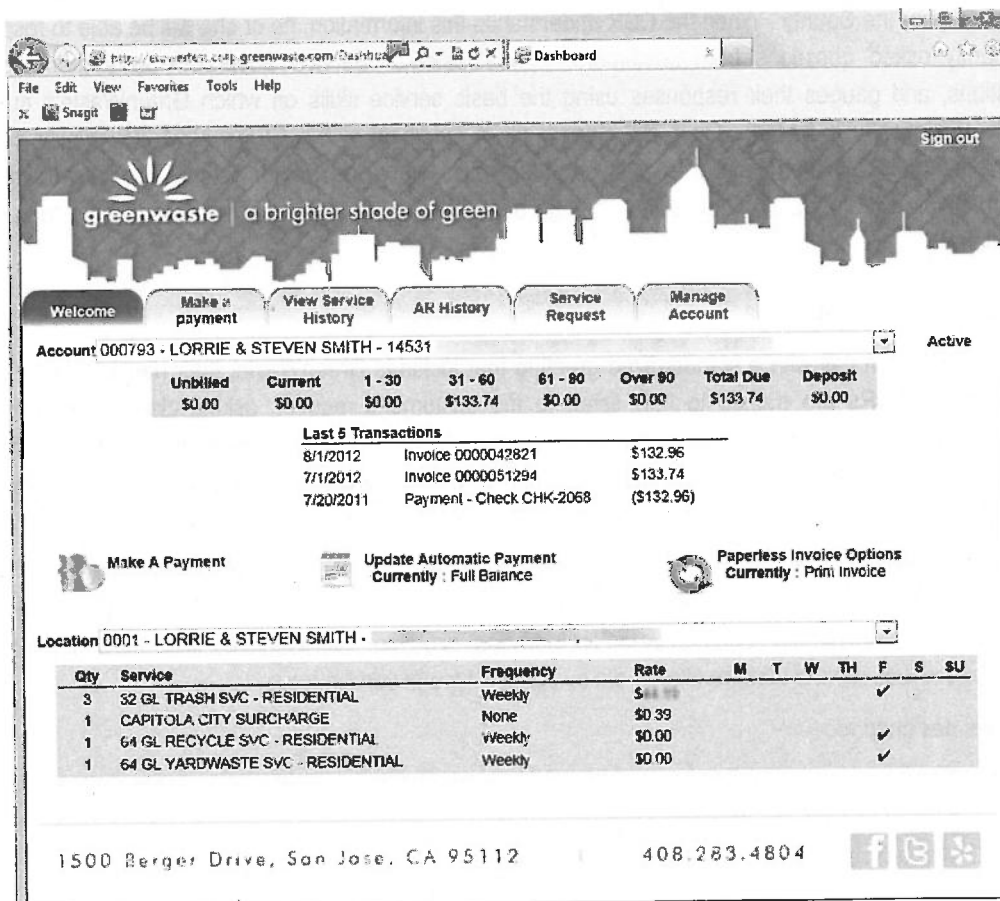
- ✓ *Track and maintain all customer accounts, which includes customer complaints, missed pick-ups, level of service and collection day;*
- ✓ *Verify corporate, service, and billing addresses;*
- ✓ *Prorate accounts, positively or negatively, based on the start or stop of an account;*
- ✓ *Actively maintain and audit both permanent and on-call routes; and*
- ✓ *Track all customer interactions.*

Though all customer interactions will differ, most will involve the following steps:

- ✓ Determine who is calling and what their issue is;
- ✓ Ask questions to clarify the customer's issue;
- ✓ Contact the route driver if the issue is the result of a route based problem;
- ✓ Determine if the issue can be solved in the remaining part of the collection day;
- ✓ Offer additional solutions to ensure the customer is satisfied;
- ✓ Agree on a solution and input the problem and solution into Tower; and,
- ✓ As necessary, issue a work order to send to the driver.

Online Access

GreenWaste has harnessed the power of the on-line portal "eTower." When customers set up their personal account on eTower, they can handle a number of tasks conveniently online. Customers with multiple locations, such as property managers, will be able to create an account that handles all of their properties at once. The customer will be able to request changes in service, schedule additional pick-ups and sign-up for paperless billing, as shown in the eTower screenshot below.



The screenshot shows the eTower customer portal interface. At the top, there is a navigation bar with options: Welcome, Make a payment, View Service History, AR History, Service Request, and Manage Account. The account information is displayed as "Account 000793 - LORRIE & STEVEN SMITH - 14531" with an "Active" status. A table shows billing status: Unbilled (\$0.00), Current (\$0.00), 1-30 (\$0.00), 31-60 (\$133.74), 61-90 (\$0.00), Over 90 (\$0.00), Total Due (\$133.74), and Deposit (\$0.00). Below this, "Last 5 Transactions" are listed: 8/1/2012 Invoice 0000042821 (\$132.96), 7/1/2012 Invoice 0000051294 (\$133.74), and 7/20/2011 Payment - Check CHK-2068 (\$132.96). There are buttons for "Make A Payment", "Update Automatic Payment" (currently Full Balance), and "Paperless Invoice Options" (currently Print Invoice). The location is "Location 0001 - LORRIE & STEVEN SMITH". A service schedule table is shown below:

Qty	Service	Frequency	Rate	M	T	W	TH	F	S	SU
3	32 GL TRASH SVC - RESIDENTIAL	Weekly	\$0.00						✓	
1	CAPITOLA CITY SURCHARGE	None	\$0.39							
1	64 GL RECYCLE SVC - RESIDENTIAL	Weekly	\$0.00						✓	
1	64 GL YARDWASTE SVC - RESIDENTIAL	Weekly	\$0.00						✓	

At the bottom, the address "1500 Berger Drive, San Jose, CA 95112" and phone number "408.283.4804" are displayed, along with social media icons for Facebook, Twitter, and YouTube.

Messages will be sent to the Customer Service Supervisor or an assigned CSR who will be responsible for contacting the customer or approving work orders. In addition, customers will be able to set up multiple payment options, including both one-time and recurring payments, through the secured on-line system. All of GreenWaste's online options, including the eTower system, are accessed through GreenWaste's website ([www.greenwaste.com](http://www.greenwaste.com)). Customers will also have the opportunity to send a request to Customer Service using the Service Request tab or directly from the GreenWaste website, and access all public outreach materials via the GreenWaste website.

#### Agency Access

GreenWaste's Tower system is designed to function in a multi-office environment. This design allows access from both inside and outside GreenWaste's corporate network. Utilizing a PPTP VPN connection, authorized users can access an internal GreenWaste server to run the Tower application. Security protocols within Tower allow or deny access to each separate area, and also allow for a "Read Only" option. The County can view its data using this technology. This access will also allow County staff to see individual truck routes, and harnessed with the data from ELEMOS, determine where the driver is on their route.

## 2.F Billing

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GreenWaste believes that billing starts and ends with the Customer Service Team. CSRs start all accounts, retrieve customer, site, and billing information, add in and quote pricing for all services, and assign the appropriate billing cycle. Any changes to an account in the middle of a billing period are recorded and automatically prorated by the Tower operating system.

### Invoicing

As part of GreenWaste's commitment to being green, customers are encouraged to participate in both electronic billing and automatic payments. When CSRs set up an account with a customer, they explain the invoicing options that GreenWaste offers:

- ✓ *Traditional paper invoicing;*
- ✓ *Electronic invoicing via PDF;*
- ✓ *Electronic invoicing with a link to the customer's eTower account;*
- ✓ *Both a PDF invoice and a paper invoice; or,*
- ✓ *Both a paper invoice and a link to the customer's eTower account.*

The first three options are also available for customers through the customer's eTower portal. Information about the eTower portal is detailed in Section 2.E | Customer Service. The final two options are internal only, and are used when a physical invoice may need to go to both a site and a corporate accounting department. Those two options are offered only in rare instances.

As part of this green initiative, GreenWaste aims to send electronic invoices to as many customers as possible. Not only do electronic invoices save paper, but sending them via email also allows GreenWaste to create a database of customer e-mail accounts. Respecting customer privacy remains a priority, and GreenWaste does not sell, market or distribute any email addresses.

GreenWaste will follow the County's current billing protocol for all accounts:

- Commercial and centrally invoiced multi-family dwellings will be invoiced on a monthly basis, in arrears, for all services rendered. Invoices will be due at the end of the month in which the billing is generated. For commercial customers who share containers, GreenWaste will issue one invoice to a main contact and it will be that contact's responsibility to collect payment from all the commercial customers utilizing the containers for their portion of the shared service.
- Residential customers will be billed quarterly in advance for all services. Invoicing will be completed not earlier than the first date of the quarter, and will be due in full at the end of the month the invoice is generated. Payment for the preceding quarter's basic services will be due to GreenWaste on the first day of each calendar quarter.

Sample invoices are included in Section 9 | Attachments.

GreenWaste invoices the following jurisdictions:

Service Area	Residential Billing Cycle	Number of Invoiced Residential Accounts	Commercial Billing Cycle	Number of Invoiced Commercial Accounts	Contact Person	Contact Number
County of Santa Cruz	Quarterly	37,243	Monthly Arrears	1,248	Kasey Kolassa	831-454-2377
City of Capitola	Quarterly	2,421	Monthly Arrears	299	Larry Laurent	831-475-7300
City of Scotts Valley	Quarterly	3,402	Monthly Arrears	275	Scott Hamby	831-440-5600
California State University, Monterey Bay	Monthly	Central Bill	Monthly	Central Bill	Anya Spear	831-332-0865
Town of Woodside	Quarterly	1,868	Monthly Arrears	59	Kevin Bryant	650-851-6790
Town of Portola Valley	Quarterly	1,519	Monthly Arrears	33	Brandi deGarmeaux	650-851-1700
Town of Los Altos Hills	Quarterly	2,879	Monthly Arrears	16	Carl Cahill	650-941-7222
Burbank Sanitary District	Bi-Monthly	949	Monthly Arrears	63	Steve Machida	408-253-7863
County of Santa Clara South District	Bi-Monthly	4,601	Monthly Arrears	279	Lisa Rose	408-282-3166
City of Palo Alto	City Invoiced	N/A	City Invoiced	N/A	Paula Borges	650-496-5914
City of Carmel-by-the-Sea	Quarterly	2,435	Monthly in Advance	268	Sharon Friedrichsen	831-620-2009
City of Del Rey Oaks	Quarterly	555	Monthly in Advance	24	Daniel Dawson	831-394-6421
City of Marina	Quarterly	4,180	Monthly in Advance	335	Layne Long	831-884-1278
City of Pacific Grove	Quarterly	5,256	Monthly in Advance	433	Thomas Frutchey	831-648-3106
Pebble Beach Community Services District*	Quarterly	2,710	Monthly in Advance	23	Suha Kilic	831-647-5602
City of Sand City	Quarterly	63	Monthly in Advance	121	Charles Pooler	831-394-6700
City of Seaside	Quarterly	4,897	Monthly in Advance	459	Daphne Hodgson	831-899-6718

\*In Pebble Beach Community Services District, base services are billed through property taxes and GreenWaste bills for additional services only.

The Tower system's flexibility allows GreenWaste to alter the billing cycles for each of its jurisdictions to best fit the area's needs. Tower immediately prorates accounts as customers start and stop services, which gives both CSRs and customers instant access to remaining balances on accounts.

#### Methods of Payment

GreenWaste offers customers the option to pay their bills as follows:

- ✓ *Pay by mail;*
- ✓ *Pay by phone (through credit card);*
- ✓ *Pay online (through online bill pay via the GreenWaste website); and,*
- ✓ *Pay in-person (at GreenWaste's Operations and Transfer Facility, located at 375 Industrial Rd., Watsonville).*

GreenWaste currently offers the above payment methods, and will offer additional walk-in payment locations upon the County's request.

#### Past Due Accounts

Collecting outstanding balances is important for both GreenWaste and the County. GreenWaste understands that while collecting these outstanding balances affects the company, it is also GreenWaste's responsibility to collect Franchise Fees for the County.

GreenWaste's proven collection methodology helps keep accounts in good standing. GreenWaste targets accounts at different periods with direct Dunning ("Past Due") messages from the Tower system. Based on experience in the County, GreenWaste has selected the following pattern for dunning messages for the County:

- Past Due: "Reminder, your account is past due. Past due charges not paid may lead to late charges or disruption in your service."
- 30 Days Past Due: "Your account is currently delinquent and payment in full is due immediately to avoid a disruption in service."
- 60 Days Past Due: "Your account is delinquent. To avoid disruption in your service, please pay your balance in full."
- 90 Days Past Due: "SHUT OFF NOTICE! Your account is in danger of being cancelled for lack of payment. Accounts not paid in full by the end of this month will be cancelled, sent to an outside collections agency, and reported to the County of Santa Cruz."

GreenWaste will contact all past due accounts every 30 days to remind them of their obligation. Prior to any discontinuation of service, GreenWaste will make every effort to contact the customer via phone and/or email. The County Contract Manager will be provided with copies of written correspondence to customers who are more than sixty (60) calendar days past due, and this correspondence will indicate that service may be discontinued if the account becomes more than ninety (90) calendar days past due.

#### Transition Period

During start up, as well as during all peak call periods, GreenWaste has established procedures to allow additional staff to help with the Customer Service queues. GreenWaste's Mitel phone system enables "flowing" of calls between queues. If any queue is full after an established waiting period, especially during



peak periods, calls will move from one queue to the next to ensure they are answered as promptly as possible. For example, if all CSRs are addressing calls at the same time during peak billing periods, the next calls will flow to the collections queue, so that a collections agent will be able to assist the customer. All employees who may receive calls from an individual queue will undergo full training on how to respond to queries. Calls will always be prioritized to their main queue, with other agents filling a support role as necessary.

#### Vacation Holds

GreenWaste currently offers customers the option to request vacation holds. GreenWaste temporarily stops service up to six (6) times per calendar year, during extended vacations or periods of absence two (2) weeks in length or longer. Customer billing is adjusted and credited accordingly. This service offering will continue through the term of the new Agreement.

#### Life-Line Discount

Upon the County's request, GreenWaste will offer eligible, low-income single-family customers the life-line discount rates for service and this will be reflected in their invoices. Rates will be determined during the rate-setting process with the County's consultant, and GreenWaste will determine eligibility of customers during the term of the Agreement.

## 2.G Implementation Plan

Retaining GreenWaste as the service provider will guarantee that implementation of new services is seamless. GreenWaste currently employs highly trained personnel and has a keen understanding of the County's unique geographic needs, which will enable a convenient and reliable transition into the new Agreement. GreenWaste can provide early implementation as the incumbent service provider, and will ensure that all subscribing customers have containers at the service commencement date.

It is anticipated that the evaluation team will complete negotiations with the selected contractor(s) in May of 2016, and the County Board of Supervisors are anticipated to approve the selected Agreement in June of 2016. Given these anticipated dates, if selected as the Contractor, GreenWaste would begin implementation of the new Agreement right away.

GreenWaste believes the County has provided sufficient time to complete all pre-transition activities, which include: ordering and testing vehicles, receiving and distributing equipment, conducting audits and preparing necessary route sequencing and route maps, completing all hiring, implementing GreenWaste's extensive training program, and envisioning and launching the new recycling and diversion programs. GreenWaste is well versed in new service initiations, and GreenWaste's primary objective is to provide outstanding service leading up to and throughout the transition period, with minimal disruption to customers. Prior to the commencement of services, a comprehensive transition plan will be prepared, and reporting and invoicing templates will be approved. A fully detailed transition plan will be submitted after the execution of the Agreement.

The primary goal of GreenWaste's Implementation Plan, above all else, is to minimize the potential for service interruptions and any inconveniences for customers and the County. The Implementation Plan schedule has undergone revisions that include balancing optimistic and realistic timelines to create an accurate estimation of the start and end dates of activities, their expected duration, their sequencing and overlap. GreenWaste has the unique benefit as the incumbent service provider of carrying out the proposed Implementation Plan as early as allowable. GreenWaste will use existing personnel and resources to ensure that customers experience no interruption or confusion regarding their service.

### Coordination & Collaboration with the County

GreenWaste will work with the County to determine the appropriate type and level of coordination during the development of the Implementation Plan. GreenWaste is dedicated to maintaining open, pro-active and straightforward communication with the County on all aspects of the Implementation Plan, including its mutually agreed-upon adaptation.

### Management & Transition Team

GreenWaste ownership is committed to providing all resources available to ensure a seamless transition, supporting an all-hands approach of personnel and expertise. The Implementation Team is fully supported by ownership, which also ensures the time dedicated to the transition does not affect their ability to continue providing the high level of service and performance expected of all GreenWaste employees. The Implementation Team will play a prominent role in orientation, training, and support of new employees. Every person on the Transition Team will be available to give immediate attention to any issues or concerns

expressed by the County.

All members of the Management & Implementation Team have been selected for their unwavering commitment to a smooth transition, ability to demonstrate professionalism under pressure, their focus on pro-active communication, and ability to provide impeccable customer service. The Management & Implementation Team is committed to collaborating with the County to ensure needs are being met, while conforming to the timelines and budget for a successful and smooth transition.

The skills, expertise and ongoing roles of GreenWaste's Ownership and Key Management personnel were previously described under Section 1.D | Key Personnel; accordingly, the section below specifically describes their role during the Implementation Period.

Frank Weigel (Chief Operating Officer) | Mr. Weigel will be involved with all aspects of discussions and negotiations leading up to award of the contract, and will interface with the equipment manufacturers.

Tracy Adams (Chief Administrative Officer) | Mr. Adams will lead the customer database development, billing and reporting procedures, and will assist with training the Customer Service Team. Mr. Adams will be involved in the integration of GreenWaste's accounting, customer service, operations, and outreach activities.

Dave Tilton (Chief Financial Officer) | Mr. Tilton will be directly involved in the financing of all equipment acquisitions, and in establishing necessary labor benefits and costs for the County contract.

Jim Moresco (General Manager) | Mr. Moresco will work closely with Mr. Weigel to oversee equipment procurement, labor relations, regulatory compliance, and routing. Mr. Moresco will be involved in all negotiations, will ensure collection and maintenance operations are prepared in advance of the commencement date, will coordinate cart and bin deliveries throughout the County, and will oversee implementation of all programs.

Travis Foster (Controller) | Mr. Foster will work directly with Mr. Tilton on the financing of all equipment acquisitions, and in establishing necessary labor benefits and costs for the County contract.

Barry Cristina (Human Resources Manager) | Mr. Cristina will assist Mr. Moresco and operations staff with all employee recruitment, interviewing, hiring, training, recordkeeping, and employee benefits management.

Emily Finn (Director of Business Development and Communications) | Mrs. Finn will lead overall transition choreography, oversee public education and outreach program development and implementation, assist Mr. Weigel throughout contract negotiations, and work with Mr. Moresco during implementation to ensure timelines and milestones are met.

Ricardo Lopez (GreenWaste MRF Operations Manager) | Mr. Lopez will oversee all contract compliance aspects of the MRF during the transition and over the term of the Agreement, including transportation, allocation, and tracking of all materials processed at the GreenWaste MRF.

Joe Lovelace (Environmental Compliance Officer) | Mr. Lovelace will work with the equipment manufacturers, operations, and maintenance teams to ensure vehicles are delivered and in compliance with all regulations prior to service, and will assist Mr. Moresco and Mrs. Finn to ensure facility compliance.

Joe Ribeiro (Maintenance Manager) | Mr. Ribeiro will be responsible for the supervision, safety, and operation of the maintenance facility, the management of all maintenance staff, equipment, and inventory, and the efficient operation of all vehicles servicing the County.

Chip Reading (Route Supervisor) | Mr. Reading will be responsible for the supervision, safety, and operation of collection operations, creation of efficient collection routes, and the management of all drivers servicing the County.

Juan Castillo (Route Supervisor) | Mr. Castillo will be responsible for the supervision, safety, and operation of collection operations, creation of efficient collection routes, and the management of all drivers servicing the County.

Mona Gallo (Dispatch Supervisor) | Ms. Gallo will be oversee all dispatch operations, ensure all work orders are carried out efficiently, and will refine operations in order to proficiently service the County.

Valerie Sandoval (Customer Service & Office Manager) | Ms. Sandoval will provide internal and outside resources and training opportunities, including software and telephone systems, to the all CSRs servicing the County.

#### Personnel Hiring & Training

GreenWaste desires to support the local economy in the County, and recognizes the value of recruiting local employees. If awarded this contract, GreenWaste will retain all existing personnel, including:

- ✓ Residential and Commercial Drivers
- ✓ Roll Off Drivers
- ✓ Container Delivery Drivers
- ✓ Long Haul Drivers
- ✓ Loader Operators
- ✓ Scale House Operators
- ✓ Maintenance Personnel
- ✓ Office and Billing Personnel
- ✓ Dispatch Supervisor and Operators
- ✓ Customer Service Supervisor and Representatives
- ✓ Route and Operations Supervisors
- ✓ General Manager

GreenWaste will finalize descriptions and begin the recruitment process for positions not currently filled. It is predicted that the only positions required to be filled by the commencement of services will be two (2) Environmental Outreach Coordinators and one (1) Customer Service Representative. Depending on whether the food scrap program is in effect, an additional collection driver may need to be hired. Otherwise, all personnel will already be in place to carry out this Agreement.

GreenWaste is committed to hiring the best people for each available position, and will recruit experienced employees who are knowledgeable both of the industry and of the County's geographic areas. GreenWaste has high standards for the recruitment of employees, and will require all applicants demonstrate, through job history, experience and qualifications that they can meet and exceed job performance standards. All employment offers will be strictly based on GreenWaste's employee selection requirements, and

GreenWaste will give preference to bilingual employees who can read, write and speak Spanish. Wages and benefits will comply with the County's Living Wage requirements and/or will be commensurate with the wages and benefits covered under Operating Engineers Local Union No. 3 agreement, and wages and benefits for new positions will be commensurate with the wages and benefits of current GreenWaste employees under similar job classifications. After positions are filled, new employees will complete all the required orientation and training.

Orientation & Training Program | The GreenWaste timeline for conducting orientation and job-specific training varies by position, but the training process remains the same. Recruitment for some positions will begin immediately following execution of the Agreement, and employees will be incrementally added until reaching a full staff. Orientation and general training on GreenWaste company policies, procedures, and employment requirements will be conducted, and employees will be required to participate in an intensive training program specific to their job duties and responsibilities. Prior to the commencement of services, GreenWaste will ensure all employees working under the Agreement will have completed all the general and job-specific trainings.

Company-Wide Employment Training | General orientation and training will occur as employees are hired, and they will be required to complete all the required administrative paperwork and orientations. No less than one (1) month prior to the commencement of services, GreenWaste will ensure all employees have completed the required Federal and State paperwork, GreenWaste administrative paperwork, and have participated in employment benefit orientation and enrollment sessions. All employees will also be provided with, and are required to understand, the GreenWaste Employee Handbook and the following policies:

- ✓ *Drug & Alcohol Policy;*
- ✓ *Sexual Harassment Policy;*
- ✓ *Injury and Illness Prevention Program;*
- ✓ *Emergency Action Plan;*
- ✓ *Safety Rules and Discipline Program; and,*
- ✓ *Accident and Injury Reporting Program.*

All employees will be provided with appropriate sections of the Agreement to ensure they understand the terms and conditions to which they must adhere in the ongoing performance of their job duties.

Route Supervisors and Staff Training | No additional route supervisors or drivers will need to be hired to fulfill the requirements of this Agreement. If the food scraps program is in effect, however, an additional collection driver may need to be hired and trained. Existing (and potential new) staff will undergo ongoing refresher trainings to ensure they are well trained on all operational procedures related to this new Agreement. Since collection vehicles will be new, route supervisors and drivers will be undergo trainings on single-subject or multiple items. For the transition period, the GreenWaste training program for these job classifications is comprised of both "off-truck" and "on-truck" training, as described below:

Off-truck training sessions include, but are not limited to:

- *Introductions by management & field staff (name, industry experience, etc.);*
- *Environmental stewardship and company principles;*
- *Orientation of the corporate operations yard and facilities*

- ✓ Maintenance, CNG fueling station;
- Uniform and safety gear fitting
  - ✓ Shirts, pants, PPE, gloves, rain-gear, etc.;
- Safety topics
  - ✓ Accident prevention and reporting;
  - ✓ Commercial driver safe work practices;
  - ✓ PPE and hazard communication;
  - ✓ Seat belt requirements;
  - ✓ Confined spaces; and,
  - ✓ Lockout/tag out requirements and procedures.

On-truck training sessions include, but are not limited to:

- Equipment Safety
  - ✓ Pre-trip inspections
  - ✓ Post-trip inspections
  - ✓ Vehicle per-trip inspections
  - ✓ Vehicle out-of-service criteria;
- Vehicle Equipment
  - ✓ Air brake systems
  - ✓ Brake adjustment
  - ✓ Automated side/front loaders;
- Vehicle Operation
  - ✓ Backing-up and turning
  - ✓ Practice dumping containers in one place
  - ✓ Navigation with obstacles (trees, next to cars, etc...); and
- Routing & Vehicle Operation
  - ✓ Route review and selection
  - ✓ Field trial runs with equipment
  - ✓ Field trial runs for routes and sequencing
  - ✓ Identification of collection constraints (narrow roads, trees)
  - ✓ Identification of container set-out location(s).

Public Education & Outreach Staff Training | Approximately six (6) months prior to the date of the commencement of services, the public education and outreach coordinators will complete additional training sessions described below. Those sessions address the roles, responsibilities and integrated processes of the collection operations, customer service, and accounting. Outreach staff will be required to participate in mock waste assessments and role playing exercises to learn proven techniques to approaching customers. These exercises will ensure success in enrollment in new recycling and diversion programs based on industry, size, culture and other considerations. An overview of the subjects to be covered in the GreenWaste training program for outreach staff is described below:

Programmatic training sessions will include, but are not limited to:

- ✓ Review of the County and contract requirements;
- ✓ Review of any existing jurisdictional or regional waste characterization studies;

- ✓ *Marketing approaches and incentives available to promote new programs;*
- ✓ *Process for identification of the largest waste generating facilities;*
- ✓ *Understanding of complimentary sustainability programs;*
- ✓ *Use of Tower for tracking and reporting;*
- ✓ *Process for initiating service changes with operations and customer service;*
- ✓ *Methodology for conducting waste assessments and making recommendations; and,*
- ✓ *Familiarity with the Monterey Bay Area Green Business Program and the requirements for the management of waste.*

Field training sessions will include, but are not limited to:

- ✓ *Layout of the County by density, sector, size and predominant waste stream(s);*
- ✓ *Identification of enclosure constraints and strategies for adapting enclosures;*
- ✓ *Protocol for conducting and documenting waste assessments;*
- ✓ *Tours to the GreenWaste MRF and Approved Facilities; and,*
- ✓ *Collection vehicle ride-alongs.*

Office & Billing Staff Training | Existing staff will fulfill the requirements of this Agreement. Existing staff will undergo refresher trainings to ensure the department staff is well trained on all office and billing procedures related to this new Agreement. Staff will participate in hands-on training for the use of Tower and the Mitel telephone system. It is imperative that office and billing staff are well trained on the use and troubleshooting of these systems to reduce the opportunity for error. Office and billing staff will be required to review and understand the portions of the Agreement pertaining to their job duties, and will be expected to quickly access information on rates and services. Additional trainings may be conducted on an as-needed basis by GreenWaste personnel and/or outside consultants. An overview of the subjects to be covered in the GreenWaste training program for office and billing staff is described below:

Office and billing staff training sessions will include, but are not limited to:

- ✓ *Customer service expectations of GreenWaste;*
- ✓ *Ability to operate interfaces between Tower and a billing processor;*
- ✓ *Use of the Mitel telephone system; and,*
- ✓ *POS transactions and cash handling procedures.*

Customer Service Training | GreenWaste believes that its most critical interactions are with customers. With over 20 years of experience in providing exemplary Customer Service, GreenWaste has designed an extensive and comprehensive training program for the Customer Service Team. At the end of the Customer Service Training Program, the Customer Service Supervisor and all Customer Service Representatives demonstrate proficiency in the use of the software and telephone systems, understand operational aspects of material collection and processing, and embrace and embody GreenWaste's core values and beliefs on customer service and employee satisfaction. For a detailed and comprehensive description of the extensive training program for the Customer Service Team, please refer to [Section 2.E | Customer Service](#).

### Operations

The GreenWaste Operations and Transfer Facility in Watsonville, which currently services the County, is the proposed facility for the transfer of all recyclable materials collected in the County. This facility also houses

all customer service, dispatch, maintenance, and office activities, and container, vehicle, and equipment storage. GreenWaste can accommodate all the required services under the Agreement from this existing facility.

Vehicle and Container Procurement | Immediately following recommendation of award, GreenWaste will reserve the production slot for all collection vehicles and containers to provide services to the County. Confirmation of the production order and authorization to begin the build/assembly will coincide with the execution of the Agreement and all design specifications will be finalized and submitted to the manufacturers. All vehicles used to service the County will be received by GreenWaste at least 4 months prior to the commencement of services. Prior to taking delivery of the vehicles, sign orders will be placed and the remaining details (logos, contact information, colors, sizing, placement, consecutive non-repeating truck identification numbers and additional text) will be finalized. All containers to be used in the County will be received by GreenWaste approximately 4-5 months prior to the commencement of services. Starting container distribution early will ensure that no subscribing customer is left without containers. Please refer to Section 2.B | Collection Containers for a description of GreenWaste's container distribution plan.

Route Planning and Development | GreenWaste will have all routes planned prior to the commencement of service on January 1, 2018. As the current hauler, GreenWaste consistently audits routes to optimize efficiency and reduce the operations carbon footprint. As mentioned in Section 2.A | Recyclable Materials, Organic Materials, and Solid Waste Collection, it is projected that less than 3% of customers will experience collection day changes in the first 12 months of the Agreement. GreenWaste will conduct outreach to alert customers to a collection day change and when they can expect to experience it. Outreach will be conducted at least 2 weeks prior to the first day change via cart hangers and/or a phone campaign.

#### Customer Service and Outreach

Customer Service Call Center | GreenWaste will continue to offer a comprehensive suite of options for customers to contact Customer Service Representatives (CSRs) to discuss service questions or to inquire about billing. Customers will be familiar with GreenWaste, their current hauler, and will not experience confusion about which company to contact. GreenWaste anticipates a higher-than-normal call volume during the transition, and will be supported by existing Customer Service staff from GreenWaste San Jose and Monterey operations.

Public Education and Outreach | GreenWaste will provide accurate information and adequate notification to customers across all sectors of the County. Communication with customers will inform them of new service offerings, and will assure them that they will experience their usual uninterrupted service. GreenWaste will develop a Public Education and Outreach Plan that outlines the approach and methodology to conduct initial outreach. The Plan will also identify the public education and outreach materials that will be used for program start-up, and the most appropriate methods of distribution. GreenWaste will coordinate outreach efforts with the County. For a complete and detailed description of GreenWaste's Public Education and Outreach Program for the County, please refer to Section 2.D | Public Education and Outreach.



<b>Major Components &amp; Tasks of GreenWaste's Transition Plan</b>				
Tasks	Start Date	End Date	Assigned To	Comments
Contract Negotiations	May 2016		F. Weigel T. Adams E. Finn J. Moresco	✓ GreenWaste will negotiate in good faith with the County.
Agreement Execution	June 2016		F. Weigel	✓ Estimated execution date based on modified schedule from RFP.
<b>Operations</b>				
Vehicle Procurement	June 2016	September 2017	F. Weigel J. Moresco	✓ Secure production slot. ✓ Track production progress to ensure timely delivery.
Container Procurement	June 2016	August 2017	F. Weigel J. Moresco	✓ Reserve production capacity from vendors and update quantities. ✓ Container staging, preparation, painting, labeling, etc.
Route Planning & Development	June 2017	December 2017	J. Moresco Route Supervisors	✓ Train collection drivers on new routes, if applicable.
<b>Personnel</b>				
Negotiations with Operating Engineers Local Union No. 3	November 2017	December 2017	F. Weigel J. Moresco B. Cristina	✓ Initiate and complete contract negotiations. (current agreement expires Feb 2018)
Hiring & Training	July 2017	September 2017	T. Adams J. Moresco B. Cristina	✓ New employee hiring & orientation. ✓ GreenWaste policy & procedures. ✓ Job specific trainings.
<b>Administration</b>				
Operations and Transfer Facility	January 2017	December 2017	J. Moresco	✓ Complete Green Business Certification
Customer Service Call Center, Billing & Database	July 2017	November 2017	T. Adams V. Sandoval	✓ Update the already-installed and in-use Tower and Mitel systems.
<b>Public Education &amp; Outreach</b>				
Develop & Finalize Transition Plan	May 2017	August 2017	E. Finn T. Adams	✓ Develop and finalize Public Education & Outreach Transition Plan and schedule.
Collateral Development	July 2017	December 2017		✓ Scope and complete collateral. ✓ Finalize and print all outreach materials.
Community Education & Outreach	October 2017	January 2018		✓ Conduct community outreach, meet with business/industry associations, homeowners associations, etc.
Website	November 2017	January 2018		✓ Update the County's section of the GreenWaste website.

## 2.H Subcontractors

GreenWaste utilizes its own employees in addition to an outside trucking company to provide transportation of recyclable materials from the GreenWaste Operations and Transfer Facility in Watsonville to the GreenWaste MRF in San Jose for processing and marketing.

Below are the required approved facilities as specified in the RFP, as well as subcontractors GreenWaste will utilize for the listed services.

Approved Facility or Subcontractor	Services
Ben Lomond Transfer Station , Buena Vista Landfill, Buena Vista composting facility (if operational), and/or MRWMD's composting facility	<ul style="list-style-type: none"> <li>✓ Solid Waste Disposal</li> <li>✓ Organic Materials Processing/Composting</li> <li>✓ C&amp;D Processing / Recycling</li> <li>✓ Household Hazardous Waste Disposal</li> </ul>
O&S Trucking, MG Trucking, Jim Friebe Trucking, Inc., or alternative	<ul style="list-style-type: none"> <li>✓ Transportation of Recyclable Materials from the GreenWaste Operations and Transfer Facility in Watsonville to the GreenWaste MRF in San Jose</li> </ul>

### Fostering Successful Working Relationships

GreenWaste has sustained successful working relationships with the County's Ben Lomond Transfer Station and Buena Vista Landfill since 2007. GreenWaste has worked with these 2 facilities for disposal and/or processing of materials collected under its contracts with the County of Santa Cruz, the City of Capitola, the City of Scotts Valley, the Santa Cruz County and San Mateo County State Beaches.

GreenWaste has also developed long-standing relationships with various trucking companies. Since 2007, O&S Trucking has been transporting materials between GreenWaste and its affiliated companies' facilities in San Jose, Gilroy, and Watsonville, as well as to the Monterey Regional Waste Management District (MRWMD). Materials are consolidated and transported between facilities on a daily basis.

## 2.1 Management and Customer Service Systems

GreenWaste proposes to utilize existing management and customer service systems for servicing the County of Santa Cruz through the term of the Agreement.

### Information System

GreenWaste utilizes PC Scale Tower to handle the customer service, routing and billing functions of the company. This system has been in use for the County of Santa Cruz, the City of Capitola and the City of Scotts Valley since September 2012. The system has also been rolled out for all service locations handled by GreenWaste, with the exception of GreenWaste of Palo Alto.

The Tower database is capable of handling calls, inquiries, and requests that are common and expected in the recycling industry. The database is also customizable to allow tracking of additional performance measures that a jurisdiction may want to follow. GreenWaste has default note types for some of the items, including:

- ✓ *Billing Inquiries;*
- ✓ *Customer Compliments;*
- ✓ *Customer Complaints;*
- ✓ *Damages and/or Accident Reports;*
- ✓ *Driver Comments; and,*
- ✓ *Same Day Inquiries.*

GreenWaste can easily report on whichever area it wishes by keeping the comments in specified categories. In addition, Tower has the ability to designate certain sections to *Read Only Access*, which can allow the jurisdictions to access and report from the GreenWaste database. This feature is currently being utilized by the County of Santa Cruz.

### Telecom System

On August 23, 2013, GreenWaste started using its new Mitel phone system. After much research, GreenWaste decided that partnering with Mitel allowed for significant flexibility in connecting current offices and new facilities. The system is designed to allow for modular flexibility, which gives GreenWaste access to the phone system from any internet port, even those not on a GreenWaste site. While GreenWaste does not anticipate using this feature on a regular basis, telephones can be rapidly deployed and a customer service department can be rebuilt within hours in the event of unforeseen circumstances.

Currently, GreenWaste handles the County of Santa Cruz, Cities of Capitola and Scotts Valley, and the Monterey Peninsula Cities from its Watsonville office, although the Monterey Peninsula Cities will eventually be managed out of GreenWaste's new administrative office currently under construction at the Monterey Regional Waste Management District. GreenWaste's Santa Clara County jurisdictions are handled from the San Jose office, and a facility in Palo Alto handles GreenWaste of Palo Alto's customer service systems.

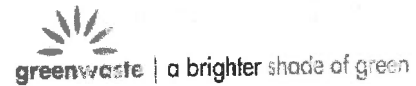
### Integrated Systems

Customer Service Representatives (CSRs) interact directly with customers on a daily basis – they are the “voice” of the company. The tasks they take on have an effect on all areas of GreenWaste's business,

including billing, operations and outreach. When CSRs input information into Tower, their actions will adjust billing, create work orders to send to drivers, and track inquiries to direct Outreach. Inside of each customer record, all data items required for the ongoing operation of GreenWaste are contained, including:

- ✓ Names;
- ✓ Addresses;
- ✓ Service Levels;
- ✓ Routing Information; and,
- ✓ Accounts Receivable (as seen below).

### Customer Information / Services



009829 - 0001		Commercial Crossing, Santa Cruz, CA 950651702				
Service		Sales		Inventory		
Site Status	Active Pickup	Customer Since	6/1/2007	Qty	Equipment	Serial Number
Service Area	Santa Cruz	Salesperson	HOUSE - House Account	1	02FL-REC	
Company ID	SCC	Sales Lead	CALLIN	1	03FL-TR	
Access	ENCLOSURE, LOCKED	<b>Contact</b>				
Geocoded	Yes	Customer Phone:	(650) 934-			
		Billing Phone:	(650) 934-			
		Site Phone:	(831) 458-			

**Service effective on Tuesday, August 6, 2013**

Service Code	Frequency	Week	Rate	Rate Period	Qty	Temp	Mon	Tue	Wed	Thu	Fri	Sat	Sun	On Call
02FLREC	2 times per week	None	0.00	Per month	1	N		SCC14 (67)			SCC13 (14)			
03FLTR	Weekly	None	310.35	Per month	1	N			SCC11 (26)					
COM-ENCLOS	None	None	36.15	Per month	3	N								
LOCK	None	None	36.15	Per month	3	N								

In addition, GreenWaste has created a number of note type parameters that allow reporting based on types of calls received. GreenWaste can add additional note types to allow for even more detailed reporting. Generally, notes are attached to either the "Customer" or "Site" level. Customer-level reporting will affect all sites operated by a customer, which would be useful to a property manager who handles many sites, for example. A site-level comment would be for incidents that only affect a single parcel. A partial list of "Customer" and "Site" comment types follows:

<input checked="" type="checkbox"/>	Customer	NSF	NSF-Bounced a check	Billing Related
<input checked="" type="checkbox"/>	Customer	Promise to	Customer promised to pay/payment is in the ma	Collections Related
<input checked="" type="checkbox"/>	Customer	RateIncrea	Rate Increase	Billing Related
<input checked="" type="checkbox"/>	Customer	Refund	Refund	Service Related
<input checked="" type="checkbox"/>	Customer	SvcComplnt	Service Complaint	Service Related
<input checked="" type="checkbox"/>	Site	Bill-Inq	Billing Inquiry	Billing Related
<input checked="" type="checkbox"/>	Site	Complaint	Complaint	Service Related
<input checked="" type="checkbox"/>	Site	Compliment	Customer complimented on service	Service Related
<input checked="" type="checkbox"/>	Site	County	County Letter	Service Related
<input checked="" type="checkbox"/>	Site	Damage	Damage/Accident Report	Service Related
<input checked="" type="checkbox"/>	Site	Decals	Decals	Service Related
<input checked="" type="checkbox"/>	Site	Driver	Driver Note	Service Related

### Response Protocol

Every call to GreenWaste is accompanied by procedures which follow the necessary steps to resolve whatever issue is raised. Some common issues and applicable responses include:

- **Missed Pick-Up** | The first step in addressing a missed pick-up is to rule out potential issues, such as a late set-out or contamination. The CSR will then pull up the customer's account in Tower to check if the driver has input any information into ELEMOS, their onboard computer system. If there is no legitimate reason, and if the driver is still in the area, they will be directed to return to the site to pick up the material. In the event the driver has left the area, the customer will be offered to double-up the following week, or a supervisor will be dispatched (either that day or the following day depending on the time) to remove the material. A work order is placed into Tower to record and track that the appropriate steps are followed.
- **Spills** | In the event of a leak or a spill, the driver will radio the dispatch team to inform them of the issue. The Route Supervisor will immediately be dispatched to the area to verify the driver has cleaned the spill properly. All vehicles are equipped with a spill kit to handle small spills. In the event that the spill is larger, the Supervisor will bring the necessary materials to clean the area.
- **Noise Complaints** | GreenWaste makes every effort to prevent early morning collection from disturbing residents. However, residents occasionally contact GreenWaste with complaints about noise from vehicles. Upon receipt of such a call, the CSR will determine the route that is bothering the resident, and, if possible, that stop will be serviced on the same route later in the day. If that change is not possible, the Route Supervisor will find a way to prevent the noise issue through an alternate route. The CSR will place a site note on the account, so that the driver is aware that this area is sensitive going forward.

Ultimately, GreenWaste aims to handle all calls and address all issues in a timely and efficient manner. The Mitel call solution has helped GreenWaste CSRs receive information more quickly and more accurately. GreenWaste has also implemented a call recording feature that allows Supervisors to coach on calls in progress, as well as to verify information exchanged during the call. GreenWaste has access to reporting that displays numbers of calls (inbound and outbound), average wait time, CSR-specific call data, and more. This information is maintained internally, and is not typically requested by any jurisdictions GreenWaste serves; however, this information may be provided upon request. GreenWaste's affiliate, GreenWaste of

Palo Alto, is required to submit this information monthly, as is seen in the GreenWaste of Palo Alto July 2015 report included in Section 9 | Attachments.

Section 9 | Attachments also includes other reports provided to various jurisdictions GreenWaste serves. These reports document tonnage, customer account information, customer comments, and other pertinent information.

#### Real-Time Data Exchange

GreenWaste has researched and experimented with a number of GPS-based fleet systems ranging from complex truck-based computers to simple GPS units. The introduction of Tower to GreenWaste's management systems created new options to test in GreenWaste's infrastructure. After reviewing numerous systems, GreenWaste has chosen to implement ELEMOS, an AMCS technology, into its fleet as the product that provides the best balance between useful information and ease of use for drivers. Trucks servicing the County currently do not utilize this technology, but GreenWaste proposes this technology for use in all collection vehicles servicing the County under this new Agreement.

ELEMOS connects throughout the service day to Tower, and reduces the opportunity for inconsistencies between the customer and GreenWaste. ELEMOS documents pick-up times, missed set-outs, additional material set-out, contamination, and other items that may include additional charges. ELEMOS ensures customers are charged accurately for services rendered, and also that the County receives the franchise fees to which it is entitled.

ELEMOS allows GreenWaste and its drivers to:

- ✓ *Improve driver management with real-time visibility of vehicle, route, and collection progress;*
- ✓ *Reduce margin for error on collections and routes;*
- ✓ *Represent actual route vs. scheduled route with GPS Tracking;*
- ✓ *Minimize customer call handling time with real-time access and visibility to vehicle & service data;*
- ✓ *Obtain real-time reporting and update between office, driver and vehicle; and,*
- ✓ *Provide proof of service with incorporation of RFID technology.*

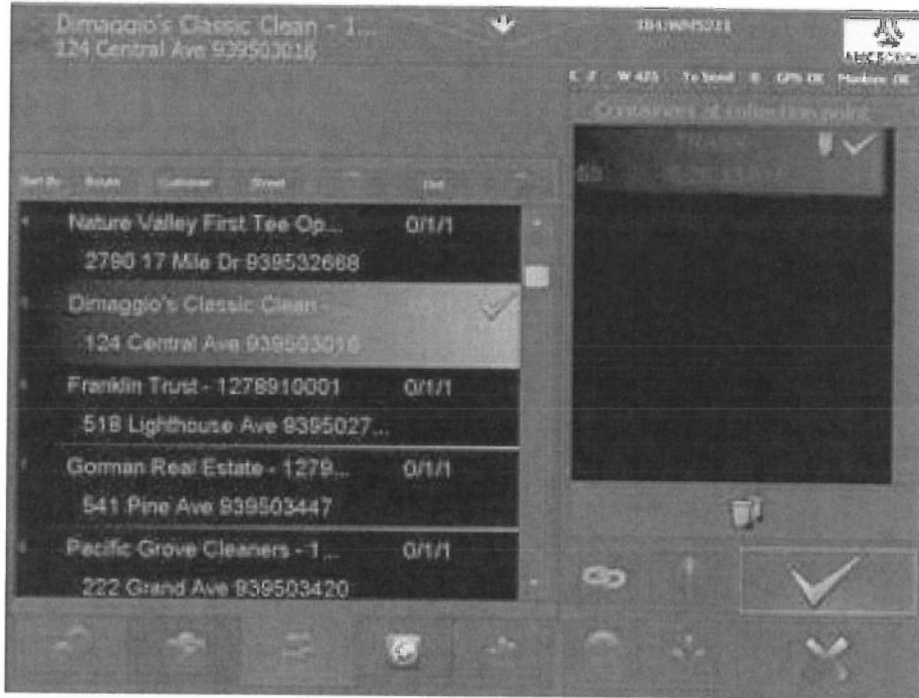
GreenWaste carts may be equipped with RFID tags, which the ELEMOS on-vehicle system can scan and read. This ability is especially important in the numerous cluster-point collection areas in the County. When customers set their carts out in clusters, it can be difficult to determine which cart belongs to which customer. Drivers must be able to read the cart's RFID tag to resolve any issues associated with the cart. Using this system, GreenWaste can communicate confidently with the customer and resolve the issue at hand about their particular cart.

Additionally, an onboard scale system on front-load vehicles allows GreenWaste to target outreach to customers with consistently heavy bins, which can be an indication of organic materials. ELEMOS would assist GreenWaste in identifying those bin customers who may need to incorporate organic materials collection into their services.

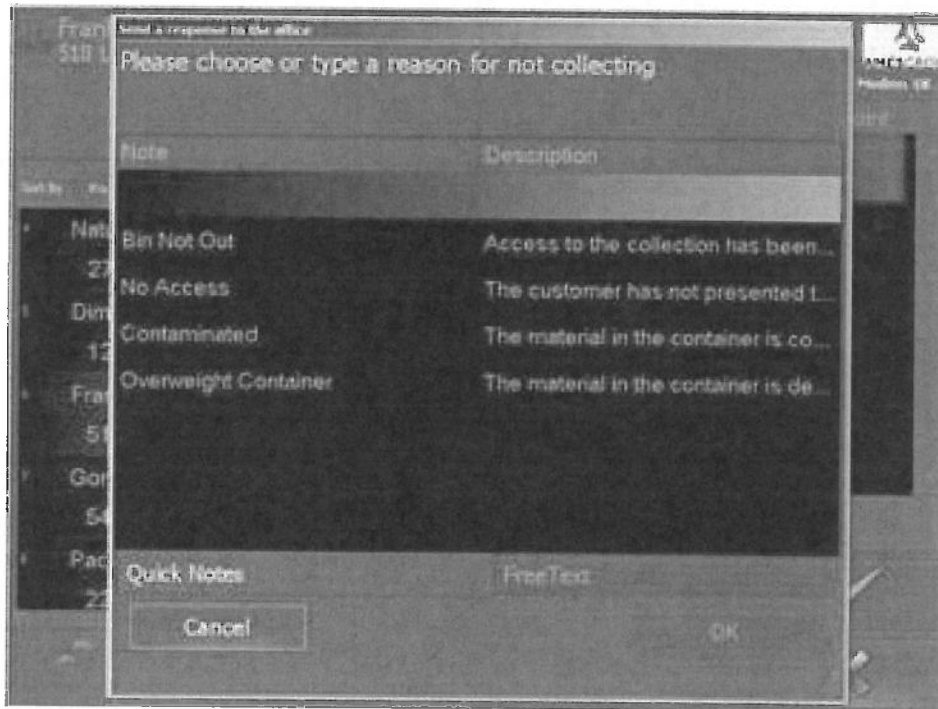
Prior to the driver leaving the Watsonville facility, the route is downloaded onto the driver's computer. Throughout the day the driver will see the routed information in the vehicle. Upon approaching a stop, the driver will determine if there are any missing containers, blockages, or other issues. In the event there is an

exception, the driver will choose the commodity and input the necessary exception. Screen shots of the driver's point of view are included here:

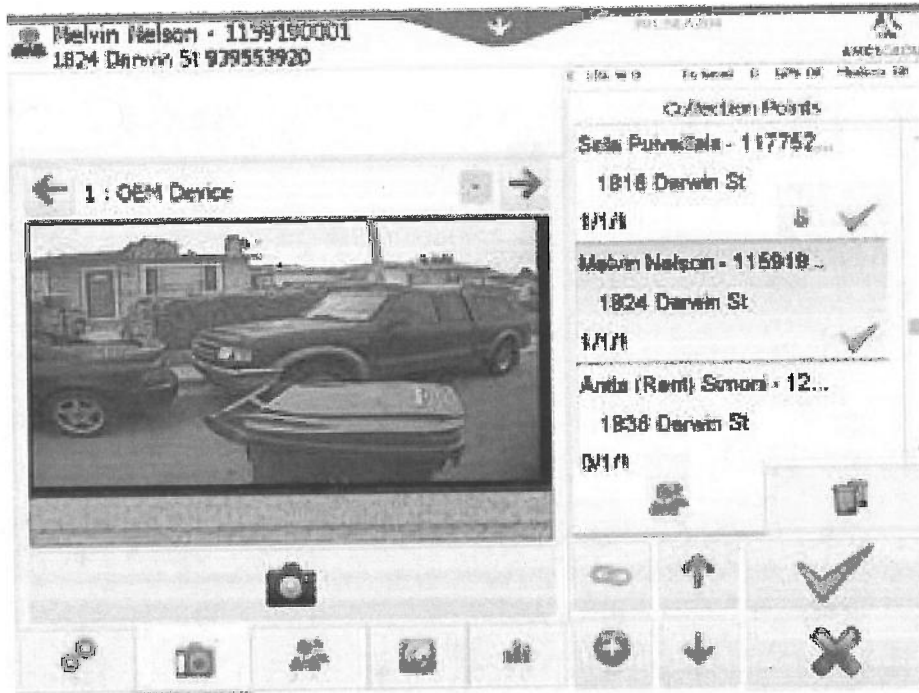
- Driver's route:



- Possible exceptions:



➤ Images of what the cameras capture:



"Bin Not Out" and "No Access" are the two most common exceptions. Pressing the "Exception" button will open a drop-down menu with a list of all exceptions that have been programmed into Tower.

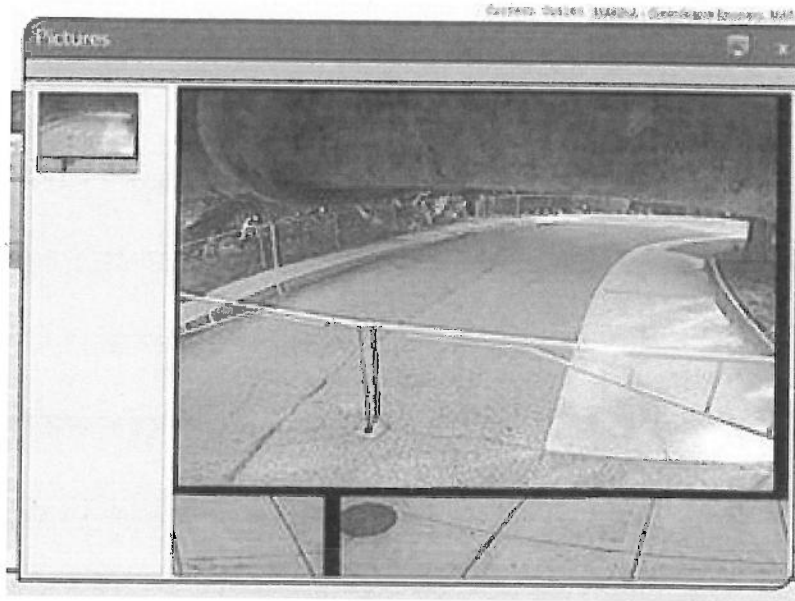
The ELEMOS system will also provide the driver with access to four cameras, maps to the next routed stop, and notes linked to the customer account. GreenWaste's configuration includes a hopper camera, a rearview camera, cameras on either side of the vehicle to ensure clearance, and a handheld camera that will allow the driver to take pictures of any exceptions encountered on the route.

Drivers are trained to take pictures any time there is an exception event. This information can then be accessed in two ways:

➤ Through the ELEMOS web portal:

Date	Time	Vehicle	Weight	Container	Customer	Acc. Code	Site Name	Address1	Problem Description	Latitude	Longitude	Route
10/6/2015	7:01:05	PC212		D4FL-TR - 4 Yd Front Load Container Trash	Monterey Co Off Education - 122831	122831	Mcoe Gladys Stone School - 1228310001	300 Patton Pkwy	No Access	36.674035	-121.8017133	WMS312

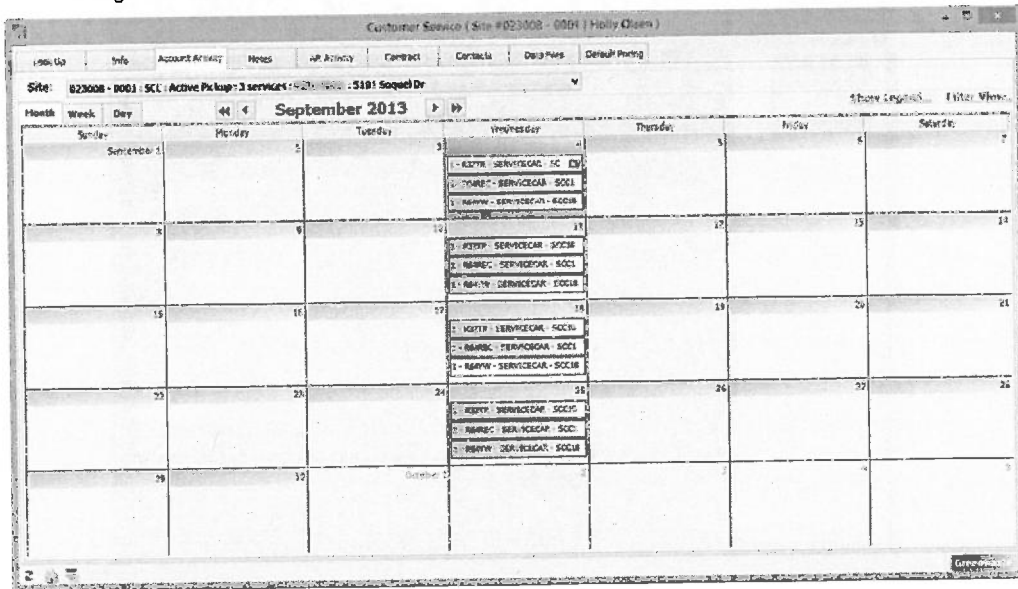




Date	Time	Vehicle	Tag	Container	Customer	Acc. Code	Site Name	Information Description	Material Profile	Material Code	Latitude	Longitude	Route
9/18/2015	7:18:43	PC569		95G-YW - 95G Cart Yardwaste	Forrest Millington - 126466	126466	Forrest Millington - 1264660001	Over Filled	YW	YW	36.6195783	-121.910832	WM55CD



➤ Through the Tower database:



In both cases, the CSR can access any picture taken by the driver. The CSR can then, if needed, e-mail the photo to a customer.

By installing the ELEMOS system on collection vehicles in the County, GreenWaste Supervisors will be able to monitor in real-time all the activities of the drivers in the field. Through the combined technologies of Tower, ELEMOS, and Mitel, GreenWaste can provide quick and accurate service to all customers.

### Reporting

GreenWaste is able to tailor information to the County's desired reporting format. Exhibit D of the Draft Franchise Agreement outlines reporting requirements, which GreenWaste has extensive experience in compiling. While each jurisdiction is unique in its requested reporting, the County has presented a thorough reporting plan through Exhibit D. Perhaps the most closely related report GreenWaste or its affiliates currently provides is GreenWaste of Palo Alto's monthly report, which can be referenced in Section 9 | Attachments. This report is extremely thorough and includes the following:

- ✓ Summary of monthly activities, trends, outreach, etc.;
- ✓ Residential service levels;
- ✓ Number of containers serviced;
- ✓ Compensation for extra service;
- ✓ Monthly accomplishments;
- ✓ Customer service performance;
- ✓ Public education and outreach performance indicators;
- ✓ Special services and audits; and,
- ✓ Processing facilities tonnage, recycling data, and tonnages towards commitment.

GreenWaste can offer this extensive reporting to the County and work with the County in achieving its desired reporting format.

## 2.J Performance Measures

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### GreenWaste's Performance Measures

GreenWaste believes it is important to work with each jurisdiction individually to create and report against performance metrics, as every jurisdiction is unique and has different performance goals. Throughout the many jurisdictions that GreenWaste partners with, there are a number of performance standards that all jurisdictions tend to subscribe to, and which the County of Santa Cruz has built into Exhibit F, including;

- Performance Area 1: Service Quality and Reliability | The goal of all jurisdictions is to ensure that their constituents receive prompt, courteous and consistent service. GreenWaste measures this by reviewing and reporting "misses" through the work orders that are generated to track and guarantee that the issue is resolved. This is also the manner in which any property damage or spillage is handled. Please see Section 9 | Attachments for examples of this reporting.
- Performance Area 2: Customer Service | GreenWaste's Mitel software reports against the activities in the call queues. Reporting is extremely flexible and can be utilized to drill into queue activities to find trends. The main concerns for GreenWaste regarding customer service are how promptly customer calls are answered and that customers receive appropriate follow up. Reporting to the City of Palo Alto in Section 9 | Attachments shows an example of call center reporting where calls are divided by:
  - ✓ Total Calls;
  - ✓ Total Missed Calls;
  - ✓ Average Hold (Wait) Time;
  - ✓ Total Messages From Website;
  - ✓ Total Compliments ;
  - ✓ Total Complaints; and,
  - ✓ Number of Calls Claiming Missed Collections

*All of these reporting goals can be compared to total call volume and reported to the County as needed through reporting exports from the call system.*

- Performance Area 3: Diversion/Outreach | GreenWaste works closely with jurisdictions to ensure that all entities are working in harmony in order to provide the best outreach and education possible, which assists in achieving diversion targets. GreenWaste has the ability to report all outreach activities, including the provision of outreach materials, one-on-one meetings, and collection notifications to the County. With these protocols currently in place in Palo Alto, a system already exists to provide this information to the County.
- Performance Area 4: Facilities | As part of GreenWaste's commitment to the County, handling of collected materials and delivery to the Approved Facilities is a basic expectation. When any route returns to the office, the Dispatch Team is handed that particular truck's disposal ticket(s). These are then input into Tower to allow GreenWaste access to reporting of route productivity. At the County's request, GreenWaste is able to report where all loads are delivered. At no time will any load be delivered to any facility other than the Approved

Facilities without previous permission from the County. GreenWaste's control over the transfer and processing of recyclable materials in particular, and GreenWaste's guaranteed capacity for this material, is of benefit to the County since the GreenWaste MRF achieves diversion rates in excess of 97% for recyclables.

- Performance Area 5: Reporting | Every Agency has differing requirements for reporting, and GreenWaste has been handling reporting for multiple jurisdictions since its inception. As seen in Section 9 | Attachments, reporting is customized by jurisdiction. GreenWaste will provide details on issues that are tailored to the County and will provide all reports on the required reporting date.

GreenWaste has reviewed the Performance Areas, Performance Indicators, Specific Performance Measures, Acceptable Performance Levels, and Liquidated Damage Amounts in Exhibit F | Performance Standards & Liquidated Damages of the Draft Franchise Agreement, and has completed the Exhibit and included it in redline and strikeout with this proposal.

Further, GreenWaste understands that the County will have different requests and requirements relating to reporting and contract compliance. GreenWaste looks forward to working with the County to ensure expectations are clearly outlined and the provision of ongoing services exceeds expectations.

## 2.K Diversion Services

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GreenWaste works closely with jurisdictions to ensure that all entities work in harmony to provide the best possible outreach and education. GreenWaste will report all outreach activities, including the provision of outreach materials, one-on-one meetings, and collection notifications to the County.

### GreenWaste's Diversion Incentives

GreenWaste is a recycling and diversion company that provides hauling services – GreenWaste does not own or operate any landfills that accept municipal solid waste. As such, GreenWaste consistently aims to increase diversion and reduce overall disposal. GreenWaste believes the County has already included incentives to meet the diversion requirements throughout the Draft Franchise Agreement, and has also included financial disincentives if recycling and diversion targets are not met. Further, extension on the Franchise Agreement may only be granted at the Agencies' sole discretion, which provides incredible incentives for GreenWaste to exceed diversion targets.

### Reaching the 65% Diversion Goal

GreenWaste is committed to assisting the County in achieving the State's 75% recycling goal locally by 2020. In addition to the State's goal, however, the County has established an aggressive diversion target that requires the franchised hauler to divert 65% of the materials they handle under the exclusive franchise. The GreenWaste Material Recovery Facility (MRF) currently processes all recyclable materials collected from the County's residents and businesses. The MRF consistently achieves a diversion rate of over 97%, which is in contrast to what the County disclosed in its document entitled, *Response to Questions 2*, which was provided to all bidders on August 17, 2015.

Within that document, the County quotes an assumed recycling residue of 10%, translating to approximately 45% diversion for 2012, 2013, and 2014. GreenWaste believes this current diversion rate should be 50%. Additionally, GreenWaste is maximizing diversion under the current Agreement. In order to reach the 65% diversion goal set by the County under the new Agreement, GreenWaste urges the County to secure organics processing and enforce full implementation of a Food Scraps Collection Program across all sectors. This program is of particular importance across the commercial sector, which will have the greatest impact on diversion. This program is described further in Section 3.C | Alternative #3: Full Implementation of Commercial Food Scraps Collection Program. In addition to full implementation of a food scraps collection program, GreenWaste believes the target diversion rate of 65% can be met through a combination of the following program features:

- ✓ GreenWaste's partnership with the County in executing an extensive and comprehensive Public Education & Outreach program, described in Section 2.D | Public Education & Outreach;
- ✓ GreenWaste's outstanding recycling successes at the GreenWaste MRF, described in Section 2.C | Recyclable Materials Processing; and,
- ✓ GreenWaste's focus on reuse and repurposing of materials collected under the bulky item and reuse collection events described in Section 2.A | Recyclable Materials, Organic Materials, and

Solid Waste Collection and Section 3.B | Alternative #2: New Residential On-Call Reuse Collection Service.

In addition to the incentives and methodologies described above, it is critical to understand that the County has a significant role in achieving diversion program success. It is imperative that the County develops strategic diversion-based rate structures that discourage landfilling. Diversion-based rate structures have proven highly effective to influence behavioral change, and provide economic incentives to the waste generators to reduce the amount of waste slated for disposal and minimize the amount of contamination found in containers.

Additionally, the implementation of the universal service ordinance, which would make collection service mandatory within the Urban Service Line and Urban/Rural Services Boundary, will assist GreenWaste in reaching target diversion levels. The addition of a potential 3,863 parcels will provide additional opportunities for GreenWaste to perform outreach and collect additional tons of recyclable and organic materials. Similarly, the addition of permanent roll-off services into the Franchise Agreement would also ensure that high-volume waste producers integrate recycling into their operations. With roll-off currently under a non-exclusive Agreement, roll-off customers may not utilize haulers who have the resources to provide diversion services in addition to solid waste collection services. Capturing this customer base will certainly help in reaching diversion targets.

GreenWaste is confident the diversion goals can be met with the support and assistance of the County. Through the County's mandatory recycling ordinance, the potential of mandatory universal service areas, fees for contamination, and/or technological improvements in material processing, ample opportunities exist for GreenWaste to assist the County in developing programs to move toward Zero Waste.

#### Evaluating Program Success

GreenWaste places a high priority on diverting the maximum amount of material from landfill through outreach, education, effective collection programs, and efficient processing. However, it is important to note the diversion rate calculations used to determine program successes only consider the material handled by GreenWaste. Further, overall diversion for the County may be restricted without an established "MRF First" collection and processing program, in which no materials go directly to landfill. GreenWaste is confident the diversion standard will be attained; however, the ability to achieve exceptional diversion for the County is limited when solid waste collected is sent directly to landfill. Achieving these goals will be difficult as long as limitations from the exclusivity of the Franchise Agreement prevent GreenWaste from handling all materials generated in the County. As a company with demonstrated successes in developing innovative approaches to achieve diversion, GreenWaste encourages the County to consider GreenWaste as a reliable resource in exploring new opportunities to move toward Zero Waste.

#### Customer Incentives to Increase Diversion

Since solid waste diversion is a top priority, it is imperative that any potential recyclable or compostable materials are kept out of solid waste containers. Paradoxically, the contamination of source separated materials poses challenges in the preservation of material quality and overall acceptance of materials at the Approved Material Processing Facilities. GreenWaste has experience in accomplishing both of these objectives through the development and implementation of programs to incentivize the proper sorting of materials, the minimization of contamination, and the reduction of waste destined for landfill.

Minimizing contamination of containers is difficult through a public education and outreach program alone. GreenWaste currently enforces the County's mandatory recycling ordinance, in which solid waste carts or bins containing more than 5% of recyclable materials are refused collection. Chronic contaminators will also be informed of the potential of incurring contamination fees if their actions continue. These fees apply to any container that consistently holds materials which are considered "contaminants" for that particular material stream. This program involves first notifying customers who have continuously contaminated containers, then targeting outreach activities toward these customers, and lastly, if the contamination continues, imposing contamination fees.

#### Philosophy of Innovation

GreenWaste owners and management are highly active in the regulatory and technological arenas of the recycling industry, and will continue to explore methods to increase diversion through advancements in collection and processing operations. GreenWaste will continue to stay up-to-date on all regulatory issues pertaining to the solid waste and recycling industry. This philosophy of innovation is an integral part of how GreenWaste operates. Other assistance that GreenWaste will provide to the County includes, but is not limited to:

- ✓ *Researching new technologies and processing equipment that reduce residuals and produce higher quality recyclables and organics;*
- ✓ *Installing more efficient and effective processing equipment as the technology becomes available;*
- ✓ *Working with staff from the County, the Approved Facilities, and environmental organizations to expand and improve public education and outreach campaigns; and,*
- ✓ *Working with consumer industry groups to lobby for more sustainable product design and packaging, as appropriate.*

## 2.L Corporation Yard, Maintenance Facilities, and Fueling Facility

The GreenWaste Operations and Transfer Facility located at 375 Industrial Road in Watsonville is the proposed corporation yard and maintenance facility for the new Agreement with the County of Santa Cruz. This established facility is operated by GreenWaste, and currently accommodates collection operations for the County of Santa Cruz. The facility does not require any modification or expansion in order to fulfill the requirements of the new Agreement.

This site includes sufficient space for the following operations:

- ✓ *Collection vehicle and employee parking;*
- ✓ *Equipment and container storage;*
- ✓ *Vehicle and equipment maintenance facilities;*
- ✓ *Collection operations;*
- ✓ *Vehicle staging;*
- ✓ *Vehicle cleaning;*
- ✓ *Container painting and cleaning;*
- ✓ *Tire shop;*
- ✓ *Administrative offices;*
- ✓ *Restrooms;*
- ✓ *Locker rooms;*
- ✓ *Employee kitchen and lunch room;*
- ✓ *Customer Service and Outreach Coordinator cubicles; and,*
- ✓ *Data infrastructure & servers.*

### Storm Water BMPs

GreenWaste maintains compliance with Stormwater BMPs relative to facility operations. GreenWaste also uses biodegradable soaps and environmentally friendly solvents (when available) to maintain vehicles and clean the facility. GreenWaste's Environmental Compliance Officer, described in Section 1.D | Key Personnel, works diligently to ensure all GreenWaste facilities and operations comply with local, State, and Federal regulations.

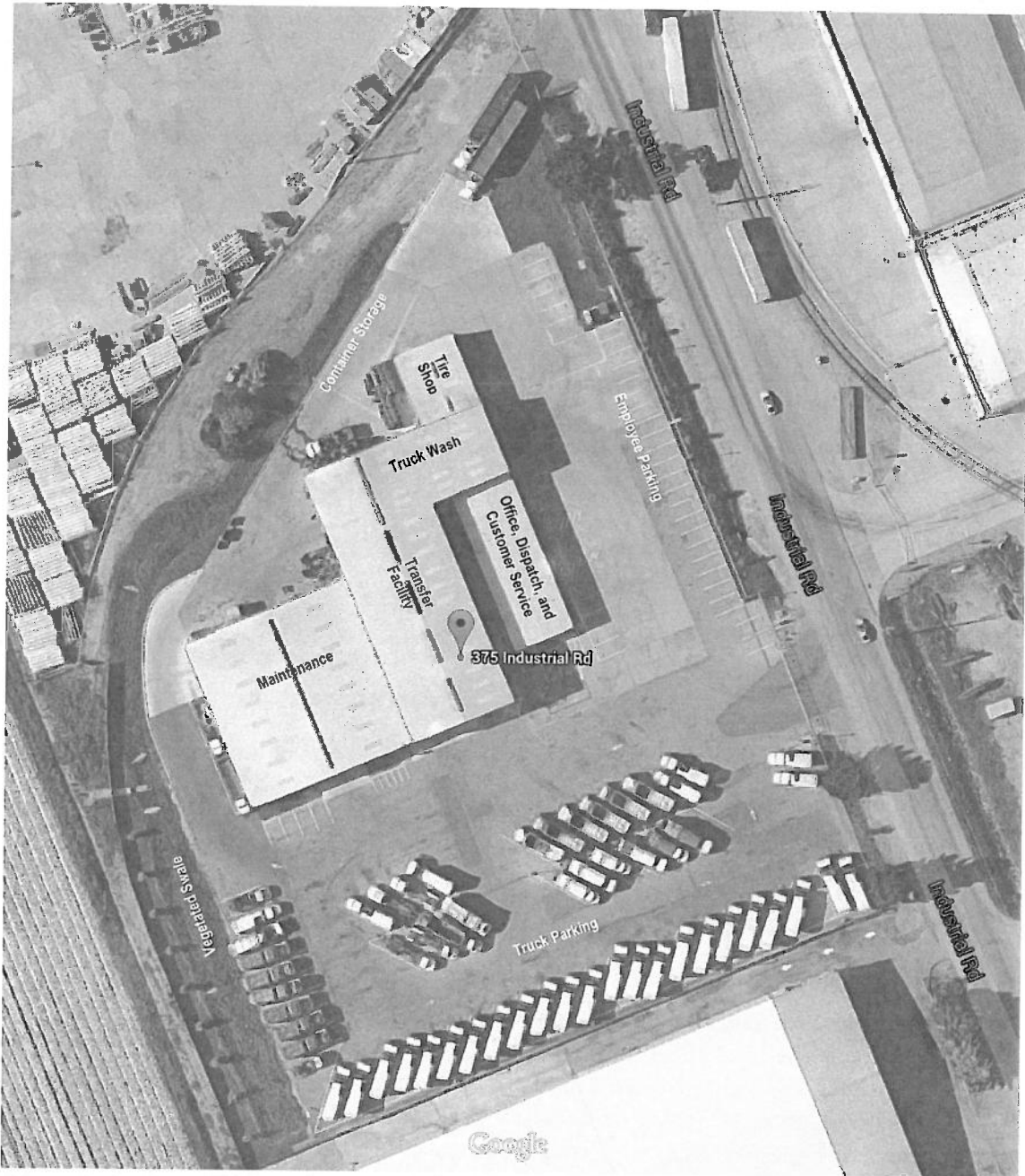
### Green Business Certification

GreenWaste's Operations and Transfer Facility is currently in the process of fulfilling the requirements of the Monterey Bay Green Business Program. Installation of an aqueous parts washer is the final step in achieving this certification, and GreenWaste commits to installing this equipment by the commencement of services under the new Agreement. GreenWaste has also implemented a company-wide Environmentally Preferable Purchasing Policy (EPPP) that applies to all facilities developed or upgraded. GreenWaste's EPPP is included in Section 9 | Attachments.



**Aerial and Labeled Layout of the GreenWaste Operations and Transfer Facility**

375 Industrial Road, Watsonville, CA



### Biodiesel Fueling Site

Since 2014, GreenWaste has been fueling its Watsonville fleet with B20 biofuel at Agron Bio Energy, located at 860 W. Beach Street in Watsonville. This site is 0.2 miles from the GreenWaste Operations and Transfer Facility. This is the proposed fueling site under the Base Proposal for the new Agreement.



### Established Infrastructure

GreenWaste does not anticipate a need for use of a contingency facility as the Operations and Transfer Facility in Watsonville has been operational since 2007, and has encountered no issues or prolonged closures. GreenWaste has the infrastructure already established to meet all of the County's requirements under this new Agreement starting at the commencement of services on January 1, 2018. Regardless, if there are any unforeseen issues that result in temporary closure of the Watsonville facility, then GreenWaste will, upon County approval, utilize the Monterey Regional Waste Management District (MRWMD) site for recyclables consolidation and transfer. GreenWaste is in the process of constructing a corporation yard and facility at the MRWMD site for servicing its Monterey Peninsula Cities contracts.

## 2.M Local Purchasing

As a local business, with its Operations and Transfer Facility in the County of Santa Cruz, GreenWaste understands the importance of supporting local businesses and does so whenever possible. Making purchases of materials and supplies utilized under the Agreement from local vendors within the County of Santa Cruz will be given the highest priority. Local purchasing promotes a sense of community, contributes to the local economy, and the environmental impact of such purchasing activities is reduced. GreenWaste proposes to continue to utilize vendors within the County of Santa Cruz for the duration of the Agreement. In cases where a vendor within the County of Santa Cruz cannot be used, GreenWaste will source from nearby Counties such as Monterey or Santa Clara, or at a minimum from within the State of California.

What follows is a table displaying GreenWaste's current vendors (for both its San Jose and Watsonville operations), proposed local vendors, and the approximate value or annual expenditure of each procured or to be procured through County of Santa Cruz businesses.

CURRENT & PROPOSED SERVICE VENDORS: COMPANY-WIDE					
	Service	GreenWaste Facility Location	Current Vendor	Proposed Vendor	Estimated Value or Revenue to the County of Santa Cruz, or Estimated Expenditure
Administrative	Banking Services	All Areas	Bank of the West, San Jose, CA	Bank of the West	-
	Insurance Services	All Areas	Wells Fargo, Petaluma, CA Filice Insurance San Francisco, CA	Wells Fargo and Filice Insurance	-
Facility	Property Taxes	County of Santa Cruz	-	-	\$68,000 (annual)
Operations	Collection Vehicles	County of Santa Clara	Golden Gate Freightliner, Oakland, CA Coast Counties Peterbilt, Salinas, CA	Coast Counties Peterbilt, Salinas, CA	\$1,171,223 Biodiesel -or- \$1,353,811 CNG (one-time 9% City of Watsonville tax)
		County of Santa Cruz	Coast Counties Peterbilt, Salinas, CA		

<b>Operations</b>	Other Vehicles	County of Santa Clara	North Bay Ford, Santa Cruz, CA	North Bay Ford Santa Cruz, CA, Chevrolet of Watsonville, or alternative	\$70,000 Outreach Vehicles
		County of Santa Cruz			\$90,000 Supervisor Vehicles
	Containers	County of Santa Clara	Rehrig Pacific Los Angeles, CA	Rehrig Pacific and Consolidated Fabricators	\$260,206 Container Distribution
		County of Santa Cruz	Otto Environmental Consolidated Fabricators Galt, CA		\$85,000 Mobile Service Truck (one-time expenditure)
	Driver Uniforms, Safety Equipment & Work Boots	County of Santa Clara	Aramark	Aramark (Uniforms and Safety Equipment) Drivers will be given an allowance to purchase work boots and gloves	\$22,500 Wheel Loader (one-time 9% City of Watsonville tax)
		County of Santa Cruz	Rehrig Pacific Los Angeles, CA Consolidated Fabricators Galt, CA		\$642,609 (one-time 9% City of Watsonville tax)
	Maintenance Consumables and Miscellaneous Equipment	County of Santa Clara	Various Santa Clara County businesses	GreenWaste ensures it will utilize Santa Cruz County businesses to the greatest extent possible.	\$65,862 (annual expenditure)
		County of Santa Cruz	Aramark Drivers are given an allowance for work boots and gloves.		\$170,191 & Tubes
					\$900,200 Parts & Supplies (fluid, oil, etc.)
					\$73,000 Outside Repairs (annual expenditure)

Operations	Fuel	County of Santa Clara	GreenWaste MRF (Diesel), San Jose, CA San Jose Mineta Airport (CNG)	Agron Bio Energy Watsonville, CA or onsite CNG fueling station	\$1,200,000 (annual expenditure)
		County of Santa Cruz	Agron Bio Energy Watsonville, CA		
	On Board Computer System	County of Santa Clara	-	AMCS ELEMOS	\$102,366 (one-time 9% City of Watsonville tax)
		County of Santa Cruz	AMCS ELEMOS		
Public Education and Outreach	Graphic Design	County of Santa Clara	GreenWaste In-House Graphic Designer	AdManor, Inc. Aptos, CA & GreenWaste In-House Graphic Designer	\$5,100 (annual expenditure)
		County of Santa Cruz	AdManor, Inc. & GreenWaste In-House Graphic Designer		
	Printing	County of Santa Clara	Certified Business Products	Dynamic Press Santa Cruz, CA, or alternative	\$50,000 (annual expenditure)
		County of Santa Cruz	Dynamic Press Santa Cruz, CA		
	Printing, Invoicing & Mailing	All Areas	Bend Mailing Bend, OR	Bend Mailing	-
	Office Supplies	County of Santa Clara	Staples	Redi Supply Company (SDVOSB / DVBE) Orange, CA (requirement per Santa Cruz County and San Mateo County State Beaches Franchise Agreement)  Taylors Office City Watsonville, CA	\$24,000 (annual expenditure)
County of Santa Cruz					

## 2.N Labor Arrangements and Displaced Employees

### Labor Arrangement

If awarded the new Agreement, GreenWaste will continue its Collective Bargaining Agreement (CBA) with the Operating Engineers Local Union No. 3 of the International Union of Operating Engineers Local Union No. 3, AFL-CIO. A CBA currently exists between GreenWaste and the Operating Engineers Local Union No. 3, and expires on February 28, 2018. Please refer to Section 9 | Attachments for a copy of this CBA.

GreenWaste employees covered by the CBA with Operating Engineers Local Union No. 3 include:

- ✓ Residential/Commercial Drivers;
- ✓ Roll Off Drivers;
- ✓ Container Delivery Drivers;
- ✓ Long Haul Drivers; and,
- ✓ Loader Operators.

The wages and benefits bound by the CBA either comply with or are in excess of the County of Santa Cruz's Living Wage Ordinance.

GreenWaste employees who are not covered by the CBA are non-union, and receive wages and benefits in excess of the County's Living Wage Ordinance. These non-union employees include:

- ✓ Mechanics;
- ✓ Cart Washers;
- ✓ Container Repair/Welders; and,
- ✓ Administration (includes: Manager, Supervisors, Customer Service Representatives, Dispatchers, and Outreach Coordinators).

GreenWaste provides proof of compliance with the County of Santa Cruz's Living Wage Ordinance on an annual basis and will continue to do so under the new Agreement. GreenWaste's signed County of Santa Cruz Living Wage Compliance Statement for Fiscal Year 2015-16 is included in Section 9 | Attachments. GreenWaste is also committed to complying with the National Labor Relations Act and all applicable labor laws, and will maintain a position of neutrality on all lawful efforts to unionize employees performing work under the scope of the new Agreement.

### Employee Retention

As the incumbent, GreenWaste will retain all existing employees who currently serve the County. These employees are extremely qualified, and are valued for their outstanding performance in servicing the County, its residents, and businesses for the last eight (8) years with GreenWaste, and for many years prior under the previous hauler, Waste Management. Additional personnel will be hired, as needed, to fulfill all the requirements of the new Agreement.



## 2.0 Universal Service Analysis and Assumptions

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### Universal Service Ordinance

It is understood that the County of Santa Cruz Board of Supervisors gave approval in concept to the County's Universal Service Ordinance on October 20, 2015, with the anticipated effective date of June 1, 2016. This ordinance is expected to apply to all developed and occupied parcels located in the Urban Services Line and Urban/Rural Services Boundary, with exceptions likely to be provided for the following:

- ✓ *Parcels that are unoccupied for vacation or other circumstance for up to 30 days;*
- ✓ *Parcels that are undeveloped or unoccupied;*
- ✓ *Occupants/owners that are experiencing a temporary hardship for up to 1 year; and,*
- ✓ *Occupants/owners that opt to demonstrate responsible self-hauling of materials.*

### Implementation

As the current hauler with extensive knowledge of the affected areas, the anticipated addition of approximately 3,863 occupied parcels to GreenWaste collection services seems probable, and these additional customers would warrant an additional route and driver for each material collected (solid waste, recyclable materials, and organic materials). All outreach performed to communicate the new ordinance to affected customers would take place prior to the commencement date of June 1, 2016. It is anticipated that all customers within the universal service areas will have established services either by the commencement date or very soon after. Therefore, GreenWaste will already have the staff in place, the customer accounts established, and all required equipment in operation for 1.5 years by the time the new Agreement commences on January 1, 2018. All routing for the affected areas will be integrated into existing routes and efficiencies will be applied.

### Impacts

The additional tonnage resulting from the Universal Service Ordinance will increase the County's diversion rate. Public education and outreach performed to this area prior to the commencement of services will educate customers on the importance of proper sorting, the potential for the issuance of non-collection notices, as well as opportunities for bulky item collection and commercial food scraps collection (for eligible commercial customers).

GreenWaste concurs with the County's estimate of 3,863 occupied parcels, and uses this estimate for the potential new accounts, although it is understood that not all affected parcels would necessarily subscribe to service. The majority of subscribers will likely be residential and will receive weekly collection services of solid waste, recyclable materials, and organic materials in carts. It is understood that some occupied parcels may be commercial, although GreenWaste does not anticipate any at this time. The estimated number of new accounts translates to an additional three (3) collection routes and drivers to collect solid waste, recyclable materials, and organic materials. For details of the collection methodology, services, and containers offered to customers, please refer to Section 2.A | Recyclable Materials, Organic Materials, and Solid Waste Collection.

With the implementation of the Universal Service Ordinance, GreenWaste has estimated annual tonnages to be collected throughout the County. All tonnage and service level assumptions are detailed in Section 7 | Cost Proposal.

Material	Base Services (Current)	Base Services (Universal Service Conditions)
Solid Waste	41,264 tons	44,173 tons (increase of 2,909 tons)
Recyclable Materials	22,563 tons	24,664 tons (increase of 2,101 tons)
Organic Materials	18,780 tons	20,577 tons (increase of 1,797 tons)



# 3 Technical Proposal for Alternative Services

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### 3.A Alternative #1: Permanent Roll-Off Services

Permanent roll-off customers are defined as subscribing to at least weekly collection on an on-going basis. GreenWaste currently serves many roll-off customers throughout the County under a non-exclusive Agreement, and collects various material types, such as solid waste, recyclable materials, organic materials, and construction and demolition debris. The County will benefit significantly from including services to permanent roll-off customers in the scope of the new Agreement. These benefits include:

- ✓ *Control over where roll-off material is processed;*
- ✓ *Seamless and uniform accounting of all tonnage figures, diversion rates, and customer information;*
- ✓ *Ability to provide customers with multiple sized containers for different materials;*
- ✓ *Assurance that all permanent roll-off customers will participate in recycling and other required diversion services; and,*
- ✓ *Collection of franchise fees on recyclable materials introduced to roll-off customers who previously did not participate in recycling or other diversion services.*

GreenWaste does not anticipate any challenges in adding this service to the new Agreement. As the current franchised hauler, GreenWaste sees permanent roll-off customers who subscribe to other haulers, but who may not participate in recycling and other required diversion services if the other haulers do not have the resources to supply such services. Incorporating permanent roll-off services into the new Agreement will ensure that these high-volume waste producers integrate recycling into their operations, which will help the County achieve its diversion goals.

#### **Customer Participation**

##### Experience

Since 2007, GreenWaste has served the County of Santa Cruz's solid waste, recyclable materials, and organic materials collection needs. GreenWaste has maintained a non-exclusive Agreement through the years to provide roll-off collection services. GreenWaste services a number of jurisdictions that include roll-off services within the exclusive franchises. These jurisdictions include: the Cities of Capitola and Scotts Valley, the seven (7) Monterey Peninsula Cities, the Town of Los Altos Hills, and the City of Palo Alto (excluding source-separated materials). Additionally, GreenWaste has operated a Debris Box Department since 1995, and recently it transitioned to GW Debris Services LLC. Partial ownership of GW Debris has transferred to GreenWaste's sister company, Zanker Road Resource Management, Ltd. As a result of this experience, GreenWaste understands the type of customers who fall under the category of permanent roll-off customer and the potential tonnages to be expected.

##### Estimates

Under the new Agreement, GreenWaste would expect to service approximately 20-25 permanent customers and collect 300-600 tons per month of solid waste, food scraps, and yard trimmings. These estimates are based on current experience in the County and anticipated new customers. Although GreenWaste does not

serve all permanent roll-off customers in the County, the GreenWaste General Manager and Route Supervisors are extremely familiar with the County's customer base and believe these estimates are quite accurate.

GreenWaste maintains accurate records of the roll-off accounts it services, including frequency of service as well as billing and site information. GreenWaste also services many roll-off customers at varying frequencies throughout each season. GreenWaste will work with the County to determine which customers are to be considered "permanent," and which are not.

#### Outreach

GreenWaste Environmental Outreach Coordinators will conduct outreach to existing and new permanent roll-off customers to inform them of the new requirements under the Franchise Agreement and will determine whether each customer qualifies. The County will be involved throughout the process.

#### Collection Methodology

GreenWaste has accumulated considerable experience providing technically, environmentally, and financially sound collection and processing operations. GreenWaste has refined its collection and processing operations over many years, and has adapted and evolved collection methods, vehicle and safety programs, environmental programs, and customer service training and logistics. GreenWaste is dedicated to meeting the needs of customers and responding to them with efficient, effective, and environmentally sustainable solutions.

GreenWaste is uniquely familiar with the County's demographics and geography, and believes this experience is invaluable in achieving the County's goals for collection services. GreenWaste will provide at least one (1), but up to six (6) times per week of solid waste, food scraps, and yard trimmings roll-off collection service for permanent customers.

- Excluded Materials | The permanent roll-off services described herein exclude the following materials for collection, which shall remain non-exclusive:
  - ✓ Construction and demolition debris;
  - ✓ Yard trimmings handled by landscaping companies;
  - ✓ Materials from tree trimming projects; and,
  - ✓ Recyclable materials.

In hard-to-service areas, GreenWaste will provide collection services to subscribing customers at County-approved rates. GreenWaste currently services roll-off customers under a non-exclusive Agreement, and some customers are located in hard-to-service areas of the County. For example, the Los Altos Rod and Gun Club is located on Skyline Boulevard, above Highway 17, in the San Lorenzo Valley. GreenWaste successfully and safely services this customer on a regular basis. GreenWaste's experience in servicing the County's hard-to-service areas is invaluable and safety is always of the utmost importance.

## Equipment

### Containers

As the incumbent, GreenWaste will be able to provide all permanent roll-off customers who are currently serviced by GreenWaste with new containers seamlessly and without any interruption to service. Permanent roll-off customers not currently serviced by GreenWaste will be provided with new containers as these customers are identified and containers become available. Available container sizes include: 10-, 20-, 30-, and 40-cubic yard drop boxes and various sizes of compactors.

### Vehicles

GreenWaste anticipates the need for three (3) roll-off vehicles to service the County if permanent roll-off services are included under the scope of the new Agreement.

New vehicles will be purchased and fueled with biodiesel at Agron Bio Energy, located at 860 W. Beach Street in Watsonville, just 0.2 miles from the GreenWaste Operations and Transfer Facility. Please refer to Section 2.A | Recyclable Materials, Organic Materials, and Solid Waste Collection for route planning parameters, including collection times, holidays, missed pick-ups, and non-collection notices.

### 3.B Alternative #2: New Residential On-Call Reuse Collection Service

The GreenWaste approach to the collection of bulky items and reusable materials is to prioritize reuse, diversion, and customer convenience. GreenWaste will model the On-Call Reuse Collection Program after other successful bulky item collection programs offered in its service areas. GreenWaste has demonstrated success in the diversion of large appliances, furniture, and other hard-to-manage items, which minimizes unlawful dumping in communities.

In the County of Santa Cruz, GreenWaste currently offers the fee-for-service Bulky Item Collection Program to all customers. GreenWaste treats materials under the Bulky Item Program (fee-for-service) in the same manner as is proposed under this no fee On-Call Reuse Collection Program. GreenWaste prioritizes reuse and diversion under all of the bulky item programs it implements in various jurisdictions. Rather than simply hauling large items off to the landfill, GreenWaste personnel are trained to consider the value of reuse and diversion.

#### Program Parameters

The On-Call Reuse Collection Program will be offered to single-family and multi-family residential customers at no cost (within the program parameters) and to commercial customers for a fee. Collection will be curbside, or another location determined appropriate, and will be within five (5) business days after the customer-requested service date.

Customers may utilize the program as often as desired, but the allowable number of free collection events per calendar year differs by sector, as is specified in the table below. If customers exceed their allowable number of free events in a calendar year, they will be charged an approved "Additional Bulky Item" rate.

On-Call Reuse Collection Program	
Sector	# of Free Events per Calendar Year
Single-Family Residential Customers	3
Multi-Family Residential Customers	4*
Commercial Customers	0
*Multi-family residential customers receive an additional collection event for every ten (10) dwelling units in the complex each year.	

- Acceptable Service Level | GreenWaste will accept the following volumes and/or quantities of materials from each eligible customer during each on-call reuse collection event:
  - ✓ Up to two (2) cubic yards of reusable materials; and,
  - ✓ Up to five (5) e-waste items; and,
  - ✓ Up to three (3) appliances or bulky items.

- Acceptable Materials | GreenWaste will accept the following materials during each on-call reuse collection event:
  - ✓ Reusable Materials;
  - ✓ Appliances (*For safety reasons, refrigerators and/or freezers must have the doors secured closed with duct tape or a similar tape or doors must be removed and placed beside the item*);
  - ✓ Furniture;
  - ✓ Tires;
  - ✓ Carpets;
  - ✓ Mattresses;
  - ✓ E-Waste; and,
  - ✓ Similar large items that require special collection due to their size or nature, but can be collected without the assistance of special loading equipment and without violating vehicle load limits.
  
- Prohibited Materials | GreenWaste will not accept the following materials during each on-call reuse collection event:
  - ✓ Solid Waste;
  - ✓ Organic Materials;
  - ✓ Recyclable Materials;
  - ✓ Hazardous Waste;
  - ✓ Excluded Waste;
  - ✓ U-Waste;
  - ✓ Abandoned automobiles;
  - ✓ Large auto parts;
  - ✓ Trees; and,
  - ✓ Any single item that exceeds two hundred (200) pounds in weight.

#### Scheduling Collections Events

In order to schedule this service, customers must to contact GreenWaste at their convenience during normal business hours. The Customer Service Representative (CSR) will ask for their account information and material characterization, and will outline the program parameters. The CSR will inquire about the type, quantity, and quality of materials intended for collection, provide any instructions to the customer regarding material preparation (bundling, covering, etc.), offer suggestions on set-out location, and evaluate the composition of the load to ensure the appropriate personnel and vehicle(s) are dispatched.

GreenWaste's goal is to leave no material behind during these collection events. While scheduling collection events with the customer, GreenWaste communicates the program restrictions and informs the customer of additional charges that may be incurred if items are set out for collection that fall outside of the program parameters. GreenWaste will collect additional items during these scheduled events that exceed the required service level at an approved "Additional Bulky Item" rate.

### Characterization of Materials

The CSR will ask the customer a series of questions to ensure the materials being set out are eligible for pick-up under this program, and to maximize the program's reuse and recovery rate. Those questions include three sets:

- ✓ The first set of questions will determine whether the type and quantity of materials intended for set-out are eligible for collection under this program.
- ✓ The second set of questions will determine the quality of the materials, and will gauge whether the items can be re-used and/or recycled (disposal will be considered as a last resort).
- ✓ The third set of questions will determine the appropriate type of vehicle and number of drivers required to collect the material.

The CSR will make the appropriate notations on the customer's account, and will generate a work order that specifies the collection day, the type and quantity of materials scheduled for set-out, and a description of items that should be eligible for re-use. The CSR will also remind the customer that bulky and reusable items shall not be placed at the curb more than twenty-four (24) hours in advance of the scheduled collection day to maintain a neat neighborhood appearance.

### Items Requiring Special or Alternative Collection

In addition to acceptable items and materials listed above, items of a size or nature that require special collection may be accepted. Those items must not require the assistance of special loading equipment, such as forklifts or cranes. When customers contact Customer Service to schedule their on-call reuse collection event, the CSR will complete a material characterization evaluation. Depending on the item, the CSR will inform the customer whether the item(s) will be accepted under the program.

In the event that materials are not acceptable under the program, the CSR will use the material characterization methodology to identify items that may be more appropriately collected by local youth, community, or other charitable organizations (such as Goodwill or the Salvation Army). The CSR will suggest such organizations to the customer and provide their contact information. For unacceptable items that have been identified for disposal, the CSR may also provide the customer with alternative drop-off locations such as a hazardous materials facility, stores that take back universal waste, Grey Bears Thrift Store, or County facilities.

### Collection Methodology

Once the day's work orders have been generated, the on-call reuse collection work orders will be assigned to a route. GreenWaste uses a flat-bed truck for all bulky item pick-ups in the County, as well as cart delivery, exchange, and removal. If a vehicle other than a flat-bed truck will be required to collect bulky and reusable items, then another appropriate vehicle will be dispatched with either a single driver or a driver and an assistant.

When the vehicle arrives to the pick-up location, the driver will document the amount and type of items set out for collection. The driver will also confirm whether the materials set out match the description on the work order. The driver will evaluate the quality of the items and determine whether it is sufficient to warrant reuse, and will begin assessing how best to load the items based on their end destination. Like-items will be

arranged together on the vehicle (reusable, e-waste, bulky items, etc.). If the type, quantity, or quality of materials set out is different than the work order description, the driver will take a photo and/or document the discrepancies if the customer is likely to incur additional charges. The vehicle will transport the fully loaded materials to the Designated Disposal Facility for processing and/or disposal, or to a reuse facility such as the Grey Bears Thrift Store, with which GreenWaste has past working experience. The driver will turn in the day's work orders at the end of each day to the Dispatch Department, who will then enter the information into the computer system. The system tracks which residents are taking advantage of the program, and monitors overall program participation.

- **Hard-to-Serve Areas** | GreenWaste has successfully designed and implemented bulky item collection services in all hard-to-serve areas in each jurisdiction in which it offers collection services, including the County. GreenWaste will provide on-call reuse collection services in hard-to-serve areas to all customers, and will work with each customer to ensure these services are provided in the most efficient, convenient, and safe manner.

#### Maximizing Reuse & Diversion

Under both the Bulky Item Collection Program and the On-Call Reuse Collection Program, from the first point of contact with the customer through the delivery of the items collected, GreenWaste will seek out every opportunity to maximize reuse and recovery, and minimize disposal. Reuse and resource recovery are the two main priorities in GreenWaste's approach to diversion, and the driver's evaluation of the items is critical. GreenWaste drivers will be well versed in the types of acceptable materials. Drivers will organize materials as they collect them on the vehicles according to reusability first, followed by items slated for recovery. This organization will facilitate streamlined unloading at the end of collection. Preserving the quality of materials is also a top priority, and items intended for reuse will be carefully loaded to maintain their overall appearance and prevent damage.

GreenWaste is committed to designing and implementing a successful On-Call Reuse Collection Program that integrates customer service, operations, outreach and education. Ultimately, GreenWaste is confident this combination of efforts from various departments will maximize the program's diversion rate.

#### Public Education & Outreach

GreenWaste has experience developing and operating effective outreach and education programs that promote on-call reuse collection. Please refer to Section 2.D | Public Education & Outreach for details of the plan for all communications with customers regarding opportunities for increasing recycling opportunities.

#### Estimated Participation Level

In 2014, GreenWaste scheduled 377 bulky item collection events, which amounts to less than 5% participation based on customer subscription levels. In order to promote the program and instigate higher customer participation, GreenWaste will incorporate the On-Call Reuse Collection Program into many of its outreach activities and materials. GreenWaste will also encourage the County to endorse this program through its own outreach activities and materials, and will support cohesive messaging about this program through the Public Education and Outreach Program. Through a combined effort from GreenWaste and the County, it is anticipated that participation levels can be increased an additional 5%.



### 3.C Alternative #3: Full Implementation of Commercial Food Scraps Collection Program

#### Base Program

GreenWaste currently provides food scraps collection to approximately 50 commercial customers under the County of Santa Cruz's pilot program. Service is provided Mondays, Thursdays, and Saturdays. Under the Base Proposal, this service is only offered to commercial customers currently participating in the County's pilot program and new customers who subscribe to comply with AB 1826.

#### Alternative Program

Under the Alternative Proposal, GreenWaste will provide any commercial customer who subscribes to one or more cubic yards of solid waste per week with organic materials collection service, which includes yard trimmings and food scraps. Eligible commercial customers will be provided with one (1) 65-gallon organic materials cart to be serviced once per week at no cost. Any eligible commercial customer who desires a higher service level will be offered collection up to five (5) days per week (including Mondays, Thursdays, and Saturdays) in larger containers, and at County-approved rates.

When servicing commercial customers, GreenWaste will open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers. These services will have an additional charge.

- Contamination of Organic Materials | GreenWaste proposes the implementation of contamination fees for customers with chronic contamination. GreenWaste will phase in the implementation of this program by first notifying customers that have continuously contaminated organic materials containers and then targeting outreach activities toward these customers. If the contamination continues, contamination fees will be imposed. While contamination of organic materials containers can be a challenge, GreenWaste has experience communicating the importance of separating materials correctly, the reasoning for the application of fees, and the methods for resolving such issues.
- Hard-to-Service Areas | GreenWaste will provide collection services to subscribing customers at County-approved rates in hard-to-service areas. GreenWaste currently services many County customers in hard-to-service areas under the current franchise, and most are located above Highway 17 in the Highway 17 corridor and also in the San Lorenzo Valley. GreenWaste's experience in servicing the County's hard-to-service areas is invaluable, and safety is always of the utmost importance.

#### Processing of Organic Materials

GreenWaste will transport all organics materials collected in the County either to the County's Ben Lomond Transfer Station, to the County's composting operations at the Buena Vista composting facility, to the Monterey Regional Waste Management District's composting facility at 14201 Del Monte Blvd. in Marina, or to another Designated County Transfer Station and/or Designated Organic Materials Processing Facility. GreenWaste will pay all costs associated with transport and delivery of these materials, including payment

of tipping fees, and GreenWaste will observe and comply with all regulations and posted rules in effect at these facilities.

Included in Section 7 | Cost Proposal are two scenarios: (1) delivery of commercial organic materials to the County's Ben Lomond Transfer Station or Buena Vista Composting Facility, and (2) delivery of commercial organic materials to the Monterey Regional Waste Management District's composting facility.

Organic materials include yard trimmings and food scraps, which are specifically accepted at the Approved Organic Materials Processing Facilities, and which are source separated from solid waste and recyclable materials.

#### Acceptable Yard Trimming Materials

GreenWaste will collect yard trimmings in designated organic materials containers, which include, but are not limited to:

- ✓ *Green trimmings;*
- ✓ *Grass;*
- ✓ *Weeds;*
- ✓ *Leaves;*
- ✓ *Pruning;*
- ✓ *Branches;*
- ✓ *Dead plants;*
- ✓ *Brush;*
- ✓ *Tree trimmings;*
- ✓ *Dead trees; and,*
- ✓ *Small pieces of unpainted and untreated wood.*

#### Acceptable Food Scrap Materials

GreenWaste will collect food scraps (along with acceptable yard trimming materials) in designated organic materials containers, which include, but are not limited to:

- ✓ *All kitchen and table food waste;*
- ✓ *Animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs;*
- ✓ *Discarded paper that is contaminated with food scraps;*
- ✓ *Fruit waste, grain waste, dairy waste, meat, and fish waste; and,*
- ✓ *Non-recyclable paper or contaminated paper (excluding wax/film coated cardboard or cardboard food/beverage containers).*

### Experience

GreenWaste has extensive experience in collecting and processing organic materials from the commercial sector in various jurisdictions. GreenWaste offers a commercial food scraps program in each of the following jurisdictions:

- ✓ *City of Palo Alto;*
- ✓ *County of Santa Cruz;*
- ✓ *City of Capitola;*
- ✓ *City of Carmel-by-the-Sea;*
- ✓ *City of Del Rey Oaks;*
- ✓ *City of Marina;*
- ✓ *City of Pacific Grove;*
- ✓ *Pebble Beach Community Services District;*
- ✓ *City of Sand City; and,*
- ✓ *City of Seaside.*

GreenWaste's most recent successful implementation of a commercial food scraps program is underway in the Monterey Peninsula Cities of Carmel-by-the-Sea, Marina, Pacific Grove, Seaside, and the Pebble Beach Community Services District. Each of these jurisdictions is currently participating in the program, and through GreenWaste public outreach and site visits, participation in the program across all Monterey Peninsula Cities has increased approximately 50%. Additionally, the City of Del Rey Oaks, also a Monterey Peninsula City, is on the verge of introducing its first commercial customer to the GreenWaste food scraps program. This increased participation is remarkable since GreenWaste just commenced services in each of the areas at differing times, starting in April and continuing through August of this year (2015).

### Estimates

Under the new Agreement, GreenWaste would expect to service approximately 150-200 eligible commercial customers and collect 150-200 tons per month of food scraps and yard trimmings. These estimates are based on current experience in the County and anticipated new customers. Although GreenWaste does not serve all eligible commercial customers in the County, the GreenWaste General Manager and Route Supervisors are extremely familiar with the County's customer base and can estimate the potential customers and tonnage.

GreenWaste anticipates the following approach for implementing this new service offering, if the County elects to incorporate it into the new Agreement. Approximately 6 months prior to the commencement of service, GreenWaste will pull data from its current database for existing eligible commercial customers and conduct outreach over the course of 3-5 months to these customers to gauge interest in the new program. As eligible commercial customers express interest in participating, GreenWaste Environmental Outreach Coordinators will engage in on-site visits to determine the appropriate size and quantity of containers, as well as the frequency of service.

As new commercial customers subscribe to solid waste collection service with GreenWaste, Customer Service will offer this new food scraps collection service to eligible customers. GreenWaste will also provide the necessary information and outreach materials for this service.

Outreach

GreenWaste recognizes the County's goal of maximizing diversion, reaching the State's 75% recycling goal by 2020, and also achieving the County's aggressive goal of 65% diversion for materials handled by the contractor. GreenWaste also acknowledges the benefits that result from separating food scraps from the waste stream, which can greatly help the County reach its goals. GreenWaste will conduct outreach to eligible commercial customers to inform them of the new service offering. Outreach materials will communicate the importance of diverting food scraps from landfills, and will disseminate information on starting a food scraps collection program at their business. Acceptable and prohibited materials will be listed and depicted in outreach materials (see example to right). Opportunities for signing up for service will also be presented, and may include a detachable sign-up form and Customer Service contact information.

For additional information on how GreenWaste will conduct outreach to customers to notify them of services offered, please refer to Section 2.D | Public Education and Outreach for a description and Section 9 | Attachments for examples.



**Equipment**

Containers

GreenWaste will offer all eligible commercial customers new organic materials containers in 65- and 95-gallon carts, 1- to 2-cubic yard bins, and 10-, 20-, 30-, and 40-cubic yard drop boxes or compactors (if permanent roll-off services are incorporated into the Franchise Agreement). Commercial customers who subscribe to GreenWaste solid waste collection service will be offered the 65-gallons per week of organic materials collection capacity at no charge, while quantities greater than 65-gallons per week will incur a County-approved charge.

Vehicles

GreenWaste will operate semi-automated rear-loader vehicles to service both carts and bins containing food scraps and yard trimmings.

New vehicles will be purchased and fueled with biodiesel at Agron Bio Energy, located at 860 W. Beach Street in Watsonville, just 0.2 miles from the GreenWaste Operations and Transfer Facility. Please refer to Section 2.A | Recyclable Materials, Organic Materials, and Solid Waste Collection for route planning parameters, including collection times, holidays, missed pick-ups, and non-collection notices.

### 3.D Alternative #4: Base Commercial Food Scraps Collection Program, Delivery to Marina Compost Facility

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Section 3.C | Alternative #3: Full Implementation of Commercial Food Scraps Collection Program details all elements related to organic materials collection and processing from the commercial sector under the Alternative Proposal, including:

- ✓ *Which commercial customers will be offered organic materials collection service;*
- ✓ *How contamination will be managed;*
- ✓ *Equipment to be utilized;*
- ✓ *Where organic materials will be delivered;*
- ✓ *GreenWaste's experience operating commercial food scraps collection routes in the County and elsewhere;*
- ✓ *Estimates for participation and tonnage; and,*
- ✓ *Anticipated approach and timeline for targeting outreach to eligible customers.*

The following facilities have been identified by the County of Santa Cruz through the RFP process as destinations for delivery of commercial organic materials:

- ✓ *County's Ben Lomond Transfer Station;*
- ✓ *County's Buena Vista Composting Facility;*
- ✓ *Monterey Regional Waste Management District's Composting Facility; or,*
- ✓ *Another Designated County Transfer Station and/or Designated Organic Materials Processing Facility.*

Regardless of the facility chosen by the County, GreenWaste has detailed all pertinent information within Section 3.C | Alternative #3: Full Implementation of Commercial Food Scraps Collection Program.

## 4 Technical Proposal for Innovative or Cost-Saving Services

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## 4 Technical Proposal for Innovative or Cost-Saving Services

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GreenWaste has taken into consideration the County's required services under both the Base and Alternative Proposals and is pleased to provide the following additional service options:

- ✓ 4.A | *Cost-Saving Proposal for Used Containers (optional cost-saving proposal)*
- ✓ 4.B | *Innovative Proposal for CNG Collection Vehicles (optional innovative proposal)*

### 4.A Cost-Saving Proposal for Used Containers

GreenWaste strongly encourages the County to choose the option of using existing containers under the new Agreement. GreenWaste currently services approximately 120,000 containers in the County, and routinely assesses their quality and functionality, replacing them on an as-needed basis. Using existing containers will eliminate the high cost of manufacturing new ones, while also conserving the resources that would be used to produce and distribute them. Not only would new containers require large amounts of raw materials to produce, but trucks would also generate unnecessary emissions when transporting and delivering them to County customers. Additionally, limiting the need for container removal and delivery reduces the likelihood that service would be interrupted and that customers would be left without containers. Using existing containers will help GreenWaste meet its goals, and the County's goals, of promoting customer convenience, saving costs wherever possible, reducing negative environmental impacts, and transitioning into the new Agreement smoothly and efficiently.

#### Cost Savings

It is estimated that the County will experience a savings of over \$6 million in capital costs during the term of the Agreement if this option is selected. For the detailed costs associated with this option, please refer to Section 7 | Cost Proposal for details.

#### Existing Containers

As the current service provider, GreenWaste can attest to the condition of containers currently serviced throughout the County. Brand new containers were distributed under the current Agreement, which commenced on January 1, 2008. The majority of containers in the field are in excellent, usable shape. They have been maintained, refurbished, and replaced as needed under the existing contract. Over the last year GreenWaste has replaced roughly 7,000 containers, and has refurbished innumerable additional containers to extend their usable life. GreenWaste's practice of maintaining container quality and functionality helps minimize the need to purchase new ones, keeping costs low and saving time and resources in the process.

Utilizing existing containers will result in a smooth transition into the new Agreement. GreenWaste anticipates that most customers will select their same container sizes if given the option to change. This used container option will provide convenience to customers and a seamless start-up under the new Agreement.

- The universal services area, described in Section 2.0 | Universal Service Analysis and Assumptions, will receive new containers upon commencement in June 2016. These containers will only have been in use for one and a half (1.5) years once the new Agreement commences. These containers will be well within their usable life and it would be much more cost-effective to utilize used containers in these areas.

#### Container Color-Coding Requirement

GreenWaste proposes to offer the County the option to have existing bins painted to meet the color-coding requirements described in the RFP documents and draft Franchise Agreement. Currently, recyclable materials bins are blue and solid waste bins are green. Solid waste bins will need to be painted a dark neutral color to meet the new requirements.

The maintenance of inventory and parts, and GreenWaste's approach to handling lost or stolen containers remains the same as is described in Section 2.B | Collection Containers.

#### Cluster-Point Areas

GreenWaste currently has a system in place to effectively service containers in cluster-point areas of the County. Upon container delivery, GreenWaste drivers mark the lid of the container with the customer address. While RFID tags are proposed under the Base Proposal for new containers, if the County selects the option for used containers, RFID tags will not be implemented.



#### 4.B Innovative Proposal for CNG Collection Vehicles

GreenWaste recognizes the County's desire to develop the "greenest" fleet practicable. While GreenWaste currently operates a biodiesel collection fleet in the County, and while biodiesel is the proposed fuel under the Base Proposal, GreenWaste understands the long-term benefits of pushing its "green" fleet even further. To accomplish this goal, GreenWaste proposes to utilize Compressed Natural Gas (CNG) collection vehicles under this innovative proposal. GreenWaste understands the County is not obligated to select this proposal, but encourages the County to take it under careful consideration and review.

Proposed CNG Collection Vehicles Under Innovative Proposal

	Vehicle Type	Fuel Type	Quantity	Age	Capacity	Crew Size	Cost	Vehicle Manufacturer
Residential	Fully-automated Single-compartment Side-loader	CNG	22 (+1 spare)	New	31 yd <sup>3</sup>	1	\$371,804	2017 Peterbilt Chassis NewWay Sidewinder body
	Fully-automated Split-body Side-loader	Biodiesel (hard-to-serve)	4 (+1 spare)	New	14 yd <sup>3</sup>	1	\$346,890	2017 Peterbilt Chassis Bridgeport body
	Fully-automated Split-body Side-loader	Biodiesel (hard-to-serve)	3 (+1 spare)	New	30 yd <sup>3</sup>	1	\$368,399	2017 Peterbilt Chassis Bridgeport body
Commercial – Carts	Single-compartment Semi-automated Rear-loader	CNG	4 (+1 spare)	New	25 yd <sup>3</sup>	1	\$313,688	2017 Peterbilt Chassis NewWay Viper body
Commercial – Bins	Single-compartment Semi-automated Front-loader	CNG	4 (+1 spare)	New	28 yd <sup>3</sup>	1	\$341,973	2017 Peterbilt Chassis NewWay Mammoth body
Container delivery, removal, exchange, and Bulky Item	Manual Flatbed with Lift Gate	Biodiesel	2	New	22 ft	1	\$184,504	Peterbilt Chassis with Western Truck body

GreenWaste collection vehicles will be maintained in safe, clean, and operable conditions at all times. All collection vehicles will display the GreenWaste name and local telephone number, and will also be equipped with sign board holders or other hardware to allow public education signage to be displayed on both sides of the vehicles. Vehicles will have watertight bodies designed to prevent leakage, spillage, and overflow. They will meet on-road heavy duty vehicle emissions requirement for model year 2017 and all State of

California Air Resources Control Board regulations, and they will comply with all Federal, State, and local laws, regulations, and proposed legislations throughout the term of the Agreement.

- **Hard-to-Service Areas** | In hard-to-service areas, including low-density rural areas, long private roads, steep roads, narrow streets, etc., GreenWaste will utilize smaller split-body fully-automated collection vehicles fueled by biodiesel. This type of vehicle is currently being used in these types of areas of the County and has proven to perform well. GreenWaste has refined its collection operations to take all of the County's hard-to-service areas into consideration and ensure services are provided to all subscribing customers. While hard-to-service areas are experienced all throughout the County, perhaps the most difficult-to-service area is the San Lorenzo Valley, which includes rural mountain towns and narrow roads. GreenWaste has the experience necessary to navigate this difficult terrain and ensure all customers in these hard-to-service areas are serviced in an efficient and complete manner.

#### Real-Time Data Exchange

GreenWaste is offering the County the innovative on-truck data management system, ELEMOS, which is an AMCS technology that links to Tower and allows for real-time data tracking. By connecting throughout the service day with Tower (the database system used by Customer Service, Accounting, and accessible by the County currently and going forward), services are updated throughout the day, and drivers are able to attach notes and photos to accounts. This product provides the best balance between useful information and ease of use for drivers.

ELEMOS reduces the opportunity for inconsistencies between the customer and GreenWaste. ELEMOS documents pick-up times, missed set-outs, additional material set-out, contamination, and other items that may include additional charges. ELEMOS ensures customers are charged accurately for services rendered, and also that the County receives the franchise fees to which it is entitled. For additional information regarding ELEMOS, please refer to Section 2.1 | Management and Customer Service Systems.

### **Clean Fuel**

#### Fueling

GreenWaste proposes to work with Trillium CNG, or alternate vendor, to design and construct a CNG fueling station at the GreenWaste Operations and Transfer Facility, located at 375 Industrial Road in Watsonville, California. The CNG fueling system GreenWaste proposes will be a Time-Fill system, which fuels automatically overnight, during off-peak energy hours and without the need for a fuel attendant. With the Time-Fill system, the driver parks his vehicle in their designated stall, inserts the fuel hose into the tank, and comes back the following morning to a full tank. This fueling system is proving to be a much more efficient use of driver time, does not require additional space, and is proving to be more cost-effective than public fueling stations. Included in Section 9 | Attachments is a Trillium CNG project scope and schedule specific to the GreenWaste Watsonville facility. Trillium CNG is prepared to start work on this project immediately, and anticipates a schedule of approximately eight (8) months to make the new CNG station available for fueling GreenWaste's fleet.

- **CNG Fueling Contingency Plan** | The CNG fueling station will include multiple compressors for back-up, so an alternate CNG fueling station is not expected to be necessary. However, in the event that the CNG fueling system at the GreenWaste Watsonville facility is unavailable, the Monterey Regional Waste Management District fueling station will be utilized.

### Benefits

GreenWaste has selected the proposed collection vehicles due to the benefits they present to both the environment and the well-being of the County's residents and businesses.

- **CNG Collection Vehicles** | CNG fuel reduces engine noise, lowers the impact on air quality, and reduces the carbon footprint of collection operations. CNG use eliminates potential spillage issues, protecting storm water quality. CNG is domestically produced and readily available, which assists in local energy security and supports the local economy.
- **Vehicle Noise Minimization Plan** | CNG vehicles are much quieter than standard diesel engines, and will significantly reduce the amount of vehicle noise generated during collection. GreenWaste carefully maintains all vehicles to ensure that they operate at optimum efficiency, ensuring that engines are much quieter than standard engines. Vehicles servicing commercial districts will be routed to avoid producing noise when driving through residential districts during early morning hours.

### Experience

GreenWaste recently began servicing seven (7) Monterey Peninsula Cities under new Agreements. A CNG collection fleet of 32 trucks has been in operation since earlier this year (2015). These vehicles include side-, front-, and rear-load trucks, and roll-off trucks. Fueling occurs at the Monterey Regional Waste Management District. GreenWaste has experienced smooth operations through use of these CNG vehicles and is happy thus far with their performance.



GreenWaste's affiliate, GreenWaste of Palo Alto, also utilizes CNG Collection vehicles in Palo Alto. A fleet of 9 new CNG vehicles are in use. These vehicles are fully automated and fueling occurs at the City's CNG fueling station as part of the Agreement with the City. GreenWaste of Palo Alto has experienced the environmental benefits of using CNG Collection vehicles.

### Emissions

GreenWaste has taken into consideration the County's commitment to reducing environmental impacts and has selected CNG collection vehicles as an innovative proposal, which is in line with this commitment.

- **Emissions Reduction Plan** | GreenWaste will significantly reduce fleet emissions by utilizing CNG engines in collection vehicles servicing the County. CNG-burning engines emit fewer GHG emissions and offer greater fuel efficiencies than traditional diesel-powered engines. Also, vehicle

sizes and types have been carefully chosen for the purpose of maximizing collection efficiency and minimizing environmental impacts. By reducing vehicle passes on County streets, emissions and noise concerns will also be greatly reduced. Supervisor and outreach staff vehicles will be efficient light-duty trucks and passenger cars, which emit fewer GHG emissions and have increased fuel economy. GreenWaste's efforts to reduce GHG emissions and protect the health of the communities it serves is also described in the upcoming Section 5.C | Environmental Enhancements.

## **Safety and Compliance**

### Age & Replacement Schedule

All collection vehicles in service for the County will have an average vehicle life of 10 or more years throughout the term of the Agreement. GreenWaste will replace or retrofit collection vehicles as necessary in order to maintain compliance with all State of California Air Resources Control Board regulations and all Federal, State, and local laws, regulations, and proposed legislations.

### Inspection and Maintenance

GreenWaste will inspect each vehicle twice daily to ensure all equipment is operating properly and safely. Under the supervision of the Route Supervisors and Maintenance Manager, a Driver Vehicle Inspection Report (DVIR) is completed both pre-trip and post-trip for each and every collection vehicle. Preventative maintenance is performed on a regular basis and is based on hours of vehicle use. GreenWaste understands that regular maintenance will minimize compliance costs. The County Contract Manager may inspect vehicles at any reasonable time, and within three (3) calendar days of such a request, to determine compliance with sanitation requirements. Additionally, sufficient back-up vehicles will be available to respond to scheduled and unscheduled maintenance, service requests, complaints, and emergencies.

## **Carbon Footprint**

### Calculations

As the incumbent, GreenWaste is able to provide accurate calculations of the total vehicle miles traveled by its collection fleet. Using best practice methodology from The Climate Registry, GreenWaste has been estimating and third-party verifying the greenhouse gas (GHG) emissions from operations since 2008. The greenhouse gas benefit of using alternative fueling scenarios is compared below. If GreenWaste were to use a combination of CNG trucks for the majority of the collection fleet, where biodiesel trucks would be used for a small percentage of the hard-to-service areas, GreenWaste would realize a 26% savings compared to diesel emissions.

GreenWaste enlisted the expertise of Edgar & Associates, Inc. to calculate GreenWaste's collection fleet carbon footprint for the purposes of this proposal. Included in Section 9 | Attachments is Edgar & Associates' technical memorandum detailing emissions from the GreenWaste collection fleet across a biodiesel and CNG scenario. The comparison of fuel quantities and emissions from the technical memorandum are included below for convenience.

**Comparison of Fuel Quantities**

	Diesel Scenario	Biodiesel Scenario	CNG/Biodiesel Scenario
<b>Diesel</b>	66,084	52,867	8,987
<b>Biodiesel</b>	0	13,217	2,247
<b>CNG</b>	0	0	60,334
<b>Total</b>	66,084	66,084	71,569*

\*There is an increase in the amount of fuel used in the CNG scenario since CNG trucks are on average 10% less efficient than diesel vehicles.

**Comparison of Emissions from Fleet**

	Diesel Scenario	Biodiesel Scenario	CNG/Biodiesel Scenario
<b>Gasoline</b>	567	567	567
<b>Diesel</b>	675	540	92
<b>Biodiesel**</b>	0	0	0
<b>CNG</b>	0	0	265
<b>Total</b>	1,242	1,107	924
<b>Reduction from diesel emissions</b>		-11%	-26%

\*\*All CO<sub>2</sub> emissions produced from biodiesel are biogenic, and therefore considered zero.

## 5 Environmental Considerations

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## 5.A Vehicle Air Emissions Impacts and Fueling Proposal

GreenWaste has seen the positive effects of incorporating biodiesel collection vehicles into its fleet servicing the County. These vehicles reduce environmental impacts. Below is the proposed collection vehicle fleet:

**Proposed Collection Vehicles**

	Vehicle Type	Fuel Type	Quantity	Age	Capacity	Crew Size	Cost	Vehicle Manufacturer
Residential	Fully-automated Single-compartment Side-loader	Biodiesel	22 (+1 spare)	New	31 yd <sup>3</sup>	1	\$319,360	2017 Peterbilt Chassis NewWay Sidewinder body
	Fully-automated Split-body Side-loader	Biodiesel	4 (+1 spare)	New	14 yd <sup>3</sup>	1	\$298,032	2017 Peterbilt Chassis Bridgeport body
	Fully-automated Split-body Side-loader	Biodiesel	3 (+1 spare)	New	30 yd <sup>3</sup>	1	\$322,152	2017 Peterbilt Chassis Bridgeport body
Commercial – Carts	Single-compartment Semi-automated Rear-loader	Biodiesel	4 (+1 spare)	New	25 yd <sup>3</sup>	1	\$262,105	2017 Peterbilt Chassis NewWay Viper body
Commercial – Bins	Single-compartment Semi-automated Front-loader	Biodiesel	4 (+1 spare)	New	28 yd <sup>3</sup>	1	\$289,782	2017 Peterbilt Chassis NewWay Mammoth body
Bulky Item and Container delivery, removal, exchange	Manual Flatbed with Lift Gate	Biodiesel	2	New	22 ft	1	\$130,103	Peterbilt Chassis with Western Truck body

### Air Emissions

#### Compliance

Collection vehicles will meet all State of California Air Resources Control Board regulations, and will comply with all Federal, State, and local laws, regulations, and proposed legislations for the duration of the term of the Agreement. GreenWaste's Environmental Compliance Officer, as referenced in Section 1.D | Key Personnel, will be responsible for ensuring that all vehicles remain in compliance with all environmental regulations throughout the term of the Agreement. GreenWaste has an excellent vehicle compliance record, and proactively seeks opportunities to improve upon its collection fleet. In 2012, for example, GreenWaste retired 10 older (Tier 0) wheeled loaders used to collect yardwaste in the City of San Jose, and replaced them with 10 new (Tier 3) wheeled loaders utilizing grant funding from the Bay Area Air Quality Management District (BAAQMD) and its Carl Moyer Grant Program. GreenWaste was not required to retire

these machines; however, GreenWaste felt it was important to be a proactive environmental leader and to reduce GHG emissions.

#### Age & Replacement Schedule

All collection vehicles in service for the County will have an average vehicle life of 10 or more years throughout the term of the Agreement. GreenWaste will replace or retrofit collection vehicles as necessary in order to maintain compliance with all State of California Air Resources Control Board regulations and all Federal, State, and local laws, regulations, and proposed legislations.

#### Inspection and Maintenance

GreenWaste will inspect each vehicle daily to ensure all equipment is operating properly and safely. Under the supervision of the Route Supervisors and Maintenance Manager, a Driver Vehicle Inspection Report (DVIR) is completed both pre-trip and post-trip for each and every collection vehicle. Preventative maintenance is performed on a regular basis and is based on hours of vehicle use. The County Contract Manager may inspect vehicles at any reasonable time, and within three (3) calendar days of such a request, to determine compliance with sanitation requirements. Additionally, sufficient back-up vehicles will be available to respond to scheduled and unscheduled maintenance, service requests, complaints, and emergencies.

### **Clean Fuel**

#### Fueling

Collection vehicles servicing the County will be fueled with B20 biodiesel at Agron Bio Energy, located at 860 W. Beach Street in Watsonville. This fueling site is just 0.2 miles from the GreenWaste Operations and Transfer Facility, which is the proposed corporation yard and maintenance facility, and where the GreenWaste collection fleet begins and ends each day of servicing the County. Agron Bio Energy provides a reliable, domestically made product that benefits both the environment and the community.

#### Benefits

GreenWaste has selected the proposed fuel and collection vehicles due to the benefits presented to both the environment and the well-being of the County's residents and businesses.

Biodiesel benefits include:

- ✓ Extended longevity and cleanliness of diesel engines, helping to keep moving parts from wearing prematurely;
- ✓ Reduced emissions of carbon monoxide, particulate matter, unburned hydrocarbons, and sulfates when compared to petroleum diesel fuel;
- ✓ Domestic production;
- ✓ Safer fuel type because it is less combustible; and
- ✓ Use of B20 reduces carbon dioxide emissions by 15%.

Collection vehicle benefits include:



- ✓ Maximizes collection efficiency and minimized environmental impacts;
- ✓ Reduced vehicle passes on city streets;
- ✓ Reduced noise;

Additionally, Supervisor and Outreach staff vehicles will be efficient light duty trucks and passenger cars, which emit fewer GHG emissions and have increased fuel economy.

### Carbon Footprint

#### Calculations

As the incumbent, GreenWaste is able to provide accurate calculations of the total vehicle miles traveled by its collection fleet. Using best practice methodology from The Climate Registry, GreenWaste has been estimating and third-party verifying the greenhouse gas (GHG) emissions from operations since 2008. The greenhouse gas benefit of using alternative fueling scenarios is compared below. Using 100% biodiesel for the collection fleet, GreenWaste would realize an 11% savings in GHG emissions compared to diesel.

GreenWaste enlisted the expertise of Edgar & Associates, Inc. to calculate GreenWaste's collection fleet carbon footprint for the purposes of this proposal. Included in Section 9 | Attachments is Edgar & Associates' technical memorandum detailing emissions from the GreenWaste collection fleet across a biodiesel and CNG scenario. The comparison of fuel quantities and emissions from the technical memorandum are included below for convenience. Please refer to Section 4 | Innovative or Cost-Saving Services, for GreenWaste's optional innovative proposal to use a CNG fleet.

#### Comparison of Fuel Quantities

	Diesel Scenario	Biodiesel Scenario	CNG/Biodiesel Scenario
Diesel	66,084	52,867	8,987
Biodiesel	0	13,217	2,247
CNG	0	0	60,334
<b>Total</b>	66,084	66,084	71,569*

\*There is an increase in the amount of fuel used in the CNG scenario since CNG trucks are on average 10% less efficient than diesel vehicles.

#### Comparison of Emissions from Fleet

	Diesel Scenario	Biodiesel Scenario	CNG/Biodiesel Scenario
Gasoline	567	567	567
Diesel	675	540	92
Biodiesel**	0	0	0
CNG	0	0	265
<b>Total</b>	1,242	1,107	924
<b>Reduction from diesel emissions</b>		-11%	-26%

\*\*All CO<sub>2</sub> emissions produced from biodiesel are biogenic, and therefore considered zero.

## 5.B Facility Environmental Compliance

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GreenWaste has the infrastructure already established to meet all of the requirements of the County of Santa Cruz under this new Agreement starting at the commencement of services on January 1, 2018.

The GreenWaste Operations and Transfer Facility located at 375 Industrial Road in Watsonville is the proposed corporation yard and maintenance facility for the new Agreement. This established facility is operated by GreenWaste, and currently accommodates collection operations for the County. Please refer to Section 2.L | Corporation Yard, Maintenance Facilities, and Fueling Facility for a detailed description of the GreenWaste Operations and Transfer Facility in Watsonville, CA.

The facility does not require any modification or expansion in order to fulfill the requirements of the new Agreement under GreenWaste's Base Proposal. If the County chooses the option GreenWaste presents in Section 4 | Innovative or Cost-Saving Services, then a CNG fueling station would be developed at the GreenWaste Operations and Transfer Facility. Please refer to Section 4 | Innovative or Cost-Saving Services for further details.

## 5.C Environmental Enhancements

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GreenWaste continuously *thinks outside the box* and pushes the envelope when dealing with solid waste management practices, through the use of alternative-fueled vehicles, state-of-the-art organics recovery and recycling facilities, and progressive sustainability programs. GreenWaste integrates sustainability into all aspects of business, including the safety, engagement, and happiness of employees. GreenWaste strives to minimize environmental impacts, and to maximize charitable contributions to and interaction with local communities. Please refer to Section 2.C | Recyclable Materials Processing for information on GreenWaste's recyclables marketing approach. As the company mantra suggests, GreenWaste is a "*brighter shade of green*" – through GreenWaste's programs, every one of its partners, including the County, will exceed all mandated recycling goals, including AB 341 and AB 1826.

### **GreenWaste/Zanker Sustainability Report**

In 2013, GreenWaste and sister company Zanker Road Resource Management, Ltd. (Zanker), published their first Sustainability Report, which outlines internal initiatives to reduce the environmental impacts of operations. The Report highlights the companies' focus on community programs, and displays the companies' efforts to create a safe and engaging work environment for employees. GreenWaste and Zanker have set benchmarks in specific categories to ensure responsible and sustainable business growth. The GreenWaste/Zanker Sustainability Report focuses on leadership in collection and processing technology, innovation in diversion programs amongst the industry's haulers and processors, and action on many headline issues in California, including Climate Change and Sustainable Communities. GreenWaste's comprehensive approach is published in the GreenWaste/Zanker Sustainability Report, included in Section 9 | Attachments.

### Climate Action Planning

GreenWaste publicly reports all greenhouse gas (GHG) emissions in order to reveal the climate impact of collection and processing operations, and to help develop strategies towards becoming a more environmentally sustainable company. GreenWaste is committed to providing environmentally sustainable collection and processing operations for its more than 250,000 residential and commercial customers. GreenWaste's breadth of operations creates a unique ability to meet GHG reduction goals, as well as the statewide goals described in AB 32.

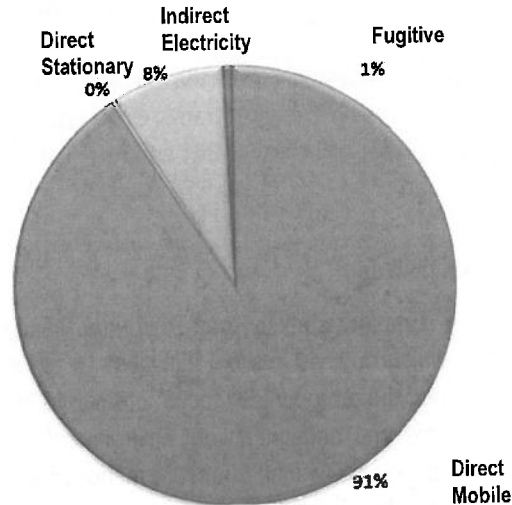
### Carbon Footprint Measurement & Management

In order to further the transparency of its commitment to the environment, GreenWaste voluntarily reports and verifies its GHG emissions inventories through The Climate Registry (TCR). GreenWaste is a current member of TCR and has reported its entity-wide emissions for calendar years 2008 through 2013. TCR's program requires third-party verification of the publically reported emissions, which ensures accurate and consistent measurement of GHGs. GreenWaste believes managing its GHG emissions is one of its most important environmental goals, as reducing GHG impacts also help to reduce other environmental impacts. In order to best manage its GHG emissions, GreenWaste needed a baseline from which it now evaluates

the company's impacts.

GreenWaste's largest sources of emissions in 2013 were mobile emissions from vehicles (91%), followed by indirect emissions from electricity usage (8%) as shown in the graph below. GreenWaste is continually looking at ways to reduce emissions from both sources, and has already started to do so by using lower carbon fuels, such as CNG and biodiesel, and by utilizing energy efficient equipment.

**2013 Emissions Inventory by Category**



GreenWaste will continue to report GHG emissions, allowing for accurate measures of how its Sustainability Programs impact the Carbon Footprint of its numerous collections and processing operations. Additionally, this reporting allows GreenWaste Management to understand the implications of AB 32 policy changes, City requirements and other regulations on its carbon footprint and operations. As a result, GreenWaste will continue to provide competitive services as energy costs rise, and will demonstrate corporate accountability and responsibility during a time when carbon, energy, recycling, and waste regulations are evolving.

Waste Diversion & Avoided GHG Emissions

GreenWaste has demonstrated a commitment to environmental initiatives by exceeding the recycling and waste diversion expectations set by many of the jurisdictions it serves. GreenWaste is currently diverting from landfill over eighty percent (80%) of all material collected and processed, which facilitates GHG emission reductions. GreenWaste further supports GHG emission reductions by:

- ✓ *Recycling and composting managed waste;*
- ✓ *Recovering valuable organic feedstock for biomass energy;*
- ✓ *Reducing the demand for raw or virgin materials, and decreasing overall energy use through re-manufacturing with recycled materials;*
- ✓ *Increasing carbon sequestration in forests and protecting trees by reducing the need for wood and paper products;*
- ✓ *Creating high quality compost that reduces the demand for water, fertilizer, and other soil inputs;*
- ✓ *Maximizing the compost created from organic discards that results in increased soil carbon*

- storage;
- ✓ Calibrating existing and developing new processing systems to create high-caloric feedstock for production of biomass energy; and,
  - ✓ Reducing the demand for fossil fuels through the development of the first commercial scale dry fermentation anaerobic digestion facility in the United States.

GreenWaste has used the EPA's WARM Model to quantify its avoided GHG Emissions. The Model was developed to help solid waste managers evaluate management options with respect to their GHG emissions impact. WARM calculates the emissions impacts of several waste management options (landfill, recycling, composting, and combustion with energy recovery) for 34 separate categories of waste materials. The WARM emission factors are based on an EPA study entitled "Solid Waste Management and Greenhouse Gases: A Life-Cycle Assessment of Emissions and Sinks," originally published in 2002 and now in its 13th edition as of February 2012. In 2013 alone, GreenWaste processed over 374,000 tons of incoming material at the GreenWaste MRF in San Jose and of the materials diverted from landfill, the tonnages were distributed among the categories, below:

➤ Recycled material	74,609 tons
➤ Biomass energy feedstock	36,733 tons
➤ Composted material	173,337 tons

The WARM model estimates the following categories of emissions:

- ✓ *Avoided emissions from recycling (i.e. reduced resource extraction and wood harvest, reduced manufacturing energy, etc.);*
- ✓ *Avoided fossil fuel emissions from biomass energy production;*
- ✓ *Soil carbon storage from compost application;*
- ✓ *Avoided landfill emissions from organics diversion from the landfill; and,*
- ✓ *Actual landfill emissions from the fraction landfilled minus fossil fuel offsets from landfill gas energy generation.*

When organics are landfilled, not all of the material decomposes. Therefore, since some portion remains, CalRecycle's position is that it is technically correct to quantify and report that a portion of carbon stays in a landfill. However, interpreting the carbon stored in a landfill as an offset to landfill methane emissions is inconsistent with greenhouse gas reduction goals and targets in California. Additionally, encouraging landfilling organic materials also runs counter to CalRecycle's goals to remove organics from landfills. Biogenic carbon storage is not considered an avoided emission in this analysis.

WARM Results

GHG emissions for the categories listed above are shown below.

*Note: avoided emissions are negative and are shown in parenthesis.*

➤ Avoided emissions from recycling	(268,635)
➤ Avoided fossil emissions from biomass energy	(10,368)
➤ Soil carbon storage from compost application	(111,218)
➤ Landfill emissions from the fraction landfilled =	8,694
<b>Overall GHG impacts (sum of the emissions shown above)</b>	<b>(381,527)</b>

### Pursuits to Zero Waste

In order to support GreenWaste's "highest and best use" philosophy, and to further develop organics to energy projects and technology, GreenWaste and Zanker recently formed Zero Waste Energy Development Company (ZWEDC). ZWEDC maximizes organics recovery, and captures the energy value of food waste and organics. In 2013, ZWEDC opened the first-in-the-United-States commercial scale dry fermentation Anaerobic Digestion (AD) and In Vessel Composting (IVC) facility in the City of San Jose, which is the largest operational facility of its kind in the world.

The AD Facility uses a batch AD system, which uses organic materials and a dry fermentation process to produce a biogas that contains 50-60% methane. The AD technology captures carbon dioxide and methane from the controlled composting of organic materials in large airtight containers. The organic material feedstock is comprised of food waste and green waste. The first few activities of the AD process take place in an enclosed building consisting of a receiving area for feedstock material delivery and storage; digesters (i.e., large airtight containers); an engine room for electrical generation; compost curing tunnels; and biogas storage container area. An air circulation and control system contains the air in the building, and controls odor by exhausting air through a specially designed and constructed biofilter. The biogas generated during the digestion process is collected, stored and processed within the enclosed building. The biogas is then used to power on- or off-site generators.

### Water Resource Conservation

GreenWaste's state-of-the-art biodigester at the GreenWaste MRF processes all wash water prior to discharge to the sanitary sewer. GreenWaste's older wash pad did not require replacement; however, the system was upgraded to ensure the wash pad operations were not impacting the local water treatment plant and, ultimately, the San Francisco Bay. GreenWaste's wash pad and biodigester ensure that zero pollutants are discharged from its washing operations. GreenWaste has also planted water efficient landscaping and vegetative swales at its maintenance yard and Watsonville facility, both to conserve water and to naturally treat storm water prior to discharge.

### Emissions Reduction Plan

GreenWaste reduces fleet emissions by utilizing B20 biodiesel (under the Base Proposal) in collection vehicles utilized in the County. GreenWaste also proposes, as an option, the use of Compressed Natural Gas (CNG) engines in collection vehicles. CNG-burning engines emit nearly eighty-percent (80%) fewer amounts of carbon monoxide, and offer greater fuel efficiencies than traditional diesel powered engines. Also, vehicle sizes and types have carefully been chosen to maximize collection efficiency and minimize environmental impacts. Reducing vehicle passes on city streets will also decrease emissions and noise concerns. Supervisor and outreach staff vehicles will be flex fuel or hybrid light duty trucks and passenger cars, which emit fewer GHG emissions and have increased fuel economy.

## Green Business Practices

### Green Business Certification

GreenWaste has implemented many sustainable business practices that focus on environmental stewardship and sustainability. GreenWaste has also worked with the Santa Clara County Green Business Program to certify a number of their offices throughout the Bay Area. The GreenWaste headquarters in San Jose and the GreenWaste of Palo Alto office are both Green Business Certified, due to environmentally sound office practices such as using recycled content supplies, increasing energy efficiency, reducing internal waste, conserving water, and using non-toxic products. GreenWaste's Operations and Transfer Facility in Watsonville is currently in the process of completing all of the requirements under the Monterey Bay Area Green Business Program. This Watsonville facility will be Green Business Certified by the commencement of services under the new Agreement.

### Zero Waste Policy

GreenWaste enforces zero waste office policies. All employees are encouraged to follow these policies, and participate in education and training to understand the importance of recycling and composting. To efficiently and effectively implement GreenWaste's internal recycling program, the Outreach team creates signage, places adequate and appropriate containers conveniently in all GreenWaste buildings, and conducts multi-lingual training for each department. In addition, the janitorial staff is trained to identify contamination and to maintain proper separation of materials, allowing GreenWaste to control both the front and back end of the program.

### Environmentally Preferable Purchasing Policy

To ensure the success and efficiency of GreenWaste's zero waste policy, a company-wide Environmentally Preferable Purchasing Policy (EPPP) is in place. GreenWaste has developed a purchasing list that encourages the purchase of commonly used office, cleaning and break-room supplies that contain recycled content. By incorporating environmental considerations in purchasing, GreenWaste is actively reducing the impact of its operations on the environment, avoiding unnecessary hazards, protecting public health, reducing costs and liabilities, and helping develop and support markets for environmentally responsible products. As a secondary benefit, the EPPP will assist in energy, water, and material resources savings, and will reduce long-term operating and maintenance costs. The following are key concepts of GreenWaste's EPPP that have been implemented:

#### Recycled Content, Recyclable Materials, Waste Reduction & Reuse

- ✓ All offices will utilize a minimum of 30% post-consumer recycled content paper products;
- ✓ All offices will have recycling bins for convenient recycling;
- ✓ Internal waste reduction and reuse protocol(s) will be in affect;
- ✓ Paperless invoicing and bill payment are actively encouraged;
- ✓ Duplex features on printers and copiers are enabled;
- ✓ Use of rechargeable batteries; and,
- ✓ Encourage reusable and washable utensils and supplies.

Energy Efficient Operations

- ✓ *Electronic equipment (computers, copiers, printers, faxes, etc.) will be Energy Star compliant and turned off at the end of each day;*
- ✓ *Installation of newer, efficient equipment;*
- ✓ *Use of occupancy sensors for office lighting;*
- ✓ *Use of task lighting; and,*
- ✓ *Enable power saving feature on all office equipment.*

Water & Resource Conservation

- ✓ *Design, construction, and daily operations will be incorporated at GreenWaste facilities; and,*
- ✓ *Whenever possible, non-toxic products will be used.*

Additional Environmentally Sustainable Practices

- ✓ *Alternatively-fueled collection vehicles with reduced emissions;*
- ✓ *Hybrid/Electric company vehicles; and,*
- ✓ *Routing specifically designed and recalibrated to increase route efficiencies in order to reduce vehicle miles traveled.*

These environmentally friendly practices demonstrate that GreenWaste is a true environmental leader. A copy of the GreenWaste Environmentally Preferable Purchasing Policy is included in Section 9 | Attachments.




## 8 Other Proposal Forms

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**Attachment E**  
**Secretary's Certificate**

I, Frank Weigel, certify that I am the secretary  
Name  
of the corporation named herein; that Frank Weigel who signed this  
Name  
Proposal on behalf of the corporation, was then Secretary of  
Title  
said corporation; that said Proposal is within the scope of its corporate powers and was duly signed for  
and on behalf of said corporation by authority of its governing body, as evidenced by the attached true  
and correct copy of the Articles of Incorporation  
Name of Corporate Document

By: 

Name: Frank Weigel  
Title: Secretary

Date November 13, 2015

**Attachment F  
Non-Collusion Declaration**

Proposer's Name GreenWaste Recovery, Inc.

**FOR: COUNTY OF SANTA CRUZ RECYCLABLES, ORGANICS, AND SOLID WASTE COLLECTION  
AND RECYCLABLES PROCESSING SERVICES**

Proposer declares under penalty of perjury under the laws of the State of California that this proposal is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation; that such proposal is genuine and not collusive or sham; that said Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham proposal and has not directly or indirectly colluded, conspired, connived, or agreed with any Proposer or anyone else to put in a sham proposal, or that anyone shall refrain from submitting a proposal; that said Proposer has not in any manner directly or indirectly sought by agreement, communication, or conference with anyone to fix the proposal price of said Proposer or of any other Proposer, or to fix any overhead, profit, or cost element of such proposal price, or of that of any other Proposer, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in such proposal are true, and further, that said Proposer has not directly or indirectly submitted his proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid and will not pay any fee in connection therewith, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any other individual except to any person or persons as have a partnership or other financial interest with said Proposer in this general business.

**The above Non-Collusion Declaration is part of the proposal. Signing this proposal on the signature page thereof shall also constitute signature of this Non-Collusion Declaration.**

Proposers are cautioned that making a false certification may subject the certifier to criminal prosecution.

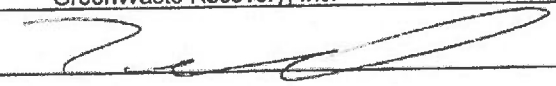
**Exhibit J**  
**Iran Contracting**

Pursuant to Public Contract Code Section 2200 et seq., ("Iran Contracting Act of 2010"), Contractor certifies that:

- (1) Contractor is not identified on the list created by the California Department of General Services ("DGS") pursuant to California Public Contract Code Section 2203(b) as a Person engaging in investment activities in Iran; and
- (2) Contractor is not a financial institution that extends twenty million dollars (\$20,000,000) or more in credit to another Person, for forty-five (45) Days or more, if that Person will use the credit to provide goods or services in the energy sector in Iran and is identified on the DGS list made pursuant to Section 2203(b).

As used herein, "Person" shall mean a "Person" as defined in Public Contract Code Section 2202(e).

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY, that I am duly authorized to legally bind the Contractor to this Certification, which is made under the laws of the State of California.

GreenWaste Recovery, Inc. ("Contractor")  
By:  (Signature)  
Name: Frank Weigel (Printed Name)  
Title: Secretary  
Date: November 13, 2015

**EXHIBIT G2:  
COST BASIS FOR PROPOSAL**

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## 1 General Info

General Proposal Information  
 Proposer Name: GreenWaste Recovery, Inc.

Santa Cruz County  
 Universal Base Svcs. - Diesel - Used Carts & Bins

A. Method of Collection (e.g. manual, semi-automatic, fully automated, split body, etc.)	
1. Solid Waste Carts	Fully Automated and Semi Automated both single compartment and split body trucks
2. Recyclable Material Carts	Fully Automated and Semi Automated both single compartment and split body trucks
3. Organic Material Carts	Fully Automated and Semi Automated both single compartment and split body trucks
4. Solid Waste Bins	Semi Automated Front and Rear loaders single compartment
5. Recyclable Material Bins	Semi Automated Front and Rear loaders single compartment
6. Organic Material Bins	Semi Automated Front and Rear loaders single compartment
7. On-Call Bulky Item Reuse Collection	Manual Flatbed truck with lift gate
B. Collection Vehicle Manufacturer, Model #, and Year (for each vehicle to be used)	
1. Solid Waste Carts	2017-18 Peterbilt 320 Chassis with a NewWay Sidewinder single compartment automated body, 2017-2018 Peterbilt 320 Chassis with a Bridgeport split body automated body and 2017-18 Peterbilt 320 Chassis with NewWay Cobra rear loader body
2. Recyclable Material Carts	2017-18 Peterbilt 320 Chassis with a NewWay Sidewinder single compartment automated body, 2017-2018 Peterbilt 320 Chassis with a Bridgeport split body automated body and 2017-18 Peterbilt 320 Chassis with NewWay Cobra rear loader body
3. Organic Material Carts	2017-18 Peterbilt 320 Chassis with a NewWay Sidewinder single compartment automated body, 2017-2018 Peterbilt 320 Chassis with a Bridgeport split body automated body and 2017-18 Peterbilt 320 Chassis with NewWay Cobra rear loader body
4. Solid Waste Bins	2017 Peterbilt Chassis with a NewWay Mammoth front loader body and 2017-18 Peterbilt Chassis with a NewWay Cobra rear loader body
5. Recyclable Material Bins	2017 Peterbilt Chassis with a NewWay Mammoth front loader body and 2017-18 Peterbilt Chassis with a NewWay Cobra rear loader body
6. Organic Material Bins	2017 Peterbilt Chassis with a NewWay Mammoth front loader body and 2017-18 Peterbilt Chassis with a NewWay Cobra rear loader body
7. On-Call Bulky Item Reuse Collection	2017-18 Peterbilt 325 or 220 22ft. flat bed with lift gate
C. Container Manufacturer and Specifications	
1. Carts	Rehrig Pacific Company - Cart Sizes 20G, 35G, 65G and 95G
2. Bins	Consolidated Fabricators- Bin Sizes 1yd, 2yd, 3yd, 4yd, 6yd and 8yd. Roll Off container sizes 10yd, 20yd, 30yd and 40yd.
D. Support Facilities	
Address of collection vehicle parking, maintenance, washing, and route staff parking facilities	375 Industrial Rd. Watsonville, CA 95076
2. Address of administrative office	375 Industrial Rd. Watsonville, CA 95076
3. Address of billing office	1500 Berger Dr. San Jose, CA 95112
4. Address of customer service office	375 Industrial Rd. Watsonville, CA 95076





Form 3 Labor

Proposed Labor Requirements

Santa Cruz County

Proposer Name: GreenWaste Recovery, Inc.

Universal Base Svcs. - Diesel - Used Carts & Bins

Route Personnel Headcount (include fraction of employee)	# of Regular Personnel	# of Casual/Pool	Total
Solid Waste Carts	10.67	1.5	12
Recyclable Materials Carts	10.67	1.5	12.17
Organic Materials Carts	10.67	1.5	12.17
Solid Waste Bins	4.50	1	5.5
Recyclable Materials Bins	2.50	0.5	3
Organic Materials Bins	1.00		1
On-Call Bulky Program	0.00		0
Permanent Roll-off	0.00	0	0
SFD/MFD Reuse	0.10	0	0.1
<b>Subtotal Route Personnel</b>	<b>40</b>	<b>6</b>	<b>46</b>
<b>Other Personnel Headcount (include fraction of employee)</b>	Indicate below the Form # and Category where employee wages and benefits are included (e.g., # 6B - Container Maintenance). Alternatively indicate if part of Corporate Overhead charge.		<b># of Employees</b>
Chief Executive Officer/Chief Financial Officer			
General Manager	Overhead - Form 6D		0.5
Operations Manager			
Route Supervisor Cart Service	Overhead - Form 6D		1
Route Supervisor Bin Service	Overhead - Form 6D		1
Route Supervisor Drop Box	Overhead - Form 6D		0
Dispatcher	Overhead - Form 6D		1.5
Dispatch Supervisor	Overhead - Form 6D		1
Container Distribution	Container Maintenance - Form 6D		2
Container Maintenance/Welder	Container Maintenance - Form 6D		2
Maintenance Manager	Vehicle Maintenance - Form 6D		0.75
Maintenance Supervisor	Vehicle Maintenance - Form 6D		0.75
Maintenance Mechanic	Vehicle Maintenance - Form 6D		7
Maintenance Personnel			
Shop Clerk			
Yard Personnel	Overhead - Form 6D		1
Controller	Overhead - Form 6D		0.5
Staff Accountant			
Office Manager	Overhead - Form 6D		0.75
Accounting Clerk			
Customer Service Supervisor	Overhead - Form 6D		0.75
Customer Service Representatives	Overhead - Form 6D		4
Receptionist			
Safety Manager			
Recycling Manager			
Recycling Center Personnel			
Recycling/Public Education Coordinator	Overhead - Form 6D		2
Public Education Manager/Community Relations Manager			
Other (specify): Loader Operators	Overhead - Form 6D		2
Other (specify): Productivity Coordinator	Overhead - Form 6D		1
Other (specify): _____			
<b>Subtotal Other Personnel</b>			<b>29.5</b>
	<b>Total ALL Personnel</b>		<b>76</b>

Form 4 Capital Diesel Used C

Capital Requirements

Proposer Name: GreenWaste Recovery, Inc.

Collection Vehicles	Total		
	Actual	Spare	Total
Solid Waste Carts	10.67	1	11.67
Recyclable Materials Carts	10.67	1	11.67
Organic Materials Carts	10.66	1	11.66
Solid Waste Bins	4.5	1	5.5
Recyclable Materials Bins	2.5	0.75	3.25
Organic Materials Bins	1	0.25	1.25
On-Call Bulky Program	1	0.5	1.5
Permanent Roll-Off Services (Solid Waste)	0	0	0
Full MFD/Commercial Organics to Marina	2	0	3.25
<b>Subtotal</b>	<b>43.01</b>	<b>5.51</b>	<b>48.51</b>
<b>Other Vehicles</b>			
Pickup Trucks	2		2
Container Distribution	2		2
Mobile Service Truck	1		1
Other (specify): <u>Caterpillar 924 Wheel Loader</u>	1		1
Other (specify): <u>Outreach Vehicles</u>	2		2
<b>Subtotal</b>	<b>8</b>	<b>0</b>	<b>8</b>
<b>Total Vehicle Cost</b>			
<b>Containers</b>			
Cart service			
Solid Waste 20-gallon	1000	20	1020
Solid Waste 35-gallon	2863	40	2903
Solid Waste 65-gallon	0	0	0
Solid Waste 95-gallon	0	0	0
Recyclable Material 65-gallon	3863	50	3913
Recyclable Material 95-gallon		0	0
Organic Material 65-gallon	200	50	250
Organic Material 95-gallon	3863	50	3913
<b>Subtotal</b>	<b>11789</b>	<b>210</b>	<b>11999</b>
Bin service			
1 cubic yard		10	10
1.5 cubic yard (for Food Scraps only)	55	3	58
2 cubic yards		15	15
3 cubic yards		8	8
4 cubic yards		5	5
6 cubic yards		2	2
8 cubic yards		1	1
<b>Subtotal</b>		<b>44</b>	<b>99</b>
Other Containers			
Kitchen Food Scraps Pail	20000	10000	30000
Multi-family Personal Recycling Bin	10000	5000	15000
Bins for Indoor Use for Commercial Customers			0
<b>Subtotal</b>	<b>30000</b>	<b>15000</b>	<b>45000</b>
<b>Total Container Cost</b>			
<b>Other</b>			
Roll Off Bins			
Corporation Yard/Maintenance			
Container Storage Yard			
Shop Equipment			
Fueling Equipment			
Computer and Office Equipment			
On-board Truck Computers			
Other (specify): _____			
<b>Total Other Cost</b>			
<b>Total Cost</b>			

Summary of Contractor's Compensation  
 Proposer Name: GreenWaste Recovery, Inc.

Santa Cruz County

Form 5 Compensation

Universal Base Svcs. - Diesel - Used Carts & Bins

REPORT FOR 12-MONTH PERIOD From January 1, 2018 to December 31, 2018	Carts (Form 6A)			Bins (Form 6B)			Other (Form 6C) On-Call Bulky Program	PERMANENT ROLL OFF SVCS.	SFD/MFD ON-CALL REUSE	FULL COMM. FOOD SCRAPS	TOTAL	
	Solid Waste	Recyclable Materials		Solid Waste	Recyclable Materials							Organic Materials
		Organic Materials	Recyclable Materials		Organic Materials	Recyclable Materials						
<b>Annual Cost of Operations</b>												
Labor-Related Costs	\$1,149,596	\$1,149,596	\$1,149,596	\$484,834	\$110,869	\$107,741	\$107,741	\$0	\$10,774	\$139,503	\$4,410,253	
Vehicle-Related Costs	\$232,393	\$232,393	\$232,393	\$97,608	\$26,351	\$21,767	\$21,767	\$0	\$1,832	\$30,525	\$899,375	
Fuel Costs	\$280,491	\$280,491	\$280,491	\$140,650	\$59,157	\$31,993	\$31,993	\$0	\$3,396	\$93,121	\$1,217,858	
Other Costs	\$150,345	\$150,842	\$151,297	\$65,553	\$21,069	\$14,880	\$14,880	\$0	\$947	\$10,400	\$583,056	
Direct Depreciation	\$387,187	\$415,936	\$401,026	\$154,224	\$93,139	\$35,049	\$35,049	\$0	\$0	\$110,787	\$1,616,951	
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$1,285,228	\$1,304,667	\$1,294,025	\$549,010	\$188,187	\$123,082	\$123,082	\$0	\$4,432	\$100,221	\$4,969,258	
Total Allocated Costs - Depreciation & Start-Up	\$35,207	\$35,739	\$35,448	\$15,039	\$5,155	\$3,372	\$3,372	\$0	\$0	\$0	\$133,258	
<b>Total Annual Cost of Operations</b>	\$3,520,447	\$3,569,665	\$3,544,275	\$1,506,919	\$503,929	\$337,884	\$337,884	\$0	\$21,380	\$484,557	\$13,830,010	
<b>Profit</b>	\$484,334	\$491,095	\$487,444	\$207,313	\$69,304	\$46,484	\$46,484	\$0	\$2,458	\$60,073	\$1,895,413	
<b>Pass-Through Costs</b>												
Disposal Cost	\$1,208,760	\$0	\$0	\$554,160	\$0	\$0	\$0	\$0	\$400	\$0	\$1,767,320	
Yard Trimmings Processing Costs	\$0	\$0	\$784,014	\$0	\$0	\$79,170	\$79,170	\$0	\$0	\$0	\$864,234	
Food Waste Processing Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$113,100	\$113,100	
Interest Expense	\$82,842	\$88,993	\$85,548	\$32,997	\$19,928	\$7,499	\$7,499	\$0	\$0	\$23,571	\$345,572	
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Allocated Costs - Lease	\$46,950	\$47,660	\$47,271	\$20,056	\$6,875	\$4,496	\$4,496	\$0	\$0	\$0	\$177,706	
<b>Total Pass-Through Costs</b>	\$1,338,551	\$136,653	\$916,833	\$607,213	\$26,802	\$91,165	\$91,165	\$0	\$400	\$136,671	\$3,267,932	
<b>Total Costs before Agency Fees*</b>	\$5,343,332	\$4,197,413	\$4,948,553	\$2,321,445	\$600,035	\$475,533	\$475,533	\$0	\$24,237	\$681,302	\$18,993,355	

\* Adjust to amounts on Forms 6A through 6C

## Collection Cost Proposal

Santa Cruz County

Proposer Name: GreenWaste Recovery, Inc.

Universal Base Svcs. - Diesel - Used Carts &amp; Bins

SUMMARY (Total Costs from Forms 6A through 6C)

Proposed Cost for 12-  
Month PeriodFrom January 1, 2018  
To December 31, 2018

## Labor-Related Costs (include regular &amp; pool personnel)

Regular Wages	\$2,700,249
Overtime Wages	\$592,691
Holiday Wages	\$94,136
Vacation Wages	\$194,208
Sick Leave Wages	\$70,390
Workers Compensation Insurance Premiums	\$215,409
Workers Compensation Claims	\$0
Health & Welfare	\$70,050
Pension/ Retirement Benefits	\$168,072
Payroll Taxes	\$292,328
Other (Please List)	\$12,721
Total Labor Related-Costs	\$4,410,253

## Vehicle-Related Costs (do not include depreciation)

Tires & Tubes	\$187,688
Parts & Supplies (fluid, oil, etc.)	\$547,985
Outside Repairs	\$11,194
Taxes & Licenses & Registrations	\$152,507
Other (Please List)	\$0
Total Vehicle-Related Costs	\$899,375

## Fuel Costs

\$1,217,858

## Other Costs

Liability & Property Damage Insurance	\$203,463
Supplies	\$190,865
Training & Safety Programs	\$4,580
Uniforms	\$28,410
Postage	\$110,534
Printed Forms	\$824
Licenses & Fees	\$3,477
Outside Services	\$35,669
Property Taxes	\$5,234
Total Other Costs	\$583,056

## Direct Depreciation

Container Depreciation	\$87,098
Route Vehicle Depreciation	\$1,504,739
Annualized Cost of Existing Container Acquisition	\$0
Other Depreciation	\$25,115
Total Direct Depreciation	\$1,616,951

## Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs

From General and Administrative (6D)	\$3,368,859
From Vehicle Maintenance (6D)	\$1,086,515
From Container Maintenance (6D)	\$513,885
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$4,969,258

**Collection Cost Proposal****Santa Cruz County****Proposer Name: GreenWaste Recovery, Inc.****Universal Base Svcs. - Diesel - Used Carts & Bins**

SUMMARY (Total Costs from Forms 6A through 6C)

Proposed Cost for 12-  
Month PeriodFrom January 1, 2018  
To December 31, 2018

<b>Allocated Costs - Depreciation and Start-Up Costs</b>		
From General and Administrative (6D)		\$94,058
From Vehicle Maintenance (6D)		\$13,060
From Container Maintenance (6D)		\$26,140
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>		<b>\$133,258</b>
<b>Total Annual Cost of Operations</b>		<b>\$13,830,010</b>
<b>Profit (% Operating Ratio; i.e. 95%):</b>	<b>88 %</b>	<b>\$1,895,413</b>
<b>Pass-Through Costs</b>		
<b>Trash \$40 per ton</b>	<b>\$ 40.00 /ton</b>	<b>\$1,767,320</b>
<b>Yard Trimmings</b>	<b>\$ 42.00 /ton</b>	<b>\$864,234</b>
<b>Food Waste</b>	<b>\$ 60.00 /ton</b>	<b>\$113,100</b>
<b>Interest Expense</b>		<b>\$345,572</b>
<b>Direct Lease Costs</b>		
Route Vehicles		\$0
Other (Please List)		\$0
<b>Total Direct Lease Costs</b>		<b>\$0</b>
<b>Allocated Lease Costs</b>		
From General and Administrative (6D)		\$169,319
From Vehicle Maintenance (6D)		\$2,794
From Container Maintenance (6D)		\$5,593
<b>Total Allocated Lease Costs</b>		<b>\$177,706</b>
<b>Total Pass-Through Costs</b>		<b>\$3,267,932</b>
<b>Total Cost Before Agency Fees</b>		<b>\$18,993,355</b>

Detailed Collection Cost Proposal Information  
 Proposer Name: GreenWaste Recovery, Inc.

## Universal Base Svcs. - Diesel - Used Carts &amp; Bins

## CART SERVICE COSTS

	SOLID WASTE	RECYCLABLE MATERIALS	ORGANIC MATERIALS	TOTAL
	12-Month Period	12-Month Period	12-Month Period	12-Month Period
	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018
<b>Labor-Related Costs (include regular &amp; pool personnel)</b>				
Regular Wages	\$706,644	\$706,644	\$706,644	\$2,119,933
Overtime Wages	\$150,916	\$150,916	\$150,916	\$452,749
Holiday Wages	\$24,635	\$24,635	\$24,635	\$73,905
Vacation Wages	\$50,823	\$50,823	\$50,823	\$152,470
Sick Leave Wages	\$18,421	\$18,421	\$18,421	\$55,262
Workers Compensation Insurance Premiums	\$56,372	\$56,372	\$56,372	\$169,115
Workers Compensation Claims				\$0
Health & Welfare	\$18,332	\$18,332	\$18,332	\$54,996
Pension/ Retirement Benefits	\$43,943	\$43,943	\$43,943	\$131,830
Payroll Taxes	\$76,181	\$76,181	\$76,181	\$228,542
Other (boots, gloves & ear-plugs)	\$3,329	\$3,329	\$3,329	\$9,987
<b>Total Labor Related-Costs</b>	<b>\$1,149,596</b>	<b>\$1,149,596</b>	<b>\$1,149,596</b>	<b>\$3,448,789</b>
<b>Vehicle-Related Costs (do not include depreciation)</b>				
Tires & Tubes	\$49,117	\$49,117	\$49,117	\$147,352
Parts & Supplies (fluid, oil, etc.)	\$143,406	\$143,406	\$143,406	\$430,217
Outside Repairs	\$2,930	\$2,930	\$2,930	\$8,789
Taxes & Licenses & Registrations	36,940	36,940	36,940	\$110,821
Other (Please List)				\$0
<b>Total Vehicle-Related Costs</b>	<b>\$232,393</b>	<b>\$232,393</b>	<b>\$232,393</b>	<b>\$697,179</b>
<b>Fuel Costs</b>	<b>\$280,491</b>	<b>\$280,491</b>	<b>\$280,491</b>	<b>\$841,474</b>
<b>Other Costs</b>				
Liability & Property Damage Insurance	\$48,558	\$48,558	\$48,517	\$145,632
Supplies	\$51,659	\$51,659	\$51,659	\$154,977
Training & Safety Programs	\$1,198	\$1,198	\$1,198	\$3,595
Uniforms	\$7,435	\$7,435	\$7,435	\$22,305
Postage	\$29,917	\$29,917	\$29,917	\$89,751
Printed Forms	\$223	\$223	\$223	\$669
Licenses & Fees	\$910	\$910	\$910	\$2,730
Outside Services	\$9,654	\$9,654	\$9,654	\$28,963
Property Taxes	\$791	1,288	1,783	\$3,862
<b>Total Other Costs</b>	<b>\$150,345</b>	<b>\$150,842</b>	<b>\$151,297</b>	<b>\$452,484</b>

Detailed Collection Cost Proposal Information  
 Proposer Name: GreenWaste Recovery, Inc.

Santa Cruz County

Universal Base Svcs. - Diesel - Used Carts & Bins

CART SERVICE COSTS

	SOLID WASTE	RECYCLABLE MATERIALS	ORGANIC MATERIALS	TOTAL
	12-Month Period	12-Month Period	12-Month Period	12-Month Period
	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018
Direct Depreciation				
Container Depreciation	16,084	22,428	29,923	\$68,434
Route Vehicle Depreciation	371,103	371,103	371,103	\$1,113,309
Annualized Cost of Existing Container Acquisition				\$0
Other Depreciation	-	22,405	-	\$22,405
<b>Total Direct Depreciation</b>	<b>387,187</b>	<b>415,936</b>	<b>401,026</b>	<b>1,204,148</b>
Allocated Costs - Labor, Vehicle, Fuel & Other Costs				
From General and Administrative (6D)	\$878,144	\$891,426	\$884,154	\$2,653,724
From Vehicle Maintenance (6D)	\$276,232	\$280,410	\$278,123	\$834,765
From Container Maintenance (6D)	\$130,852	\$132,831	\$131,748	\$395,431
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>	<b>\$1,285,228</b>	<b>\$1,304,667</b>	<b>\$1,294,025</b>	<b>\$3,883,919</b>
Allocated Costs - Depreciation and Start-Up Costs				
From General and Administrative (6D)	\$24,850	\$25,226	\$25,020	\$75,097
From Vehicle Maintenance (6D)	\$3,450	\$3,503	\$3,474	\$10,427
From Container Maintenance (6D)	\$6,906	\$7,011	\$6,954	\$20,870
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>	<b>\$35,207</b>	<b>\$35,739</b>	<b>\$35,448</b>	<b>\$106,394</b>
<b>Total Annual Cost of Operations</b>	<b>\$3,520,447</b>	<b>\$3,569,665</b>	<b>\$3,544,275</b>	<b>\$10,634,387</b>
Profit (Enter % Operating Ratio; i.e., 95%):	87.91 %	\$484,334	\$491,095	\$487,444
Pass-Through Costs				
	Per Ton			
Disposal Cost	\$ 40.00 Trash	\$1,208,760	\$0	\$1,208,760
Yard Trimmings	\$ 42.00 YT			\$784,014
Food Waste	\$ 60.00 FW	\$0	\$0	\$0
Interest Expense		\$82,842	\$88,993	\$85,548
Direct Lease Costs				
Route Vehicles				\$0
Other (Please List)				\$0
<b>Total Direct Lease Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Allocated Lease Costs				
From General and Administrative (6D)	\$44,734	\$45,411	\$45,040	\$135,185
From Vehicle Maintenance (6D)	\$738	\$749	\$743	\$2,231
From Container Maintenance (6D)	\$1,478	\$1,500	\$1,488	\$4,465
<b>Total Allocated Lease Costs</b>	<b>\$46,950</b>	<b>\$47,660</b>	<b>\$47,271</b>	<b>\$141,881</b>
<b>Total Pass-Through Costs</b>	<b>\$1,338,551</b>	<b>\$136,653</b>	<b>\$916,833</b>	<b>\$2,392,037</b>
<b>Total Cost</b>	<b>\$5,343,332</b>	<b>\$4,197,413</b>	<b>\$4,948,553</b>	<b>\$14,489,298</b>

Detailed Collection Cost Proposal Information  
 Proposer Name: GreenWaste Recovery, Inc.

## Universal Base Svcs. - Diesel - Used Carts &amp; Bins

BIN SERVICE COSTS	SOLID WASTE	RECYCLABLE MATERIALS	ORGANIC MATERIALS	TOTAL
	12-Month Period From January 1, 2018 To December 31, 2018	12-Month Period From January 1, 2018 To December 31, 2018	12-Month Period From January 1, 2018 To December 31, 2018	12-Month Period From January 1, 2018 To December 31, 2018
Labor-Related Costs (include regular & pool personnel)				
Regular Wages	\$298,022	\$53,810	\$66,227	\$418,059
Overtime Wages	\$63,648	\$32,447	\$14,144	\$110,239
Holiday Wages	\$10,390	\$1,876	\$2,309	\$14,574
Vacation Wages	\$21,434	\$3,870	\$4,763	\$30,068
Sick Leave Wages	\$7,769	\$1,403	\$1,726	\$10,898
Workers Compensation Insurance Premiums	\$23,774	\$4,293	\$5,283	\$33,350
Workers Compensation Claims				\$0
Health & Welfare	\$7,731	\$1,396	\$1,718	\$10,845
Pension/ Retirement Benefits	\$18,533	\$4,118	\$4,118	\$26,770
Payroll Taxes	\$32,129	\$7,404	\$7,140	\$46,672
Other (boots, gloves & ear-plugs)	\$1,404	\$254	\$312	\$1,970
Total Labor Related-Costs	\$484,834	\$110,869	\$107,741	\$703,445
Vehicle-Related Costs (do not include depreciation)				
Tires & Tubes	\$20,715	\$3,740	\$4,603	\$29,058
Parts & Supplies (fluid, oil, etc.)	\$60,480	\$10,920	\$13,440	\$84,840
Outside Repairs	\$1,236	\$223	\$275	\$1,733
Taxes & Licenses & Registrations	15,177	11,468	3,449	\$30,094
Other (Please List)				\$0
Total Vehicle-Related Costs	\$97,608	\$26,351	\$21,767	\$145,726
Fuel Costs	\$140,650	\$59,157	\$31,993	\$231,801
Other Costs				
Liability & Property Damage Insurance	\$22,844	\$13,357	\$5,190	\$41,391
Supplies	\$21,787	\$3,934	\$4,842	\$30,562
Training & Safety Programs	\$505	\$91	\$112	\$709
Uniforms	\$3,136	\$566	\$697	\$4,399
Postage	\$12,617	\$2,278	\$2,804	\$17,699
Printed Forms	\$94	\$17	\$21	\$132
Licenses & Fees	\$384	\$69	\$85	\$538
Outside Services	\$4,072	\$735	\$905	\$5,712
Property Taxes	\$114	22	225	\$361
Total Other Costs	\$65,553	\$21,069	\$14,880	\$101,503
Direct Depreciation				
Container Depreciation	1,757	335	397	\$2,490
Route Vehicle Depreciation	152,467	90,094	34,651	\$277,212
Annualized Cost of Existing Container Acquisition				\$0
Other Depreciation	-	2,710	-	\$2,710
Total Direct Depreciation	154,224	93,139	35,049	282,412
Allocated Costs - Labor, Vehicle, Fuel & Other Costs				
From General and Administrative (6D)	\$375,116	\$128,581	\$84,097	\$587,794
From Vehicle Maintenance (6D)	\$117,998	\$40,447	\$26,454	\$184,898
From Container Maintenance (6D)	\$55,896	\$19,160	\$12,531	\$87,587
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$549,010	\$188,187	\$123,082	\$860,279
Allocated Costs - Depreciation and Start-Up Costs				
From General and Administrative (6D)	\$10,615	\$3,639	\$2,380	\$16,634
From Vehicle Maintenance (6D)	\$1,474	\$505	\$330	\$2,310
From Container Maintenance (6D)	\$2,950	\$1,011	\$661	\$4,623
Total Allocated Costs - Depreciation and Start-Up Costs	\$15,039	\$5,155	\$3,372	\$23,566
Total Annual Cost of Operations	\$1,506,919	\$503,929	\$337,884	\$2,348,732
Profit (Enter % Operating Ratio; i.e. 95%):	87.91 %	\$207,313	\$69,304	\$46,484
				\$323,101



Detailed Collection Cost Proposal Information  
 Proposer Name: GreenWaste Recovery, Inc.

Universal Base Svcs. - Diesel - Used Carts & Bins

BIN SERVICE COSTS

	SOLID WASTE		RECYCLABLE MATERIALS	ORGANIC MATERIALS	TOTAL
	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018		<u>12-Month Period</u> From January 1, 2018 To December 31, 2018	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018
Pass-Through Costs	<b>Per Ton</b>				
Disposal Cost (Trash & yard trimmings)	\$ 40.00 Trash	\$554,160	\$0		\$554,160
Yard Trimmings	\$ 42.00 YT			\$79,170	\$79,170
Food Waste	\$ 60.00 FW	\$0	\$0		\$0
Interest Expense		\$32,997	\$19,928	\$7,499	\$60,424
Direct Lease Costs					
Route Vehicles					\$0
Other (Please List)					\$0
Total Direct Lease Costs		\$0	\$0	\$0	\$0
Allocated Lease Costs					
From General and Administrative (6D)		\$19,109	\$6,550	\$4,284	\$29,943
From Vehicle Maintenance (6D)		\$315	\$108	\$71	\$494
From Container Maintenance (6D)		\$631	\$216	\$142	\$989
Total Allocated Lease Costs		\$20,056	\$6,875	\$4,496	\$31,426
Total Pass-Through Costs		\$607,213	\$26,802	\$91,165	\$725,181
Total Cost		<b>\$2,321,445</b>	<b>\$600,035</b>	<b>\$475,533</b>	<b>\$3,397,013</b>

**Detailed Collection Cost Proposal Information****Proposer Name: GreenWaste Recovery, Inc.****Universal Base Svcs. - Diesel - Used Carts & Bins****BULKY SERVICE COSTS****ANNUAL CLEAN-UP PROGRAM**12-Month PeriodFrom January 1,  
2018To December 31,  
2018

## Labor-Related Costs (include regular &amp; pool personnel)

Regular Wages	\$66,227
Overtime Wages	\$14,144
Holiday Wages	\$2,309
Vacation Wages	\$4,763
Sick Leave Wages	\$1,726
Workers Compensation Insurance Premiums	\$5,283
Workers Compensation Claims	\$0
Health & Welfare	\$1,718
Pension/ Retirement Benefits	\$4,118
Payroll Taxes	\$7,140
Other (boots, gloves & ear-plugs)	\$312
<b>Total Labor Related-Costs</b>	<b>\$107,741</b>

Vehicle-Related Costs (do **not** include depreciation)

Tires & Tubes	\$4,603
Parts & Supplies (fluid, oil, etc.)	\$13,440
Outside Repairs	\$275
Taxes & Licenses & Registrations	5,796
Other (Please List)	\$0
<b>Total Vehicle-Related Costs</b>	<b>\$24,114</b>

## Fuel Costs

**\$48,066**

## Other Costs

Liability & Property Damage Insurance	\$8,258
Supplies	\$4,842
Training & Safety Programs	\$112
Uniforms	\$697
Postage	\$2,804
Printed Forms	\$21
Licenses & Fees	\$85
Outside Services	\$905
Property Taxes	\$0
<b>Total Other Costs</b>	<b>\$17,723</b>

## Direct Depreciation

Container Depreciation	\$0
Route Vehicle Depreciation	19,605
Annualized Cost of Existing Container Acquisition	\$0
Other Depreciation	-
<b>Total Direct Depreciation</b>	<b>\$19,605</b>

Form 6C Orig

Allocated Costs - Labor, Vehicle, Fuel & Other Costs

From General and Administrative (6D)	\$82,269
From Vehicle Maintenance (6D)	\$25,879
From Container Maintenance (6D)	\$12,259
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>	<b>\$120,407</b>

Allocated Costs - Depreciation and Start-Up Costs

From General and Administrative (6D)	\$2,328
From Vehicle Maintenance (6D)	\$323
From Container Maintenance (6D)	\$647
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>	<b>\$3,298</b>

Total Annual Cost of Operations \$340,955

Profit (Enter % Operating Ratio; i.e. 95%): 87.91 % \$46,907

Pass-Through Costs

	Per Ton	
Disposal Cost	\$ 40.00	Trash \$4,000
Yard Trimmings	\$ 42.00	YT \$1,050
Food Waste	\$ 60.00	FW

Interest Expense \$4,195

Direct Lease Costs

Route Vehicles	
Other (Please List)	
<b>Total Direct Lease Costs</b>	<b>\$0</b>

Allocated Lease Costs

From General and Administrative (6D)	\$4,191
From Vehicle Maintenance (6D)	\$69
From Container Maintenance (6D)	\$138
<b>Total Allocated Lease Costs</b>	<b>\$4,399</b>

Total Pass-Through Costs \$13,643

Total Cost \$401,505

**Detailed Collection Cost Proposal Information**  
**Proposer Name: GreenWaste Recovery, Inc.**

**Santa Cruz County**  
**Universal Base Svcs. - Diesel - Used Carts & Bins**

## PROPOSED ALLOCATED COST

	GENERAL AND ADMINISTRATIVE	VEHICLE MAINTENANCE	CONTAINER MAINTENANCE
	12-Month Period	12-Month Period	12-Month Period
	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018
<b>Labor-Related Costs (include regular &amp; pool personnel)</b>			
Regular Wages	938,680	495,573	218,512
Overtime Wages	40,179	42,881	13,719
Holiday Wages	16,104	14,850	7,568
Vacation Wages	28,332	27,845	14,189
Sick Leave Wages	12,078	11,198	5,676
Workers Compensation Insurance Premiums	33,906	46,193	20,385
Workers Compensation Claims	\$0		
Health & Welfare	329,816	166,260	75,536
Pension/ Retirement Benefits	34,019	16,287	10,907
Payroll Taxes	85,156	48,285	21,264
Other (boots, gloves & ear-plugs)	\$0	\$1,718	\$4,335
<b>Total Labor Related-Costs</b>	<b>1,518,271</b>	<b>871,029</b>	<b>392,091</b>
<b>Vehicle-Related Costs</b>			
Tires & Tubes	\$402	\$740	\$2,958
Parts & Supplies (fluid, oil, etc.)	\$301	\$131,220	\$25,800
Outside Repairs	\$500	\$2,536	\$5,398
Taxes & Licenses & Registrations	1,150	1,300	2,602
Other (please List	-		
<b>Total Vehicle-Related Costs</b>	<b>\$2,353</b>	<b>\$135,795</b>	<b>\$36,759</b>
<b>Fuel Costs</b>	<b>\$ 31,996</b>	<b>\$ 15,672</b>	<b>\$ 50,933</b>
<b>Other Costs</b>			
Liability & Property Damage Insurance	\$4,861	4,778	4,778
Rent			
Utilities	\$22,000		
Telephone	\$73,800	\$1,554	\$700
Postage & Mailing	\$1,220		
Equipment Rent	\$5,640		
Repairs & Maintenance	\$1,030	\$409	\$200
Outside Services	\$18,000	\$1,227	\$1,309
Travel	\$6,400		
Dues & Subscriptions	\$3,800		
Donations (Removed)	\$50,000		
Software & Software Maintenance	\$17,676	\$2,400	
Non-vehicle Related Supplies	\$23,106		
Non-vehicle Related Taxes & Licenses	\$22,000		
Training & Safety Programs	\$15,000		
Initial Public Education & Outreach (in Start-up Costs)			
Continuing Public Education & Outreach	\$75,500		
Uniforms		\$12,678	\$8,506
Bad Debt	\$89,923		
Performance Bond	\$41,210		
Corporate Overhead Charge (Please List)	\$1,300,000		
Property Taxes	\$0	\$0	\$0
<b>Total Other Costs</b>	<b>\$1,771,166</b>	<b>\$23,046</b>	<b>\$15,493</b>
<b>Total Labor, Vehicle, Fuel, and Other Costs</b>	<b>3,323,786</b>	<b>1,045,542</b>	<b>495,277</b>
<b>Depreciation (non-route specific) and Start-Up Costs</b>			
Vehicle Depreciation	11,553	13,060	26,140
Start Up Costs (6E)	82,506		
Other Depreciation	0	0	0
<b>Total Depreciation and Start-Up Costs</b>	<b>\$94,058</b>	<b>\$13,060</b>	<b>\$26,140</b>
<b>Lease Costs</b>			
Facility Costs (Amortization of Leasehold Improvements)	\$20,000		
Lease Costs - Facility lease plus interest	\$149,319	\$2,794	\$5,593
<b>Total Lease Costs</b>	<b>\$169,319</b>	<b>\$2,794</b>	<b>\$5,593</b>
<b>Total Costs to be Allocated</b>	<b>3,587,163</b>	<b>1,061,396</b>	<b>527,010</b>

Detailed Collection Cost Proposal Information  
 Proposer Name: GreenWaste Recovery, Inc.

Santa Cruz County  
 Universal Base Svcs. - Diesel - Used Carts & Bins

PROPOSED ALLOCATED COST

	Percentage	GENERAL AND ADMINISTRATIVE	VEHICLE MAINTENANCE	CONTAINER MAINTENANCE
		12-Month Period	12-Month Period	12-Month Period
		From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018	From January 1, 2018 To December 31, 2018
<b>Labor, Vehicle, Fuel, &amp; Other Costs Allocated Out</b>				
To Solid Waste Carts (6A)	26.42%	\$878,144	\$276,232	\$130,852
To Recyclable Materials Carts (6A)	26.82%	\$891,426	\$280,410	\$132,831
To Organic Materials Carts (6A)	26.60%	\$884,154	\$278,123	\$131,748
To Solid Waste Bins (6B)	11.29%	\$375,116	\$117,998	\$55,896
To Recyclable Materials Bins (6B)	3.87%	\$128,581	\$40,447	\$19,160
To Organic Material Bins (6B)	2.53%	\$84,097	\$26,454	\$12,531
To On-Call Bulky Program (6C)	2.48%	\$82,269	\$25,879	\$12,259
<b>Total Labor, Vehicle, Fuel &amp; Other Costs Allocated Out</b>	<b>100.00%</b>	<b>\$3,323,786</b>	<b>\$1,045,542</b>	<b>\$495,277</b>
<b>Depreciation and Start-Up Costs Allocated Out</b>				
To Solid Waste Carts (6A)	26.42%	\$24,850	\$3,450	\$6,906
To Recyclable Materials Carts (6A)	26.82%	\$25,226	\$3,503	\$7,011
To Organic Materials Carts (6A)	26.60%	\$25,020	\$3,474	\$6,954
To Solid Waste Bins (6B)	11.29%	\$10,615	\$1,474	\$2,950
To Recyclable Materials Bins (6B)	3.87%	\$3,639	\$505	\$1,011
To Organic Material Bins (6B)	2.53%	\$2,380	\$330	\$661
To On-Call Bulky Program (6C)	2.48%	\$2,328	\$323	\$647
<b>Total Depreciation and Start-Up Costs Allocated Out</b>	<b>100.00%</b>	<b>\$94,058</b>	<b>\$13,060</b>	<b>\$26,140</b>
<b>Lease Costs Allocated Out</b>				
To Solid Waste Carts (6A)	26.42%	\$44,734	\$738	\$1,478
To Recyclable Materials Carts (6A)	26.82%	\$45,411	\$749	\$1,500
To Organic Materials Carts (6A)	26.60%	\$45,040	\$743	\$1,488
To Solid Waste Bins (6B)	11.29%	\$19,109	\$315	\$631
To Recyclable Materials Bins (6B)	3.87%	\$6,550	\$108	\$216
To Organic Material Bins (6B)	2.53%	\$4,284	\$71	\$142
To On-Call Bulky Program (6C)	2.48%	\$4,191	\$69	\$138
<b>Total Lease Costs Allocated Out</b>	<b>100.00%</b>	<b>\$169,319</b>	<b>\$2,794</b>	<b>\$5,593</b>
<b>Total Allocated Out</b>		<b>\$3,587,163</b>	<b>\$1,061,396</b>	<b>\$527,010</b>

Please describe allocation method used (e.g. tonnage, routes, etc.)

All costs are allocated based on the percentage of capital, labor and other costs employed by each service category.

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Detailed Collection Cost Proposal Information  
 Proposer Name: GreenWaste Recovery, Inc.

## Universal Base Svcs. - Diesel - Used Carts &amp; Bins

BIN SERVICE COSTS	PERMANENT ROLL OFF SVCS.	SFD/MFD ON- CALL REUSE	FULL COMM. FOOD SCRAPS	TOTAL
	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018
Labor-Related Costs (include regular & pool personnel)				
Regular Wages	-	6,623	89,407	96,029
Overtime Wages	-	1,414	14,144	15,558
Holiday Wages	-	231	3,117	3,348
Vacation Wages	-	476	6,430	6,907
Sick Leave Wages	-	173	2,331	2,503
Workers Compensation Insurance Premiums	-	528	7,132	7,661
Workers Compensation Claims	-	\$0		-
Health & Welfare	-	172	2,319	2,491
Pension/ Retirement Benefits	-	412	4,942	5,354
Payroll Taxes	-	714	9,260	9,974
Other (boots, gloves & ear-plugs)	-	\$31	\$421	452
<b>Total Labor Related-Costs</b>	<b>\$0</b>	<b>10,774</b>	<b>139,503</b>	<b>150,278</b>
Vehicle-Related Costs (do not include depreciation)				
Tires & Tubes	-	\$460	\$6,214	6,675
Parts & Supplies (fluid, oil, etc.)	-	\$1,344	\$18,144	19,488
Outside Repairs	-	\$27	\$371	398
Taxes & Licenses & Registrations	-	-	5,796	5,796
Other (Please List)	-	-		-
<b>Total Vehicle-Related Costs</b>	<b>\$0</b>	<b>\$1,832</b>	<b>\$30,525</b>	<b>\$32,357</b>
Fuel Costs	\$0	\$3,396	\$93,121	96,517
Other Costs				
Liability & Property Damage Insurance	\$0	\$0	\$8,181	8,181
Supplies	\$0	\$484	\$0	484
Training & Safety Programs	\$0	\$11	\$152	163
Uniforms	\$0	\$70	\$941	1,010
Postage	\$0	\$280	\$0	280
Printed Forms	\$0	\$2	\$0	2
Licenses & Fees	\$0	\$9	\$115	124
Outside Services	\$0	\$90	\$0	90
Property Taxes	\$0	-	1,011	1,011
<b>Total Other Costs</b>	<b>\$0</b>	<b>\$947</b>	<b>\$10,400</b>	<b>\$11,346</b>

Detailed Collection Cost Proposal Information  
 Proposer Name: GreenWaste Recovery, Inc.

Santa Cruz County

Universal Base Svcs. - Diesel - Used Carts & Bins

BIN SERVICE COSTS	PERMANENT	SFD/MFD ON-	FULL COMM.	TOTAL
	ROLL OFF SVCS.	CALL REUSE	FOOD SCRAPS	
	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018	<u>12-Month Period</u> From January 1, 2018 To December 31, 2018
Direct Depreciation				
Container Depreciation	\$0		\$16,175	16,175
Route Vehicle Depreciation	\$0	-	94,612	94,612
Annualized Cost of Existing Container Acquisition	\$0		\$0	-
Other Depreciation				-
<b>Total Direct Depreciation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$110,787</b>	<b>\$110,787</b>
Allocated Costs - Labor, Vehicle, Fuel & Other Costs				
From General and Administrative (6D)	\$0	\$1,909	\$43,164	45,072
From Vehicle Maintenance (6D)	\$0	\$1,735	\$39,237	40,972
From Container Maintenance (6D)	\$0	\$788	\$17,821	18,609
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>	<b>\$0</b>	<b>\$4,432</b>	<b>\$100,221</b>	<b>\$104,653</b>
Allocated Costs - Depreciation and Start-Up Costs				
From General and Administrative (6D)				-
From Vehicle Maintenance (6D)				-
From Container Maintenance (6D)				-
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Annual Cost of Operations</b>	<b>\$0</b>	<b>21,380</b>	<b>484,557</b>	<b>505,937</b>
Profit (Enter % Operating Ratio; i.e. 95%):	87.91 %	\$0	\$2,458	\$60,073
Pass-Through Costs				
	<u>Per Ton</u>			
Disposal Cost - Trash	\$ 40.00 Trash	\$0	\$400	400
Yard Trimmings Processing Costs	\$ 42.00 YT			-
Food Scrap Processing Costs	\$ 60.00 FW		\$113,100	113,100
Interest Expense	\$0		\$23,571	23,571
Direct Lease Costs				
Route Vehicles				-
Other (Please List)				-
<b>Total Direct Lease Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
Allocated Lease Costs				
From General and Administrative (6D)				-
From Vehicle Maintenance (6D)				-
From Container Maintenance (6D)				-
<b>Total Allocated Lease Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
<b>Total Pass-Through Costs</b>	<b>\$0</b>	<b>\$400</b>	<b>\$136,671</b>	<b>\$137,071</b>
<b>Total Cost</b>	<b>\$0</b>	<b>24,237</b>	<b>681,302</b>	<b>705,539</b>

Start-up Costs  
 Proposer Name: GreenWaste Recovery, Inc.

Santa Cruz County  
 Universal Base Svcs. - Diesel - Used Carts & Bins

12-Month Period From January 1, 2018 To December 31, 2018		TOTAL
<b>Start-up Cost of Operations</b>		
<u>Labor-Related Costs</u>		
1 Regular Wages		466,920
2 Holiday Wages		5,949
3 Vacation Wages		11,014
4 Sick Leave Wages		4,462
5 Workers Compensation Premiums		14,812
6 Health & Welfare		61,842
7 Pension/Retirement Benefits		12,435
8 Payroll Taxes		18,569
9		\$0
10		\$0
	<b>Subtotal Labor-Related Costs</b>	<b>\$596,003</b>
<u>Vehicle-Related Costs</u>		
1 Fuel		81,250.00
2		\$0
3		\$0
4		\$0
5		\$0
6		\$0
7		\$0
8		\$0
9		\$0
10		\$0
	<b>Subtotal Vehicle-Related Costs</b>	<b>\$81,250</b>
<u>Other Costs</u>		
1 Residential - Introductory Postcard, New & Expanded Service notice - Postcard, Recycling guide booklet		
2 and Corrective Action Notice (Cart Hange).		29,000
3 Multi-family - Introductory Postcard, New & Expanded Service notice - Postcard, MFD Recycling Guide		
4 booklet and Recycle Buddies.		29,000
5 Commercial - Introductory Postcard, New & Expanded Service notice - Postcard, Commercial Recycling		
6 Guide booklet, Corrective Action notice and Poster Set (8.5" x 11" and 11" x 17".		12,000
7 Paint for Bins		25,254
8 Truck Signs		31,500
9 Residential Service Booklet		\$ 20,000
10		\$0
	<b>Subtotal Other Costs</b>	<b>\$146,754</b>
<b>Total Start-up Costs</b>		<b>\$824,007</b>
Term of Contract		10 years
Annual Amortization - Start-up Cost		\$ 82,506



Form 7 Processing Cost

Processing Cost Proposal

Proposer Name: GreenWaste Recovery, Inc.

Santa Cruz County

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

Universal Base Svcs. - Diesel - Used Carts & Bins

The amount of the recycling revenue rebate shall be fixed over the Term of the Agreement.

Recyclable Revenue Rebate Proposal

	12-Month Period January 1, 2018 to December 31, 2018 \$ per Ton
Processing Cost	
Transfer Cost, if any*	
Processing and Transfer Facility Regulatory Fees & Taxes (list separately, note if applicable for processing or transfer facility)	
_____	
_____	
_____	
_____	
_____	
_____	
Total Processing and Transfer Facility Regulatory Fees	\$0.00
Total Processing and Transfer Cost	\$0.00
Gross Revenues from the Sale of Recyclable Materials (show as a negative value)	(\$247,290.00)
Net Recycling Revenue (Total Processing and Transfer less Gross Revenues)	(\$247,290.00)
Recycling Revenue Rebate to County (\$/Ton)**	\$10.00

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

\*\* The recycling revenue rebate shall be the amount paid to the County pursuant to Section 4.3.E of the Agreement.

From 8 Depreciation

Depreciation  
 Proposer Name: GreenWaste Recovery, Inc.

Years 1 through 10

		ANNUAL DEPRECIATION									
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Depreciation (Projected)		Assumed Capital									
Quantity Life		Costs*									
VEHICLES											
YR 1	Vehicles Put in Service	57	10	\$ 15,442,174	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217
YR 2	Vehicles Put in Service										
YR 3	Vehicles Put in Service										
YR 4	Vehicles Put in Service										
YR 5	Vehicles Put in Service										
YR 6	Vehicles Put in Service										
YR 7	Vehicles Put in Service										
YR 8	Vehicles Put in Service										
YR 9	Vehicles Put in Service										
YR 10	Vehicles Put in Service	57	10	\$ 15,442,174	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217
Subtotal Vehicles											
CONTAINERS											
YR 1	New Containers	57,098	10	\$ 952,861	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286
YR 2	Containers Purchased										
YR 3	Containers Purchased										
YR 4	Containers Purchased										
YR 5	Containers Purchased										
YR 6	Containers Purchased										
YR 7	Containers Purchased										
YR 8	Containers Purchased										
YR 9	Containers Purchased										
YR 10	Containers Purchased	57,098	10	\$ 952,861	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286
Subtotal Containers											
OTHER											
YR 1		10	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
YR 2											
YR 3											
YR 4											
YR 5											
YR 6											
YR 7											
YR 8											
YR 9											
YR 10											
Subtotal Other											
Total Assumed Capital Cost & Depreciation				\$ 16,395,035	\$ 1,622,046	\$ 1,622,046	\$ 1,622,046	\$ 1,622,046	\$ 1,622,046	\$ 1,622,046	\$ 1,622,046
Total Allowable Annual Direct Vehicle Depreciation**				n.a.	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217	\$ 1,544,217
Total Allowable Annual Direct Container Depreciation**				n.a.	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286	\$ 85,286
Total Allowable Annual Other Depreciation***				n.a.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Allowable Annual Depreciation				n.a.	\$ 1,629,504	\$ 1,629,504	\$ 1,629,504	\$ 1,629,504	\$ 1,629,504	\$ 1,629,504	\$ 1,629,504

\* Assumed Capital Costs (column should tie to Form 4).  
 Total Allowable Annual Direct Depreciation amount here is to be allocated to direct depreciation for the service categories on Forms 6A through 6C, with the total annual allowable direct depreciation amount on this Form matching the amount that appears on Form 6.

\*\* Form 6.  
 Total Allowable Annual Other Depreciation amount here is to be reflected on Form 6D under Depreciation and Start-Up costs in the line item titled "Other Depreciation" and/or allocated to other depreciation for the service categories on Forms 6A through 6C.

Customer Subscription Levels

Santa Cruz County

Proposer Name: GreenWaste Recovery, Inc.

Universal Base Svcs. - Diesel - Used Carts & Bins

Single Family Customer Data				
	Number of Containers			
	SW	REC	ORG	Total
Curbside (including Back/Side-yard for Disabled)				
20	5,264	0	0	5,264
35	25,314	0	0	25,314
65	7,140	42,790	0	49,930
95	854	0	37,038	37,892
Subtotal	38,572	42,790	37,038	118,400
Hard-to-Service				
20	29			29
35	142			142
65	75	259		334
95	13		259	272
Subtotal	259	259	259	777
Total				
20	5,293	0	0	5,293
35	25,456	0	0	25,456
65	7,215	43,049	0	50,264
95	867	0	37,297	38,164
Total	38,831	43,049	37,297	119,177
	7,664			

Multi-Family Solid Waste Container Count (# of Containers)									
Container Size	Collections per Week						CY	TOTAL	
	1	2	3	4	5	6			
35							0	0	
65	Included in Single Family Cart Counts						0	0	
95							0	0	
1							0	0	
2							0	0	
3							0	0	
4	Included in Commercial Container Counts						0	0	
6							0	0	
8							0	0	
Total	0	0	0	0	0	0	0	0	

Multi-Family Recycling Container Count (# of Containers)									
Container Size	Collections per Week						CY	TOTAL	
	1	2	3	4	5	6			
65							0	0	
95	Included in Single Family Cart Counts						0	0	
1							0	0	
2							0	0	
3							0	0	
4	Included in Commercial Container Counts						0	0	
6							0	0	
8							0	0	
Total	0	0	0	0	0	0	0	0	

Multi-Family Organics Container Count (# of Containers)									
Container Size	Collections per Week						CY	TOTAL	
	1	2	3	4	5	6			
35	Included in Commercial Organics Container Count						-	0	
65							-	0	
1							-	0	
1.5	Included in Commercial Organics Container Count						-	0	
2							-	0	
Total	0	0	0	0	0	0	0		

Commercial Solid Waste Container Count (# of Containers)*									
Container Size	Collections per Week						CY	TOTAL	
	1	2	3	4	5	6			
35	164	0	0	0	0	0	28	164	
65	90	0	0	0	0	0	29	90	
95	177	6	0	0	0	0	89	183	
1	345	23	1	0	1	0	399	370	
2	369	158	83	14	17	5	2198	640	
3	87	28	14	0	1	2	606	132	
4	37	28	17	4	1	0	660	87	
6	17	4	3	0	0	0	204	24	
8	3	2	0	0	0	0	56	5	
Total	1283	249	118	18	20	7	4269	1695	

Commercial Recycling Container Count (# of Containers)*									
Container Size	Collections per Week						CY	TOTAL	
	1	2	3	4	5	6			
65	Included in Single Family Cart Counts						0	0	
95							0	0	
1	47	6	1	0	0	0	62	54	
2	184	40	10	0	0	0	588	234	
3	100	31	3	3	0	0	549	137	
4	73	28	7	0	0	0	600	108	
6	28	6	1	0	0	0	258	35	
8	3	2	0	0	0	0	56	5	
Total	435	113	22	3	0	0	2113	573	
	435	226	44	14					

Commercial Organics Container Count (# of Containers)									
Container Size	Collections per Week						CY	TOTAL	
	1	2	3	4	5	6			
35							4	8	
65	369	6	3				125	378	
1	25	25	5				90	55	
1.5	25	25	5				135	55	
2	25	10	5				120	40	
Total	444	66	26	0	0	0	475	536	

**EXHIBIT G3:  
INITIAL RATES FOR  
COLLECTION SERVICES**

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*G3(A): Rate Period One Rates*

*G3(B): Rate Period Two Rates*



**EXHIBIT G3(A):  
RATE PERIOD ONE RATES**

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Solid Waste Collection Rates (Rate Period 1)						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
20-Gallon Cart*	\$14.11	n/a	n/a	n/a	n/a	n/a
32-Gallon Cart*	\$17.26	n/a	n/a	n/a	n/a	n/a
64-Gallon Cart*	\$34.48	n/a	n/a	n/a	n/a	n/a
96-Gallon Cart*	\$51.69	n/a	n/a	n/a	n/a	n/a
20-Gallon Cart**	\$18.81	n/a	n/a	n/a	n/a	n/a
32-Gallon Cart**	\$25.97	n/a	n/a	n/a	n/a	n/a
64-Gallon Cart**	\$51.88	\$103.76	\$155.63	\$207.51	\$259.39	\$311.27
96-Gallon Cart**	\$77.76	\$155.52	\$233.28	\$311.04	\$388.80	\$466.56
1-Cubic Yard Bin	\$190.88	\$329.53	\$564.09	\$730.11	\$929.13	\$1,111.67
2-Cubic Yard Bin	\$313.82	\$590.92	\$590.92	\$1,100.30	\$1,398.43	\$1,673.52
3-Cubic Yard Bin	\$424.34	\$784.00	\$1,208.34	\$1,568.02	\$1,992.45	\$2,384.45
4-Cubic Yard Bin	\$511.59	\$947.90	\$1,459.53	\$1,895.86	\$2,407.47	\$2,881.41
6-Cubic Yard Bin	\$744.83	\$1,381.13	\$2,125.97	\$2,762.32	\$3,507.26	\$4,125.57
8-Cubic Yard Bin	\$937.55	\$1,772.38	\$2,627.17	\$4,079.08	\$5,179.14	\$6,092.19

Notes:

- Lifeline rates at 15% discount for Eligible Single-Family Customers
- \* Includes 64-/96-gallon recycling cart serviced 1x/week.
- \*\* Includes 64-/96-gallon recycling + yard trimmings carts serviced 1x/week.

Recycling Collection Rates (Rate Period 1)						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$5.19	\$10.38	\$15.56	\$20.75	\$25.94	\$31.13
96-Gallon Cart	\$7.78	\$15.55	\$23.33	\$31.10	\$38.88	\$46.66
1-Cubic Yard Bin	\$19.09	\$32.95	\$56.41	\$73.01	\$92.91	\$111.17
2-Cubic Yard Bin	\$31.38	\$59.09	\$59.09	\$110.03	\$139.84	\$167.35
3-Cubic Yard Bin	\$42.43	\$78.40	\$120.83	\$156.80	\$199.24	\$238.45
4-Cubic Yard Bin	\$51.16	\$94.79	\$145.95	\$189.59	\$240.75	\$288.14
6-Cubic Yard Bin	\$74.48	\$138.11	\$212.60	\$276.23	\$350.73	\$412.56
8-Cubic Yard Bin	\$93.75	\$177.24	\$262.72	\$407.91	\$517.91	\$609.22

Yard Waste Collection Rates (Rate Period 1)						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$25.94	\$51.88	\$77.82	\$103.76	\$129.69	\$155.63
96-Gallon Cart	\$38.88	\$77.76	\$116.64	\$155.52	\$194.40	\$233.28
1-Cubic Yard Bin	\$95.44	\$164.77	\$282.04	\$365.06	\$464.57	\$555.84
1.5-Cubic Yard Bin	\$124.89	\$228.83	\$353.11	\$457.57	\$581.93	\$696.30
2-Cubic Yard Bin	\$156.91	\$295.46	\$295.46	\$550.15	\$699.21	\$836.76

Food Waste Collection Rates (Rate Period 1)						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$41.50	\$83.00	\$124.51	\$166.01	\$207.51	\$249.01
96-Gallon Cart	\$62.21	\$124.42	\$186.62	\$248.83	\$311.04	\$373.25
1-Cubic Yard Bin	\$152.71	\$263.62	\$451.27	\$584.09	\$743.31	\$889.34
1.5-Cubic Yard Bin	\$199.83	\$366.12	\$564.98	\$732.12	\$931.08	\$1,114.08
2-Cubic Yard Bin	\$251.06	\$472.74	\$678.66	\$880.24	\$1,118.74	\$1,338.82



## RATE PERIOD 1 ADDITIONAL ALLOWABLE CHARGES

SINGLE FAMILY RESIDENTIAL CUSTOMERS*		References
Extra <b>RECYCLABLE MATERIALS**</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent	25% of the monthly Difficult to Service Cart Fee	Exhibit B1: Section 1
Extra <b>YARD TRIMMINGS**</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent or Per Pre-paid Sticker	10% of the monthly 32-gallon Solid Waste Rate	Exhibit B1: Section 2
Extra <b>SOLID WASTE</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent or Per Pre-paid Sticker	25% of the monthly 32-gallon Solid Waste Rate	FA Section 5.4.E Exhibit B1: Section 3
Additional <b>RECYCLABLE MATERIAL**</b> Cart – Monthly <b>CART RENTAL</b> Fee	\$3.00 per month per Cart	Exhibit B1: Section 1
Additional <b>YARD TRIMMINGS**</b> Cart – Monthly <b>SERVICE FEE</b>	50% of the monthly Solid Waste Service Level equivalent	Exhibit B1: Section 2
Recyclable Materials <b>CONTAMINATION</b> Fee – Greater than 10% Prohibited Material by Volume – Per Event	25% of the subscribed monthly Solid Waste gallon equivalent per event	Exhibit B1: Section 1
Organic Materials <b>CONTAMINATION</b> Fee – Greater than 2% Prohibited Material by Volume – Per Event	25% of the subscribed monthly Solid Waste Service Level equivalent per event	FA Section 5.4.E Exhibit B1: Section 2
Solid Waste <b>CONTAMINATION</b> Fee – Greater than 5% Recyclable Material by Volume – Per Event	25% of the subscribed monthly Solid Waste Service Level	FA Section 5.4.F Exhibit B1, Section 3
<b>DIFFICULT TO SERVICE*</b> – Per Cart Fee	\$2.00 per “complete action” for each Cart, Monthly charge per Cart issued, multiplied by 4	FA Sections: 4.2 & 5.4.D Exhibit B2: Sections 1, 2, 3
Cart <b>REPLACEMENT</b> Fee – If Damaged by Customer.	\$60.00 per Cart	FA Section 5.6.B
Cart <b>DELIVERY/SWAP</b> Fee – Beyond 1x Per Calendar Year	\$25.00 per vehicle trip	FA Section 5.6.B
Cart <b>RE-START</b> Fee – Administrative Fee	\$10.00 account reinstatement fee	FA Section 4.9.5
Cart <b>RE-DELIVERY</b> Fee – Delivery of Removed Cart(s)	\$25.00 per vehicle trip	FA Section 4.9.5
Cart <b>CLEANING/SWAP</b> Fee	\$25.00 per vehicle trip	
<b>NON-SCHEDULED</b> Collection Go-Back/Trip Fee	\$20.00 for all Carts	
Temporary <b>STOP IN SERVICE</b> – Flat Weekly Fee	75% of monthly bill, divided by 4.	FA Section 4.9.1.D
<b>KITCHEN PAILS</b> – Charge Per Pail (Charge for Customers Requesting >1 Pail per any 24-month Consecutive Period or for Customers Requesting Additional Pails).	\$4.25 per Pail	FA Sections: 5.6.E Exhibit B1: Section 2.B.2
Backyard <b>COMPOST</b> Bins – For Customers that: <ul style="list-style-type: none"> <li>• Have Completed County-Certified Home or Worm Composting Workshop and Request Replacement Beyond 1x Per Consecutive Five (5) Year Period or Request Additional Bins</li> <li>• Non-Customers that have Completed County-Certified Home or Worm Composting Workshop.</li> </ul> <b>NOTE: Not Available for Sale without Completion of a County-Certified Workshop.</b>	\$ 51.90 per Compost Bin \$ 77.17 per Worm Bin	Exhibit B1: Section 2.C
<b>LATE</b> Fee – Applies on past due balances of 30-days or more.	Periodic rate of 1.5% monthly (APR of 18%, minimum \$2.00 fee)	FA Section 4.9.5

\*Limited Cart service (i.e. Solid Waste & Recycling only) is only available to Customers that can demonstrate, to the satisfaction of the County Contract Manager, that they do not generate Yard Trimmings or manage their Yard Trimmings through other means.

\*\*Requires Customer subscription to weekly Solid Waste Collection Services.

MULTI-FAMILY & COMMERCIAL CUSTOMERS*		References
Extra <b>GARBAGE</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent	25% of the monthly 32-gallon Garbage Rate for 1x/week collection	Exhibit B2/B3: Sections 1, 2, 3
Extra <b>RECYCLING</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent	25% of the monthly 32-gallon Recycling Rate for 1x/week collection	
Extra <b>ORGANICS</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent	25% of the monthly 32-gallon Organics Rate for 1x/week collection	
<b>RECYCLING ONLY**</b> - Bin Service	100% of the monthly Solid Waste Service Level equivalent	
<b>YARD TRIMMINGS ONLY**</b> - Bin Service	100% of the monthly Solid Waste Service Level equivalent	

<b>FOOD SCRAPS ONLY**</b> - Bin Service	110% of the monthly Solid Waste Service Level equivalent	
<b>NON-SCHEDULED Collection</b> Go-Back Trip Fee – For Materials Not Collected Due to Access or Contamination	\$19.00 per trip	Exhibit B2: Sections 1, 2, 3
Recyclable Materials <b>CONTAMINATION</b> Fee – Greater than 10% Prohibited Material by Volume – Per Event	25% of the 1x/week monthly Solid Waste Container volume equivalent Service Fee.	FA Section 5.4.E Exhibit B2/B3: Section 1
Organic Materials <b>CONTAMINATION</b> Fee – Greater than 2% Prohibited Material by Volume – Per Event	25% of the 1x/week monthly Garbage Container volume equivalent service fee.	Section 5.4.E
Solid Waste <b>CONTAMINATION</b> Fee – Greater than 5% Recyclable Material Contamination by Volume – Per Event	25% of the subscribed monthly Solid Waste Service Level.	FA Section 5.4.F Exhibit B1: Section 3
<b>DIFFICULT TO SERVICE*</b> – Per Cart Fee	\$2.00 per “complete action” for each Cart. Monthly charge per Cart based on weekly service frequency, multiplied by 4	FA Sections: 4.2 & 5.4.D Exhibit B2: Sections 1, 2, 3
<b>DIFFICULT TO SERVICE*</b> – Per Bin Fee	\$3.00 per “complete action” for each Bin. Monthly charge per Bin based on weekly service frequency, multiplied by 4.	FA Sections 4.2 & 5.4.D Exhibit B2: Sections 1, 2, 3
<b>DIFFICULT TO SERVICE*</b> – Customer/Premise Fee	\$3.00 per Collection for each Container. Monthly charge per Container based on weekly service frequency, multiplied by 4.	FA Sections 4.2, 5.4.D & 5.5.D Exhibit B2: Sections 1, 2, 3
<b>ADDITIONAL Collection</b> – Trip Fee & Service Fee for Each Material Type – Excess Materials	\$20.00 Trip Fee + 25% of the regular 1x/week monthly container service fee by material type.	Exhibit B2: Sections 1, 2, 3
Front Load <b>COMPACTOR</b>	145% of Solid Waste container volume equivalent Service Fee.	
Cart <b>REPLACEMENT</b> Fee – if damaged by customer.	\$60.00 per Cart	FA Section 5.6.B
Bin <b>REPLACEMENT</b> Fee – if damaged by customer.	25-50% of the current cost of an equivalent Bin based on the extent of the damage.	
Bin <b>SWAP - Cleaning and/or Repainting</b>	\$75.00 per Bin	FA Section 5.6.D
Cart <b>CLEANING/SWAP</b> Fee	\$25.00 per vehicle trip	FA Section 5.6.B
<b>LOCKING BIN</b> Installation Charge	\$50.00 per installation	FA Section 5.4.A
<b>LATE</b> Fee – Applies on past due balances of 30-days or more.	Periodic rate of 1.5% monthly (APR of 18%, minimum \$2.00 fee)	FA Section 4.9.5

*\*Multi-Family Customers receiving Single-Family Style Service are eligible to receive Services listed in Single-Family Customer Rate sheet with advance payment or through a separate Customer account for additional Services.*

*\*\*ONLY Services are charged when Customer receives Solid Waste Collection Services not provided by Contractor, in whole or in part, for longer than one week in any 30-day period.*

<b>BULKY &amp; REUSABLE ITEM COLLECTIONS</b>		<b>References</b>
<b>BULKY ITEM</b> – <u>Each</u> Recyclable/Reusable	\$20.00 Per Item	Exhibits B1/B2/B3: Section 4
<b>BULKY ITEM</b> – <u>Each</u> Non-Recyclable/ Non-Reusable	\$25.00 Per Item	
<b>BULKY ITEM</b> – <u>Each</u> Containing Freon	\$25.00 Per Item + Pass Through Charge for Freon	Exhibits B1/B2/B3: Section 4
<b>BULKY ITEM</b> – <u>Event</u> (Single-Family & MFD only)	\$30.00 Per Event	Exhibits B1/B2/B3: Section 4

<b>ROLL-OFF SERVICES</b>		<b>References</b>
<b>Covered Box</b>	\$75.00 additional charge per pull	
<b>Driver Time</b>	\$110.00 per hour, prorated per minute	
<b>Dryrun and/or Relocation Fee</b>	\$75.00 per occurrence per box	
<b>Extra Days Beyond Ten (10)</b>	\$25.00 per day	
<b>Contamination Fee</b>	Direct pass through to Customer for fees incurred	
<b>LATE</b> Fee – Applies on past due balances of 30-days or more.	Periodic rate of 1.5% monthly (APR of 18%, minimum \$2.00 fee)	FA Section 4.9.5

SPECIAL EVENT SERVICES		References
CART Service	25% of the monthly Service Level equivalent by material type	FA Section 4.7.H
BIN Service	25% of the 1x/week monthly Service Level equivalent by material type.	FA Section 4.7.H
Bin DELIVERY & REMOVAL – 1 Bin Delivered by Stinger Truck	\$100.00 per trip	FA Section 4.7.H
Bin DELIVERY & REMOVAL – 2+ Bins Delivered on Flatbed Min. = 2 Bins, Max = as many as will fit on a flatbed.	\$200.00 per trip	FA Section 4.7.H
Cart DELIVERY & REMOVAL – Up to as many carts that will fit on flatbed.	\$100.00 per trip	FA Section 4.7.H
Bin CLEANING	\$25.00 per Bin	FA Section 4.7.H
Cart CLEANING	\$5.00 per Cart	FA Section 4.7.H
SUNDAY Service – Applies to All Services Requiring Sunday Labor.	175% of total Collection service	
Event Collection Station Monitors	\$25.00 per hour per monitor	FA Section 4.7.H

### \*USE OF DIFFICULT TO SERVICE CHARGES

Contractor shall charge Customers Difficult to Service Fees when special Collection services must be provided to service Container(s) and/or Contractor must drive more than 500' onto private property to service the Premise. Contractor may charge Customer(s) as either a Difficult to Service Property or for Difficult to Service Containers, whichever is greater, but shall not charge both. Both types of charges are described below.

Difficult to Service Container Charges: The charges are applied to each Container based on the weekly frequency of collection, multiplied by four (4) due to any one or more of the following:

1. Carts that are set out for Collection other than Curbside.
  - o *Monthly per-cart charges shall apply based on the subscribed number of carts to be Collected at any location other than Curbside; all other Carts shall only be Collected curbside. Customers shall not be entitled to receive a billing adjustment for Difficult to Service Carts periodically placed Curbside or for Carts that do not contain materials requiring Collection.*
2. Bin serviced by a front-load collection Vehicle where the Bin is not immediately accessible by the Collection Vehicle and requires the driver to dismount the vehicle.
  - o *Monthly per-Bin charges shall apply as soon as the driver is required to dismount the vehicle to service a front-load Bin, inclusive of any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock.*
  - o *If a Customer requests an additional Collection on a non-scheduled Collection day, a one-time per-Bin "complete action" charge shall also apply for that Collection event.*
3. Bins serviced by a rear-load Collection Vehicle where the Bin is located more than 25' from the Curb or servicing the Bin includes, but is not limited, to any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock.
  - o *Monthly per-Bin charges shall apply if the rear-load Bin is located more than 25' from the Curb, inclusive of any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock; or*
  - o *Monthly per-Bin charges shall apply if the Bin is located fewer than 25' from the Curb and any one or combination of the following actions are performed: push/pull, Bin lock/unlock, enclosure lock/unlock; and*
  - o *If a Customer requests an additional Collection on a non-scheduled Collection day, a one-time per-Bin "complete action" charge shall also apply for that Collection event.*

Difficult to Service Container Charges are calculated as follows:

- Cart Charge (Monthly) = Per Cart Fee x # of Carts x # Collection days/week x 4

- Bin Charge (Monthly)= Per Cart Fee x # of Carts x # Collection days/week x 4

Using the Year 1 Rates, the following examples would apply:

- A Single-Family Residential Customer with three (3) Carts Collected 1x/week at any location other than Curbside would be charged an additional monthly fee of \$24.00 = \$2.00/cart x 3 carts x 1 collection day/week x 4.
- A Multi-Family Customer with two (2) front-load Bins Collected 2x/week where the driver was required to dismount the vehicle would be charged an additional monthly fee of \$24.00 per Bin or \$48.00 total = \$3.00/bin x 2 bins x 2 collection day/week x 4.
- A Commercial Customer with two (2) rear-load Bins Collected 3x/week that were more than 25' from the Curb and may or may not require one or combination of the following actions are performed: push/pull, Bin lock/unlock, enclosure lock/unlock would be charged an additional monthly fee of \$36.00 per Bin or \$72.00 total = \$3.00/bin x 2 bins x 3 collection day/week x 4.

Difficult to Service Premise Charges: The charges are applied to each Container OR each Premise based on the weekly Collection frequency of the Container(s), multiplied by four (4) due to either of the following:

1. Containers Collected that are more than 500' onto or across private property AND fewer than three (3) Containers are serviced by the same Collection Vehicle on that Workday.
  - *Monthly per-Container charges by Container type shall apply to each Container if the driver traverses more than 500' onto or across private property AND two (2) or fewer Containers are serviced by the same Collection Vehicle on that Workday.*
  - *If the above conditions are met AND any of the subject Containers are already considered Difficult to Service Containers, then those Difficult to Service Containers shall be charged as EITHER Difficult to Service Container(s) OR as a Difficult to Service Premise, whichever is greater.*
  - *If the driver traverses more than 500' onto or across private property and three (3) or more Containers are serviced by the Same Collection Vehicle on that workday, then no Containers serviced by that vehicle for the Premise(s) shall be charged the Difficult to Service Premise fee, although Difficult to Service Container charges may apply on a case-by-case basis.*
2. Premises where Container Collection at the set-out location requires a special Collection Vehicle, including but not limited to road that are privately owned, narrow, steep or include other restrictions that prohibit a normal Collection Vehicle from gaining access AND where fewer than three (3) Premises are serviced by the same Collection Vehicle on that Workday.
  - *Monthly per-Container charges by Container type shall apply to each Container at each Premise when a special Collection vehicle is required AND fewer than three (3) Premises are serviced by the same Collection Vehicle on that Workday.*
  - *If the above conditions are met AND any of the subject Containers are already considered Difficult to Service Containers, then those Difficult to Service Containers shall be charged as EITHER Difficult to Service Container(s) OR as a Difficult to Service Premise, whichever is greater.*
  - *If Collection requires a special Collection vehicle and three (3) or more Containers are serviced by the Same Collection Vehicle on that workday, then no Containers serviced by that vehicle for the Premise(s) shall be charged the Difficult to Service Premise fee, although Difficult to Service Container charges may still apply on a case-by-case basis.*

**EXHIBIT G3(B):  
RATE PERIOD TWO RATES**

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Solid Waste Collection Rates (Rate Period 2)						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
20-Gallon Cart*	\$15.87	n/a	n/a	n/a	n/a	n/a
32-Gallon Cart*	\$19.42	n/a	n/a	n/a	n/a	n/a
64-Gallon Cart*	\$38.79	n/a	n/a	n/a	n/a	n/a
96-Gallon Cart*	\$58.15	n/a	n/a	n/a	n/a	n/a
20-Gallon Cart**	\$21.16	n/a	n/a	n/a	n/a	n/a
32-Gallon Cart**	\$29.22	n/a	n/a	n/a	n/a	n/a
64-Gallon Cart**	\$58.36	\$116.73	\$175.09	\$233.45	\$291.81	\$350.18
96-Gallon Cart**	\$87.48	\$174.96	\$262.44	\$349.92	\$437.40	\$524.88
1-Cubic Yard Bin	\$214.74	\$370.72	\$634.60	\$821.38	\$1,045.27	\$1,250.63
2-Cubic Yard Bin	\$353.05	\$664.79	\$664.79	\$1,237.83	\$1,573.23	\$1,882.71
3-Cubic Yard Bin	\$477.38	\$882.00	\$1,359.39	\$1,764.02	\$2,241.50	\$2,682.51
4-Cubic Yard Bin	\$575.54	\$1,066.39	\$1,641.97	\$2,132.84	\$2,708.41	\$3,241.59
6-Cubic Yard Bin	\$837.94	\$1,553.77	\$2,391.72	\$3,107.60	\$3,945.67	\$4,641.27
8-Cubic Yard Bin	\$1,054.74	\$1,993.93	\$2,955.57	\$4,588.97	\$5,826.53	\$6,853.71

Notes:  
 Lifeline rates at 15% discount for Eligible Single-Family Customers  
 \* Includes 64-/96-gallon recycling cart serviced 1x/week.  
 \*\* Includes 64-/96-gallon recycling + yard trimmings carts serviced 1x/week.

Recycling Collection Rates (Rate Period 2)						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$5.84	\$11.67	\$17.51	\$23.35	\$29.18	\$35.02
96-Gallon Cart	\$8.75	\$17.50	\$26.24	\$34.99	\$43.74	\$52.49
1-Cubic Yard Bin	\$21.47	\$37.07	\$63.46	\$82.14	\$104.53	\$125.06
2-Cubic Yard Bin	\$35.31	\$66.48	\$66.48	\$123.78	\$157.32	\$188.27
3-Cubic Yard Bin	\$47.74	\$88.20	\$135.94	\$176.40	\$224.15	\$268.25
4-Cubic Yard Bin	\$57.55	\$106.64	\$164.20	\$213.28	\$270.84	\$324.16
6-Cubic Yard Bin	\$83.79	\$155.38	\$239.17	\$310.76	\$394.57	\$464.13
8-Cubic Yard Bin	\$105.47	\$199.39	\$295.56	\$458.90	\$582.65	\$685.37

Yard Waste Collection Rates (Rate Period 2)						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$29.18	\$58.36	\$87.54	\$116.73	\$145.91	\$175.09
96-Gallon Cart	\$43.74	\$87.48	\$131.22	\$174.96	\$218.70	\$262.44
1-Cubic Yard Bin	\$107.37	\$185.36	\$317.30	\$410.69	\$522.64	\$625.32
1.5-Cubic Yard Bin	\$140.50	\$257.43	\$397.25	\$514.77	\$654.67	\$783.34
2-Cubic Yard Bin	\$176.53	\$332.39	\$332.39	\$618.92	\$786.62	\$941.36

Food Waste Collection Rates (Rate Period 2)						
Service Level	Frequency					
	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$46.69	\$93.38	\$140.07	\$186.76	\$233.45	\$280.14
96-Gallon Cart	\$69.98	\$139.97	\$209.95	\$279.94	\$349.92	\$419.90
1-Cubic Yard Bin	\$171.79	\$296.58	\$507.68	\$657.10	\$836.22	\$1,000.51
1.5-Cubic Yard Bin	\$224.81	\$411.89	\$635.60	\$823.63	\$1,047.47	\$1,253.34
2-Cubic Yard Bin	\$282.44	\$531.83	\$763.49	\$990.27	\$1,258.58	\$1,506.17

## RATE PERIOD 2 ADDITIONAL ALLOWABLE CHARGES

SINGLE FAMILY RESIDENTIAL CUSTOMERS*		References
Extra <b>RECYCLABLE MATERIALS**</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent	25% of the monthly Difficult to Service Cart Fee	Exhibit B1: Section 1
Extra <b>YARD TRIMMINGS**</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent or Per Pre-paid Sticker	10% of the monthly 32-gallon Solid Waste Rate	Exhibit B1: Section 2
Extra <b>SOLID WASTE</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent or Per Pre-paid Sticker	25% of the monthly 32-gallon Solid Waste Rate	FA Section 5.4.E Exhibit B1: Section 3
Additional <b>RECYCLABLE MATERIAL**</b> Cart – Monthly <b>CART RENTAL</b> Fee	\$3.09 per month per Cart	Exhibit B1: Section 1
Additional <b>YARD TRIMMINGS**</b> Cart – Monthly <b>SERVICE FEE</b>	50% of the monthly Solid Waste Service Level equivalent	Exhibit B1: Section 2
Recyclable Materials <b>CONTAMINATION</b> Fee – Greater than 10% Prohibited Material by Volume – Per Event	25% of the subscribed monthly Solid Waste gallon equivalent per event	Exhibit B1: Section 1
Organic Materials <b>CONTAMINATION</b> Fee – Greater than 2% Prohibited Material by Volume – Per Event	25% of the subscribed monthly Solid Waste Service Level equivalent per event	FA Section 5.4.E Exhibit B1: Section 2
Solid Waste <b>CONTAMINATION</b> Fee – Greater than 5% Recyclable Material by Volume – Per Event	25% of the subscribed monthly Solid Waste Service Level	FA Section 5.4.F Exhibit B1, Section 3
<b>DIFFICULT TO SERVICE*</b> – Per Cart Fee	\$2.06 per “complete action” for each Cart, Monthly charge per Cart issued, multiplied by 4	FA Sections: 4.2 & 5.4.D Exhibit B2: Sections 1, 2, 3
Cart <b>REPLACEMENT</b> Fee – If Damaged by Customer.	\$61.80 per Cart	FA Section 5.6.B
Cart <b>DELIVERY/SWAP</b> Fee – Beyond 1x Per Calendar Year	\$25.75 per vehicle trip	FA Section 5.6.B
Cart <b>RE-START</b> Fee – Administrative Fee	\$10.30 account reinstatement fee	FA Section 4.9.5
Cart <b>RE-DELIVERY</b> Fee – Delivery of Removed Cart(s)	\$25.75 per vehicle trip	FA Section 4.9.5
Cart <b>CLEANING/SWAP</b> Fee	\$25.75 per vehicle trip	
<b>NON-SCHEDULED</b> Collection Go-Back/Trip Fee	\$20.60 for all Carts	
Temporary <b>STOP IN SERVICE</b> – Flat Weekly Fee	75% of monthly bill, divided by 4.	FA Section 4.9.1.D
<b>KITCHEN PAILS</b> – Charge Per Pail (Charge for Customers Requesting >1 Pail per any 24-month Consecutive Period or for Customers Requesting Additional Pails).	\$4.38 per Pail	FA Sections: 5.6.E Exhibit B1: Section 2.B.2
Backyard <b>COMPOST</b> Bins – For Customers that: <ul style="list-style-type: none"> <li>• Have Completed County-Certified Home or Worm Composting Workshop and Request Replacement Beyond 1x Per Consecutive Five (5) Year Period or Request Additional Bins</li> <li>• Non-Customers that have Completed County-Certified Home or Worm Composting Workshop.</li> </ul> NOTE: Not Available for Sale without Completion of a County-Certified Workshop.	\$ 53.46 per Compost Bin \$ 79.49 per Worm Bin	Exhibit B1: Section 2.C
<b>LATE</b> Fee – Applies on past due balances of 30-days or more.	Periodic rate of 1.5% monthly (APR of 18%, minimum \$2.00 fee)	FA Section 4.9.5

\*Limited Cart service (i.e. Solid Waste & Recycling only) is only available to Customers that can demonstrate, to the satisfaction of the County Contract Manager, that they do not generate Yard Trimmings or manage their Yard Trimmings through other means.

\*\*Requires Customer subscription to weekly Solid Waste Collection Services.

MULTI-FAMILY & COMMERCIAL CUSTOMERS*		References
Extra <b>GARBAGE</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent	25% of the monthly 32-gallon Garbage Rate for 1x/week collection	Exhibit B2/B3: Sections 1, 2, 3
Extra <b>RECYCLING</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent	25% of the monthly 32-gallon Recycling Rate for 1x/week collection	
Extra <b>ORGANICS</b> Set-out on Regular Collection Day – Per 32-Gallon Set-out Equivalent	25% of the monthly 32-gallon Organics Rate for 1x/week collection	
<b>RECYCLING ONLY**</b> - Bin Service	100% of the monthly Solid Waste Service Level equivalent	
<b>YARD TRIMMINGS ONLY**</b> - Bin Service	100% of the monthly Solid Waste Service Level equivalent	



<b>FOOD SCRAPS ONLY**</b> - Bin Service	110% of the monthly Solid Waste Service Level equivalent	
<b>NON-SCHEDULED Collection</b> Go-Back Trip Fee – For Materials Not Collected Due to Access or Contamination	\$19.57 per trip	Exhibit B2: Sections 1, 2, 3
Recyclable Materials <b>CONTAMINATION</b> Fee – Greater than 10% Prohibited Material by Volume – Per Event	25% of the 1x/week monthly Solid Waste Container volume equivalent Service Fee.	FA Section 5.4.E Exhibit B2/B3: Section 1
Organic Materials <b>CONTAMINATION</b> Fee – Greater than 2% Prohibited Material by Volume – Per Event	25% of the 1x/week monthly Garbage Container volume equivalent service fee.	Section 5.4.E
Solid Waste <b>CONTAMINATION</b> Fee – Greater than 5% Recyclable Material Contamination by Volume – Per Event	25% of the subscribed monthly Solid Waste Service Level.	FA Section 5.4.F Exhibit B1: Section 3
<b>DIFFICULT TO SERVICE*</b> – Per Cart Fee	\$2.06 per “complete action” for each Cart. Monthly charge per Cart based on weekly service frequency, multiplied by 4	FA Sections: 4.2 & 5.4.D Exhibit B2: Sections 1, 2, 3
<b>DIFFICULT TO SERVICE*</b> – Per Bin Fee	\$3.09 per “complete action” for each Bin. Monthly charge per Bin based on weekly service frequency, multiplied by 4.	FA Sections 4.2 & 5.4.D Exhibit B2: Sections 1, 2, 3
<b>DIFFICULT TO SERVICE*</b> – Customer/Premise Fee	\$3.09 per Collection for each Container. Monthly charge per Container based on weekly service frequency, multiplied by 4.	FA Sections 4.2, 5.4.D & 5.5.D Exhibit B2: Sections 1, 2, 3
<b>ADDITIONAL Collection</b> – Trip Fee & Service Fee for Each Material Type – Excess Materials	\$20.60 Trip Fee + 25% of the regular 1x/week monthly container service fee by material type.	Exhibit B2: Sections 1, 2, 3
Front Load <b>COMPACTOR</b>	145% of Solid Waste container volume equivalent Service Fee.	
Cart <b>REPLACEMENT</b> Fee – if damaged by customer.	\$61.80 per Cart	FA Section 5.6.B
Bin <b>REPLACEMENT</b> Fee – if damaged by customer.	25-50% of the current cost of an equivalent Bin based on the extent of the damage.	
Bin <b>SWAP - Cleaning and/or Repainting</b>	\$77.25 per Bin	FA Section 5.6.D
Cart <b>CLEANING/SWAP</b> Fee	\$25.75 per vehicle trip	FA Section 5.6.B
<b>LOCKING BIN</b> Installation Charge	\$51.50 per installation	FA Section 5.4.A
<b>LATE</b> Fee – Applies on past due balances of 30-days or more.	Periodic rate of 1.5% monthly (APR of 18%, minimum \$2.00 fee)	FA Section 4.9.5

\*Multi-Family Customers receiving Single-Family Style Service are eligible to receive Services listed in Single-Family Customer Rate sheet with advance payment or through a separate Customer account for additional Services.

\*\*ONLY Services are charged when Customer receives Solid Waste Collection Services not provided by Contractor, in whole or in part, for longer than one week in any 30-day period.

<b>BULKY &amp; REUSABLE ITEM COLLECTIONS</b>		<b>References</b>
<b>BULKY ITEM</b> – Each Recyclable/Reusable	\$20.60 Per Item	Exhibits B1/B2/B3: Section 4
<b>BULKY ITEM</b> – Each Non-Recyclable/ Non-Reusable	\$25.75 Per Item	
<b>BULKY ITEM</b> – Each Containing Freon	\$25.75 Per Item + Pass Through Charge for Freon	Exhibits B1/B2/B3: Section 4
<b>BULKY ITEM</b> – <u>Event</u> (Single-Family & MFD only)	\$30.90 Per Event	Exhibits B1/B2/B3: Section 4

<b>ROLL-OFF SERVICES</b>		<b>References</b>
<b>Covered Box</b>	\$77.25 additional charge per pull	
<b>Driver Time</b>	\$113.30 per hour, prorated per minute	
<b>Dryrun and/or Relocation Fee</b>	\$77.25 per occurrence per box	
<b>Extra Days Beyond Ten (10)</b>	\$25.75 per day	
<b>Contamination Fee</b>	Direct pass through to Customer for fees incurred	
<b>LATE</b> Fee – Applies on past due balances of 30-days or more.	Periodic rate of 1.5% monthly (APR of 18%, minimum \$2.00 fee)	FA Section 4.9.5

SPECIAL EVENT SERVICES		References
CART Service	25% of the monthly Service Level equivalent by material type	FA Section 4.7.H
BIN Service	25% of the 1x/week monthly Service Level equivalent by material type.	FA Section 4.7.H
Bin DELIVERY & REMOVAL – 1 Bin Delivered by Stinger Truck	\$103.00 per trip	FA Section 4.7.H
Bin DELIVERY & REMOVAL – 2+ Bins Delivered on Flatbed Min. = 2 Bins, Max = as many as will fit on a flatbed.	\$206.00 per trip	FA Section 4.7.H
Cart DELIVERY & REMOVAL – Up to as many carts that will fit on flatbed.	\$103.00 per trip	FA Section 4.7.H
Bin CLEANING	\$25.75 per Bin	FA Section 4.7.H
Cart CLEANING	\$5.15 per Cart	FA Section 4.7.H
SUNDAY Service – Applies to All Services Requiring Sunday Labor.	175% of total Collection service	
Event Collection Station Monitors	\$25.75 per hour per monitor	FA Section 4.7.H

### **\*USE OF DIFFICULT TO SERVICE CHARGES**

Contractor shall charge Customers Difficult to Service Fees when special Collection services must be provided to service Container(s) and/or Contractor must drive more than 500' onto private property to service the Premise. Contractor may charge Customer(s) as either a Difficult to Service Property or for Difficult to Service Containers, whichever is greater, but shall not charge both. Both types of charges are described below.

**Difficult to Service Container Charges:** The charges are applied to each Container based on the weekly frequency of collection, multiplied by four (4) due to any one or more of the following:

1. Carts that are set out for Collection other than Curbside.
  - o Monthly per-cart charges shall apply based on the subscribed number of carts to be Collected at any location other than Curbside; all other Carts shall only be Collected curbside. Customers shall not be entitled to receive a billing adjustment for Difficult to Service Carts periodically placed Curbside or for Carts that do not contain materials requiring Collection.
2. Bin serviced by a front-load collection Vehicle where the Bin is not immediately accessible by the Collection Vehicle and requires the driver to dismount the vehicle.
  - o Monthly per-Bin charges shall apply as soon as the driver is required to dismount the vehicle to service a front-load Bin, inclusive of any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock.
  - o If a Customer requests an additional Collection on a non-scheduled Collection day, a one-time per-Bin "complete action" charge shall also apply for that Collection event.
3. Bins serviced by a rear-load Collection Vehicle where the Bin is located more than 25' from the Curb or servicing the Bin includes, but is not limited, to any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock.
  - o Monthly per-Bin charges shall apply if the rear-load Bin is located more than 25' from the Curb, inclusive of any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock; or
  - o Monthly per-Bin charges shall apply if the Bin is located fewer than 25' from the Curb and any one or combination of the following actions are performed: push/pull, Bin lock/unlock, enclosure lock/unlock; and
  - o If a Customer requests an additional Collection on a non-scheduled Collection day, a one-time per-Bin "complete action" charge shall also apply for that Collection event.

Difficult to Service Container Charges are calculated as follows:

- Cart Charge (Monthly) = Per Cart Fee x # of Carts x # Collection days/week x 4

- Bin Charge (Monthly)= Per Cart Fee x # of Carts x # Collection days/week x 4

Using the Year 2 Rates, the following examples would apply:

- A Single-Family Residential Customer with three (3) Carts Collected 1x/week at any location other than Curbside would be charged an additional monthly fee of \$24.72 = \$2.06/cart x 3 carts x 1 collection day/week x 4.
- A Multi-Family Customer with two (2) front-load Bins Collected 2x/week where the driver was required to dismount the vehicle would be charged an additional monthly fee of \$24.72 per Bin or \$49.44 total = \$3.09/bin x 2 bins x 2 collection day/week x 4.
- A Commercial Customer with two (2) rear-load Bins Collected 3x/week that were more than 25' from the Curb and may or may not require one or combination of the following actions are performed: push/pull, Bin lock/unlock, enclosure lock/unlock would be charged an additional monthly fee of \$37.08 per Bin or \$74.16 total = \$3.09/bin x 2 bins x 3 collection day/week x 4.

Difficult to Service Premise Charges: The charges are applied to each Container OR each Premise based on the weekly Collection frequency of the Container(s), multiplied by four (4) due to either of the following:

1. Containers Collected that are more than 500' onto or across private property AND fewer than three (3) Containers are serviced by the same Collection Vehicle on that Workday.
  - *Monthly per-Container charges by Container type shall apply to each Container if the driver traverses more than 500' onto or across private property AND two (2) or fewer Containers are serviced by the same Collection Vehicle on that Workday.*
  - *If the above conditions are met AND any of the subject Containers are already considered Difficult to Service Containers, then those Difficult to Service Containers shall be charged as EITHER Difficult to Service Container(s) OR as a Difficult to Service Premise, whichever is greater.*
  - *If the driver traverses more than 500' onto or across private property and three (3) or more Containers are serviced by the Same Collection Vehicle on that workday, then no Containers serviced by that vehicle for the Premise(s) shall be charged the Difficult to Service Premise fee, although Difficult to Service Container charges may apply on a case-by-case basis.*
2. Premises where Container Collection at the set-out location requires a special Collection Vehicle, including but not limited to road that are privately owned, narrow, steep or include other restrictions that prohibit a normal Collection Vehicle from gaining access AND where fewer than three (3) Premises are serviced by the same Collection Vehicle on that Workday.
  - *Monthly per-Container charges by Container type shall apply to each Container at each Premise when a special Collection vehicle is required AND fewer than three (3) Premises are serviced by the same Collection Vehicle on that Workday.*
  - *If the above conditions are met AND any of the subject Containers are already considered Difficult to Service Containers, then those Difficult to Service Containers shall be charged as EITHER Difficult to Service Container(s) OR as a Difficult to Service Premise, whichever is greater.*
  - *If Collection requires a special Collection vehicle and three (3) or more Containers are serviced by the Same Collection Vehicle on that workday, then no Containers serviced by that vehicle for the Premise(s) shall be charged the Difficult to Service Premise fee, although Difficult to Service Container charges may still apply on a case-by-case basis.*

**EXHIBIT G4:**  
**IMPLEMENTATION PLAN AND SCHEDULE**

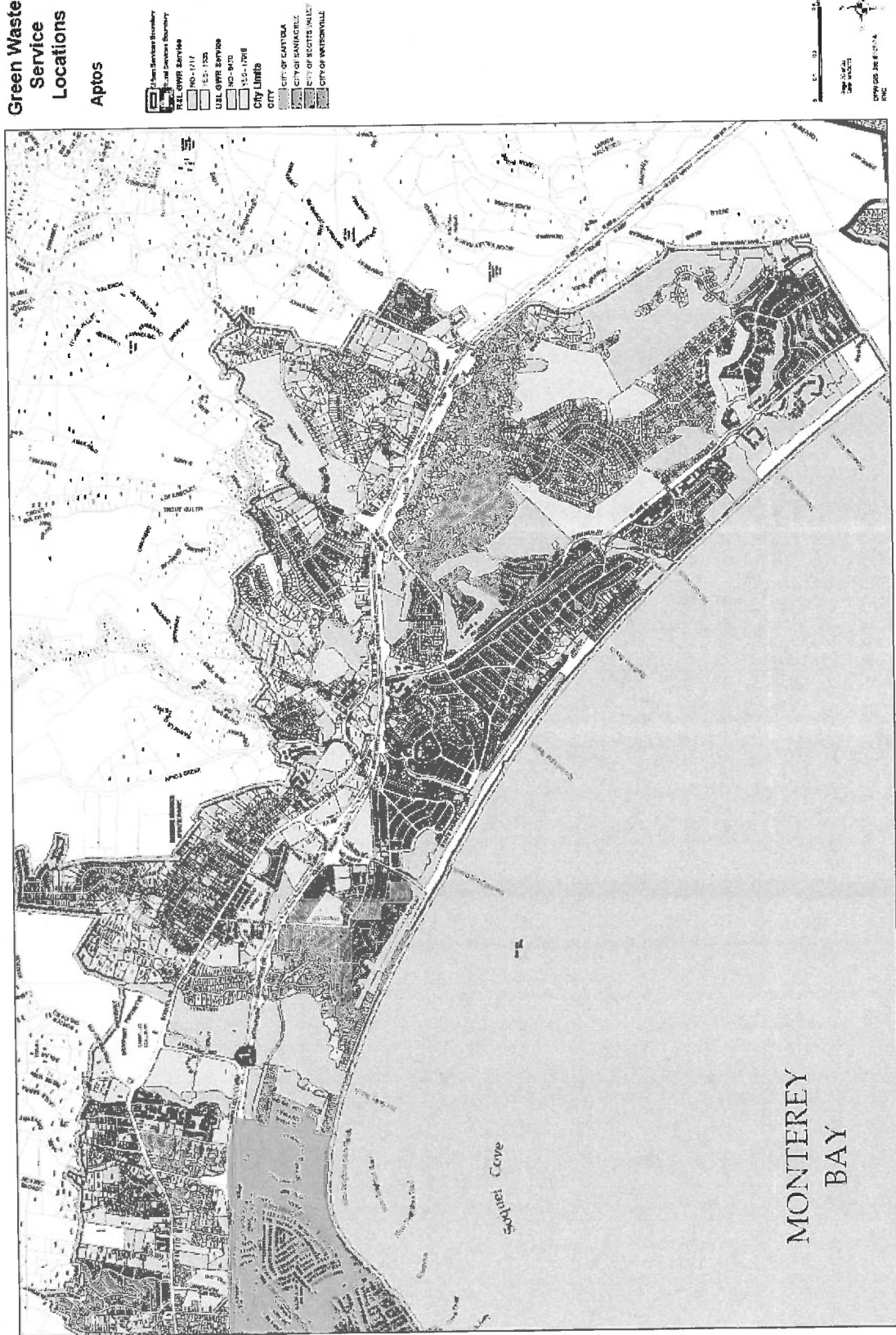


**EXHIBIT H:  
FRANCHISE AREA MAPS**

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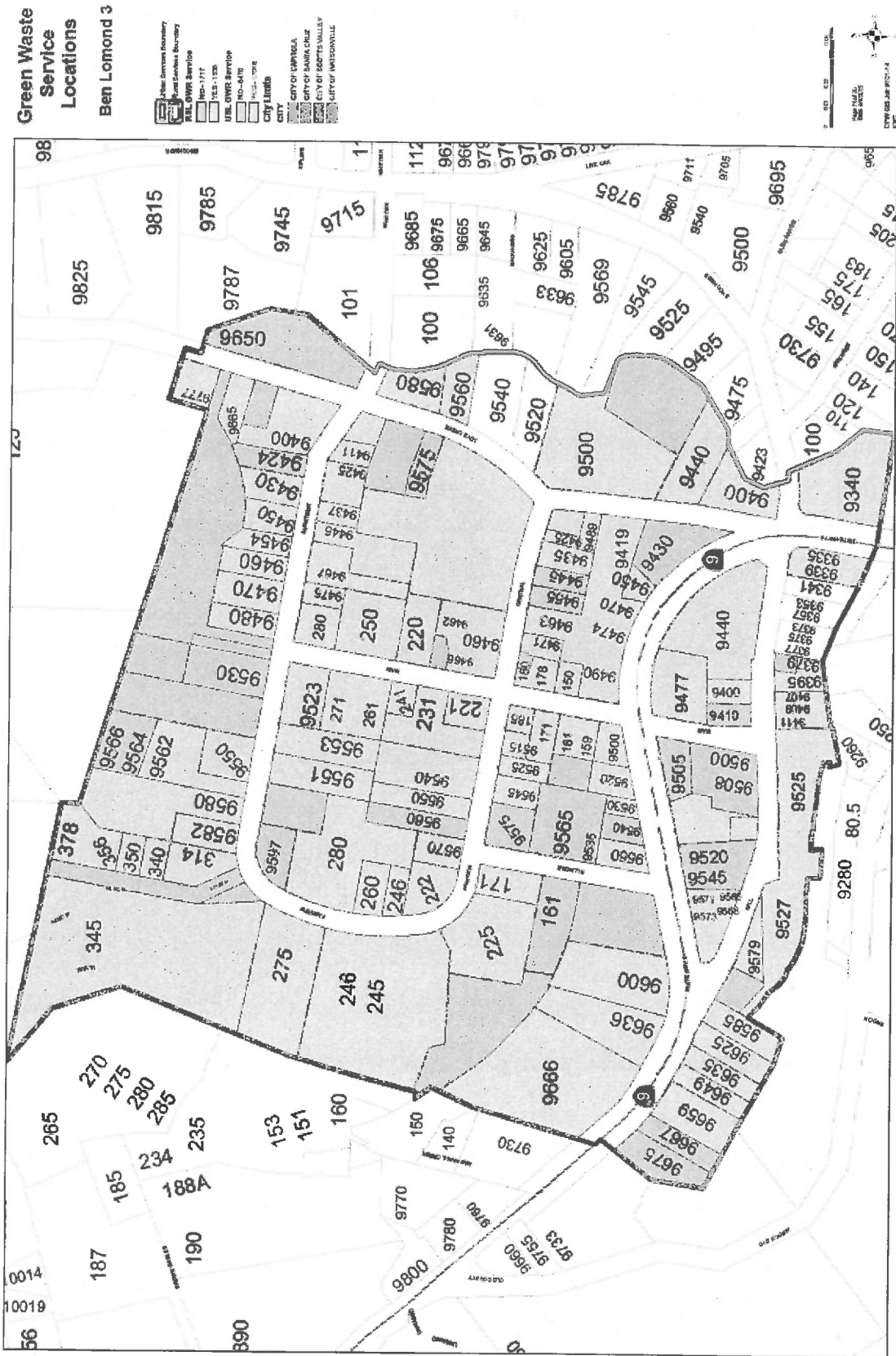


# EXHIBIT H FRANCHISE AREA MAPS





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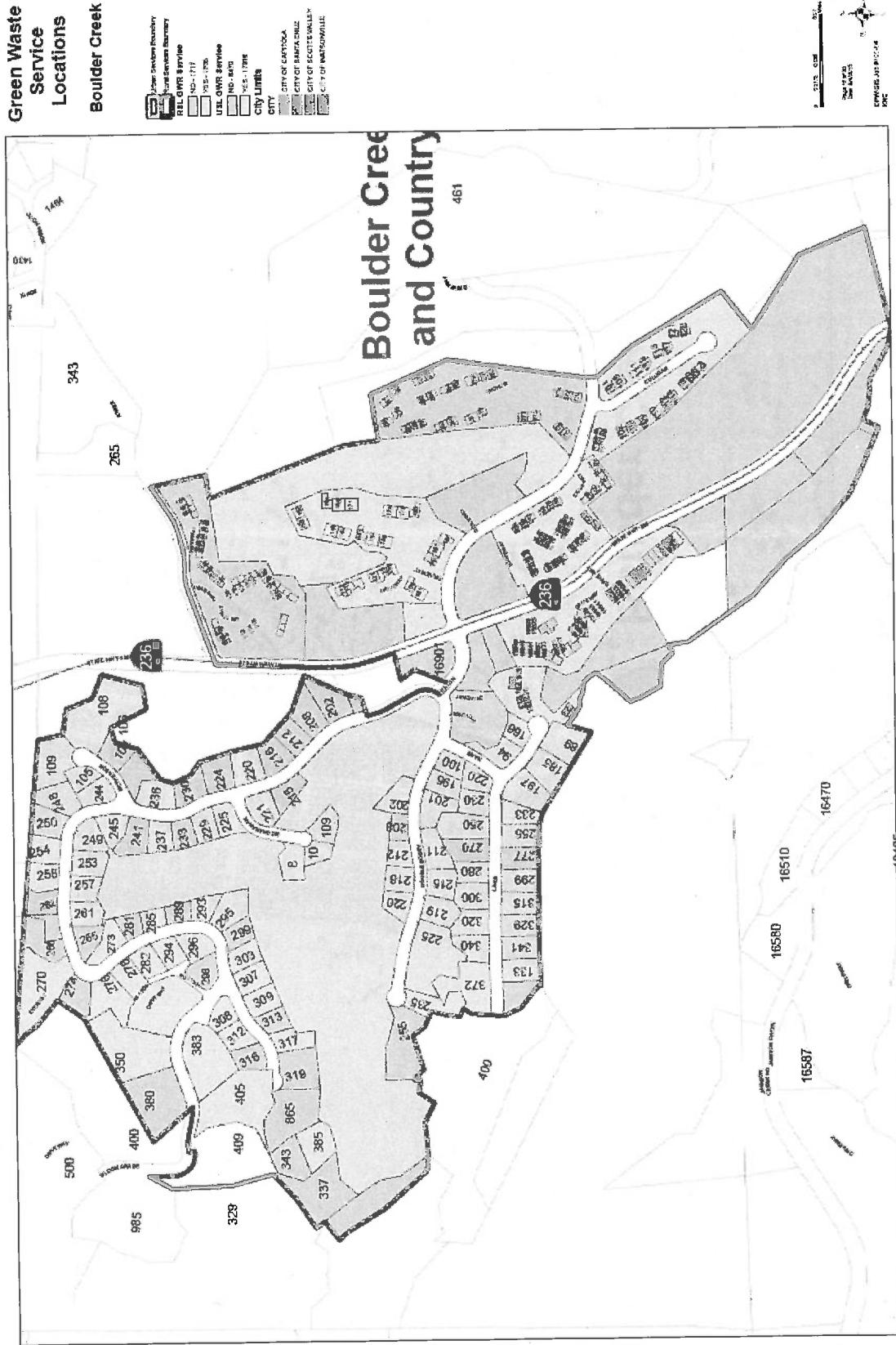




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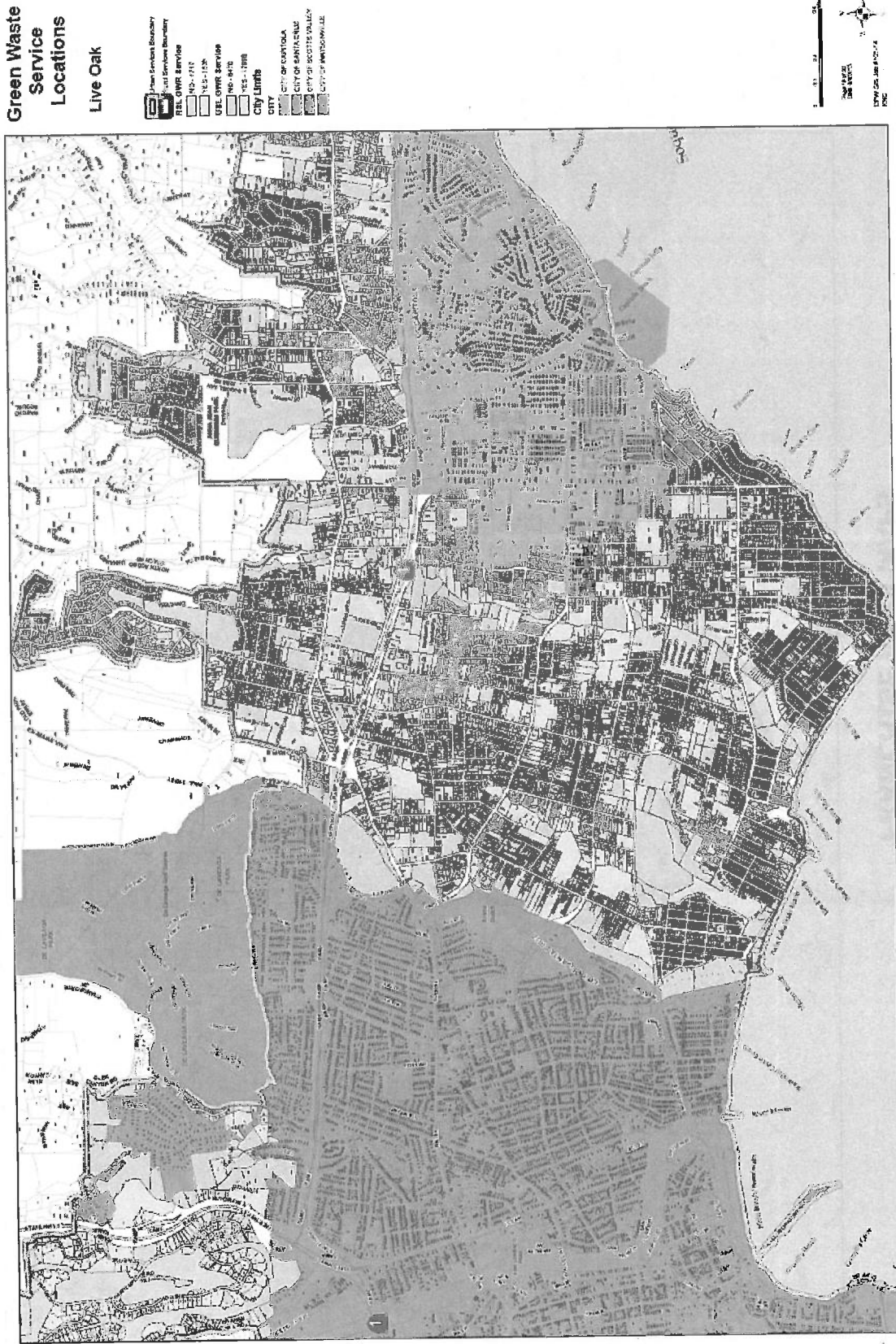




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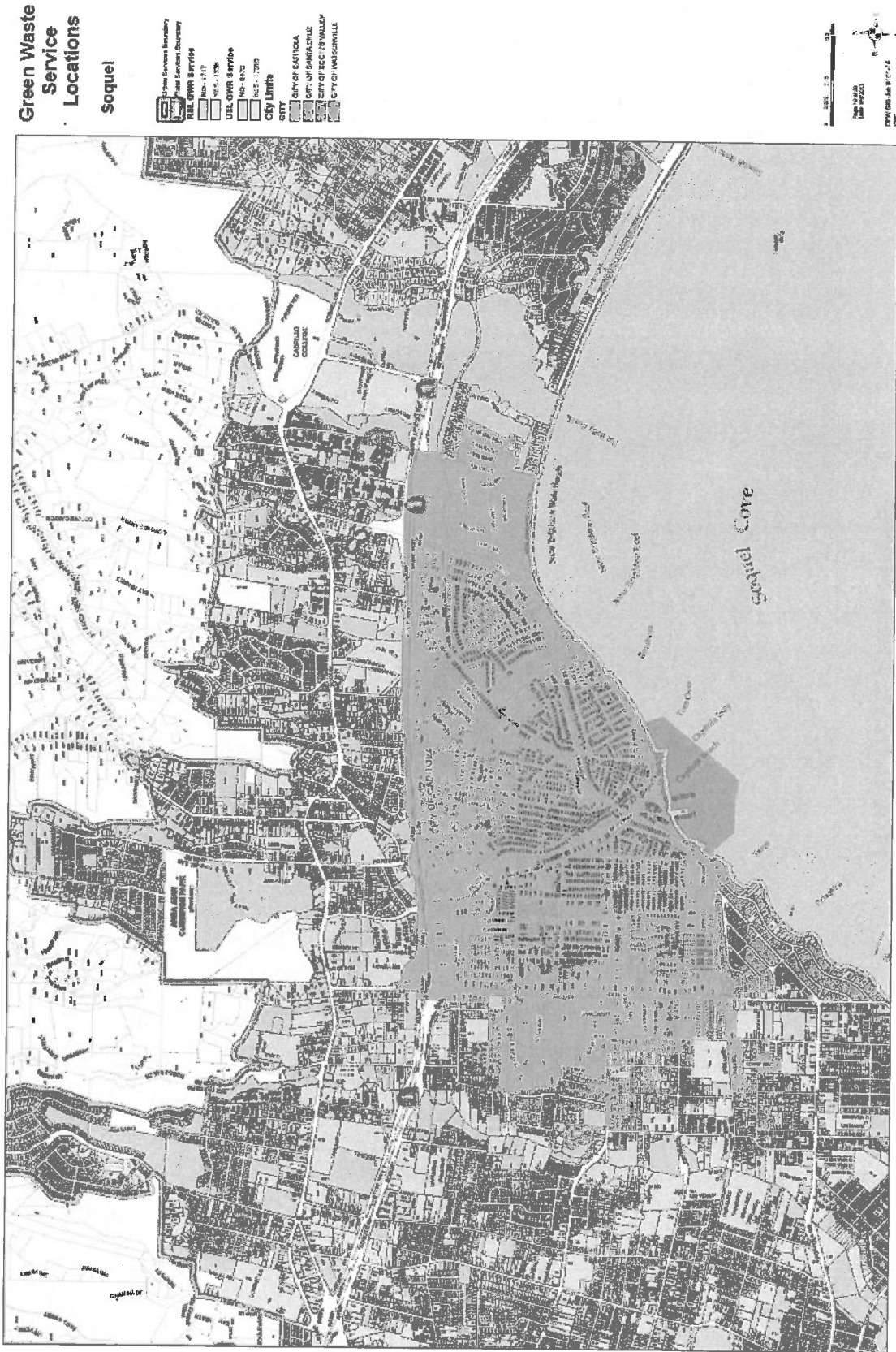


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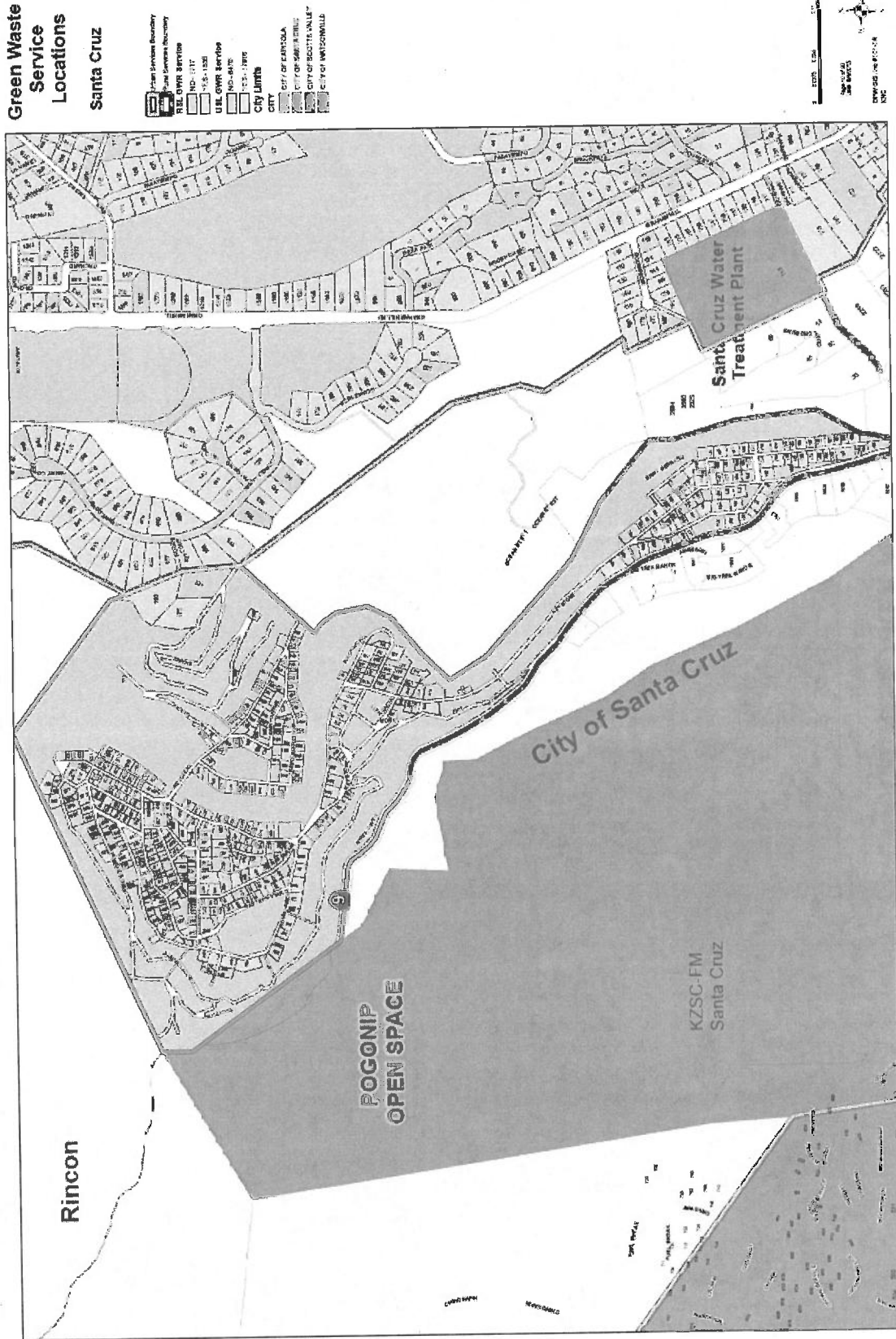




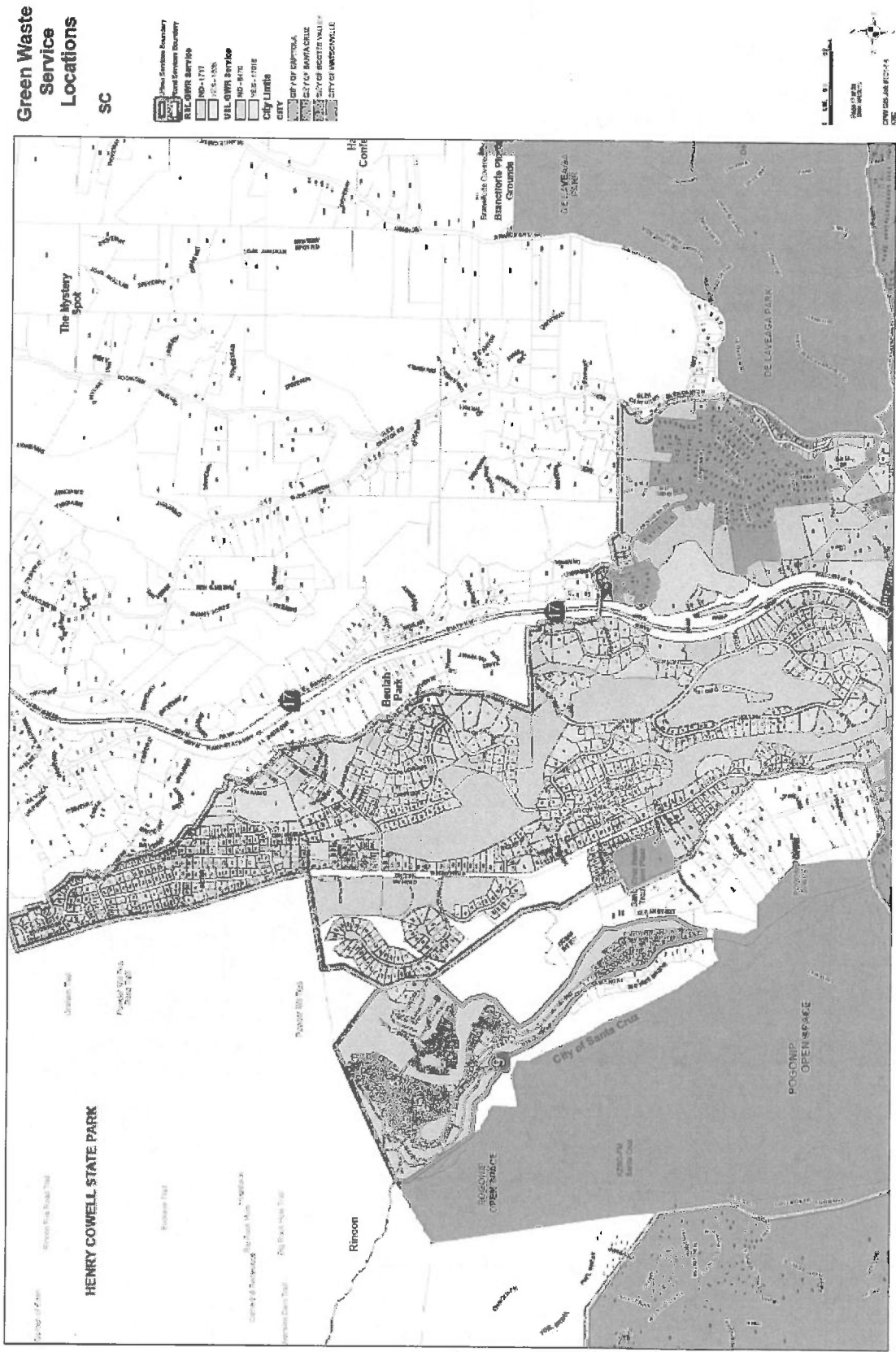
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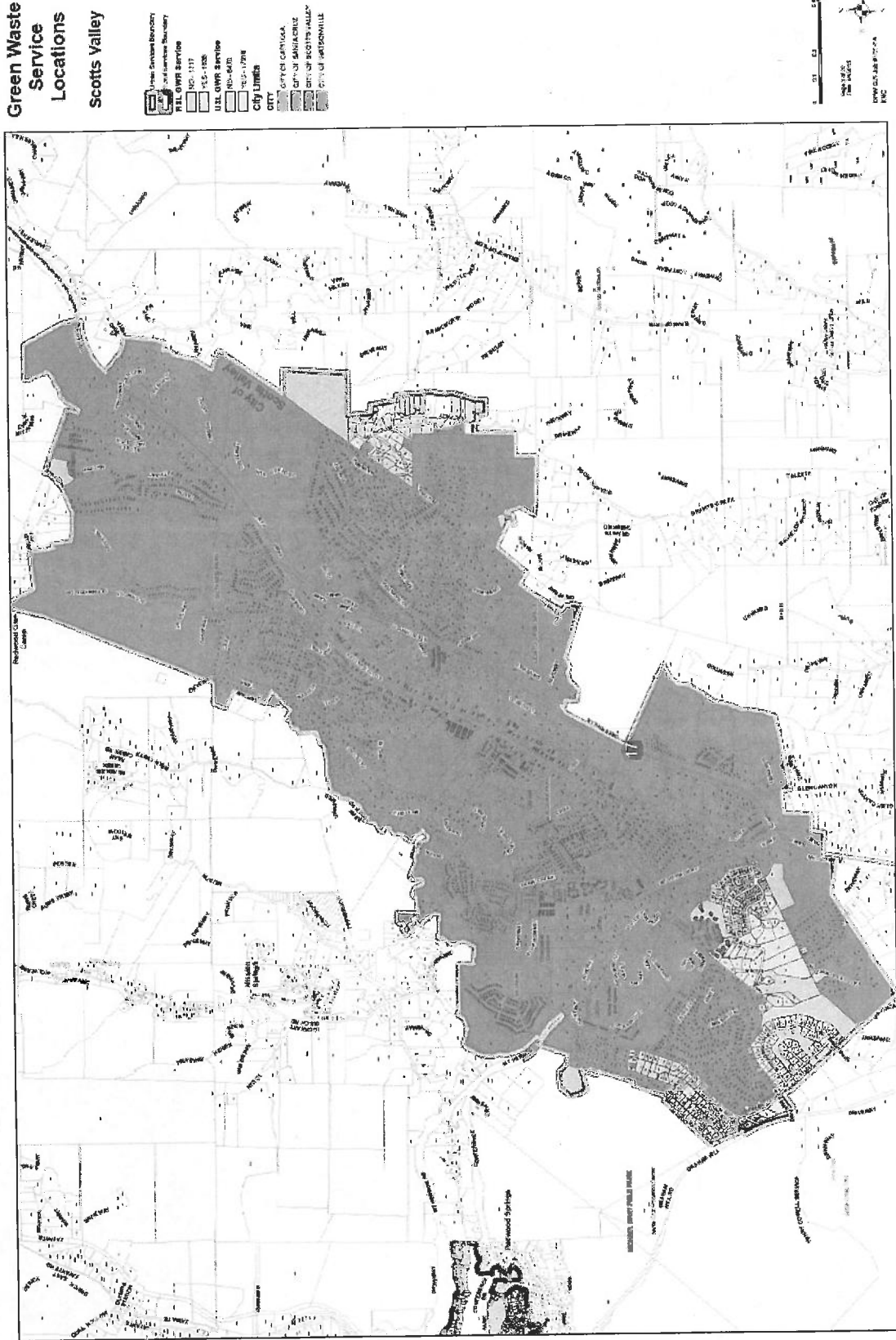
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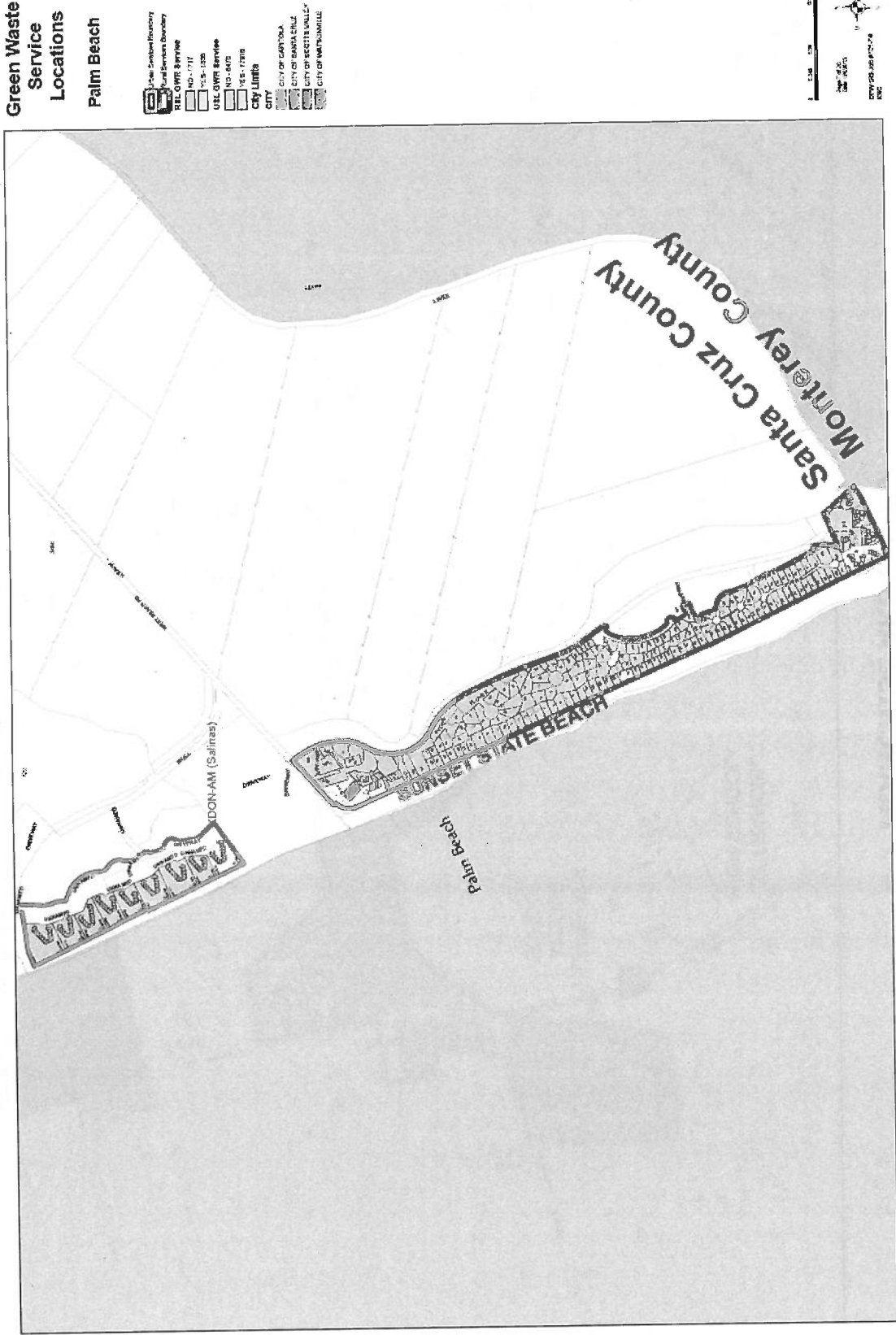
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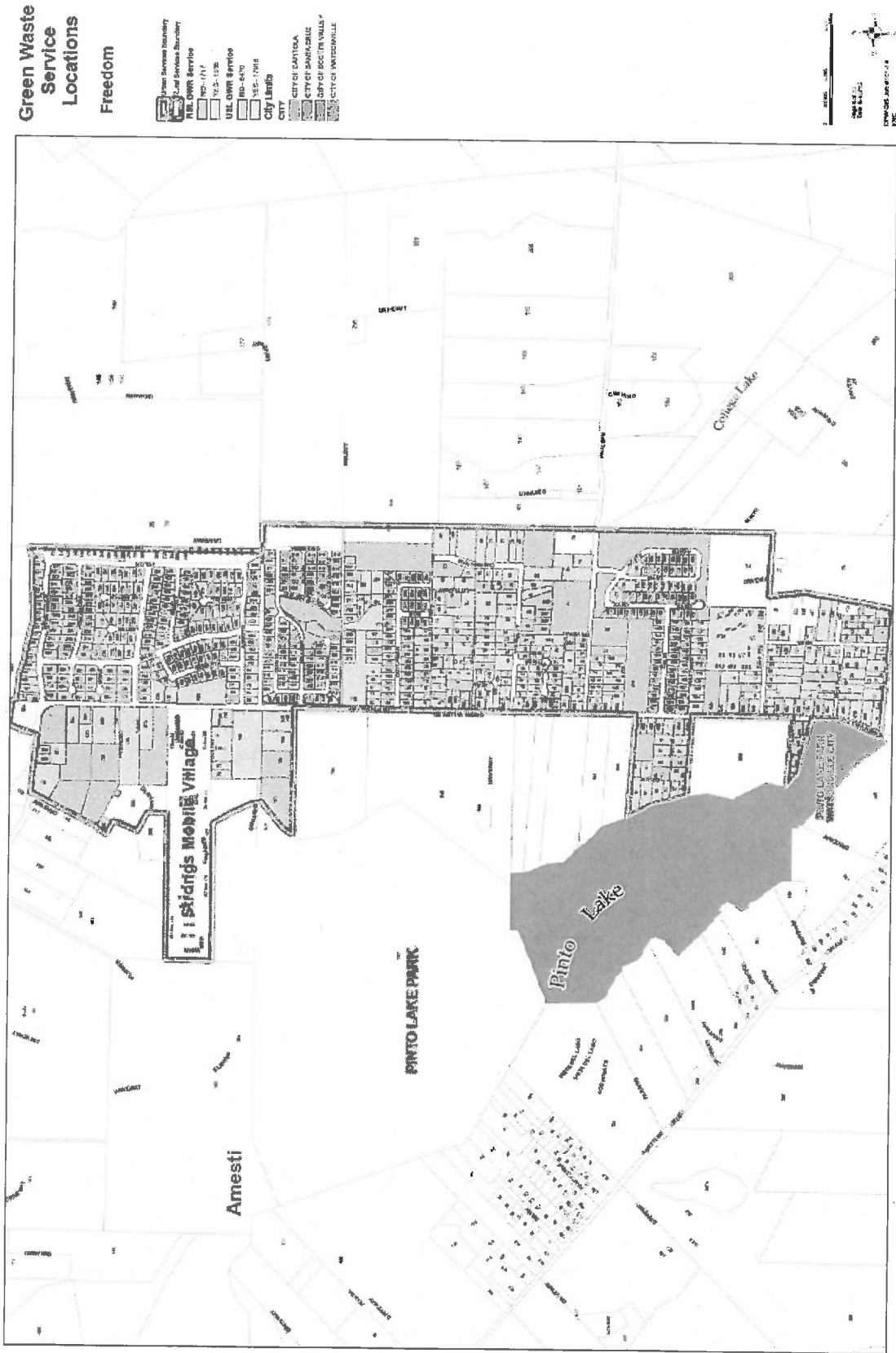


# EXHIBIT H FRANCHISE AREA MAPS





# EXHIBIT H FRANCHISE AREA MAPS







**EXHIBIT I:**  
**IRAN CONTRACTING CERTIFICATION**

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**EXHIBIT I**  
**IRAN CONTRACTING CERTIFICATION**

Pursuant to Public Contract Code Section 2200 et seq., ("Iran Contracting Act of 2010"), Contractor certifies that:

- (1) Contractor is not identified on the list created by the California Department of General Services ("DGS") pursuant to California Public Contract Code Section 2203(b) as a Person engaging in investment activities in Iran; and
- (2) Contractor is not a financial institution that extends twenty million dollars (\$20,000,000) or more in credit to another Person, for forty-five (45) Days or more, if that Person will use the credit to provide goods or services in the energy sector in Iran and is identified on the DGS list made pursuant to Section 2203(b).

As used herein, "Person" shall mean a "Person" as defined in Public Contract Code Section 2202(e).

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY, that I am duly authorized to legally bind the Contractor to this Certification, which is made under the laws of the State of California.

\_\_\_\_\_ ("Contractor")  
GreenWaste Recovery, Inc.

By: \_\_\_\_\_ (Signature)

Name: \_\_\_\_\_ (Printed Name)  
Frank Weigel

Title: \_\_\_\_\_  
Chief Operating Officer

Date: \_\_\_\_\_

<b>FOOD SCRAPS ONLY**</b> - Bin Service	110% of the monthly Solid Waste Service Level equivalent	
<b>NON-SCHEDULED Collection</b> Go-Back Trip Fee – For Materials Not Collected Due to Access or Contamination	\$19.57 per trip	Exhibit B2: Sections 1, 2, 3
Recyclable Materials <b>CONTAMINATION</b> Fee – Greater than 10% Prohibited Material by Volume – Per Event	25% of the 1x/week monthly Solid Waste Container volume equivalent Service Fee.	FA Section 5.4.E Exhibit B2/B3: Section 1
Organic Materials <b>CONTAMINATION</b> Fee – Greater than 2% Prohibited Material by Volume – Per Event	25% of the 1x/week monthly Garbage Container volume equivalent service fee.	Section 5.4.E
Solid Waste <b>CONTAMINATION</b> Fee – Greater than 5% Recyclable Material Contamination by Volume – Per Event	25% of the subscribed monthly Solid Waste Service Level.	FA Section 5.4.F Exhibit B1: Section 3
<b>DIFFICULT TO SERVICE*</b> – Per Cart Fee	\$2.06 per “complete action” for each Cart. Monthly charge per Cart based on weekly service frequency, multiplied by 4	FA Sections: 4.2 & 5.4.D Exhibit B2: Sections 1, 2, 3
<b>DIFFICULT TO SERVICE*</b> – Per Bin Fee	\$3.09 per “complete action” for each Bin. Monthly charge per Bin based on weekly service frequency, multiplied by 4.	FA Sections 4.2 & 5.4.D Exhibit B2: Sections 1, 2, 3
<b>DIFFICULT TO SERVICE*</b> – Customer/Premise Fee	\$3.09 per Collection for each Container. Monthly charge per Container based on weekly service frequency, multiplied by 4.	FA Sections 4.2, 5.4.D & 5.5.D Exhibit B2: Sections 1, 2, 3
<b>ADDITIONAL Collection</b> – Trip Fee & Service Fee for Each Material Type – Excess Materials	\$20.60 Trip Fee + 25% of the regular 1x/week monthly container service fee by material type.	Exhibit B2: Sections 1, 2, 3
Front Load <b>COMPACTOR</b>	145% of Solid Waste container volume equivalent Service Fee.	
Cart <b>REPLACEMENT</b> Fee – if damaged by customer.	\$61.80 per Cart	FA Section 5.6.B
Bin <b>REPLACEMENT</b> Fee – if damaged by customer.	25-50% of the current cost of an equivalent Bin based on the extent of the damage.	
Bin <b>SWAP</b> - Cleaning and/or Repainting	\$77.25 per Bin	FA Section 5.6.D
Cart <b>CLEANING/SWAP</b> Fee	\$25.75 per vehicle trip	FA Section 5.6.B
<b>LOCKING BIN</b> Installation Charge	\$51.50 per installation	FA Section 5.4.A
<b>LATE</b> Fee – Applies on past due balances of 30-days or more.	Periodic rate of 1.5% monthly (APR of 18%, minimum \$2.00 fee)	FA Section 4.9.5

\*Multi-Family Customers receiving Single-Family Style Service are eligible to receive Services listed in Single-Family Customer Rate sheet with advance payment or through a separate Customer account for additional Services.

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<b>BULKY &amp; REUSABLE ITEM COLLECTIONS</b>		<b>References</b>
<b>BULKY ITEM</b> – Each Recyclable/Reusable	\$20.60 Per Item	Exhibits B1/B2/B3: Section 4
<b>BULKY ITEM</b> – Each Non-Recyclable/ Non-Reusable	\$25.75 Per Item	
<b>BULKY ITEM</b> – Each Containing Freon	\$25.75 Per Item + Pass Through Charge for Freon	Exhibits B1/B2/B3: Section 4
<b>BULKY ITEM</b> – <b>Event</b> (Single-Family & MFD only)	\$30.90 Per Event	Exhibits B1/B2/B3: Section 4

<b>ROLL-OFF SERVICES</b>		<b>References</b>
<b>Covered Box</b>	\$77.25 additional charge per pull	
<b>Driver Time</b>	\$113.30 per hour, prorated per minute	
<b>Dryrun and/or Relocation Fee</b>	\$77.25 per occurrence per box	
<b>Extra Days Beyond Ten (10)</b>	\$25.75 per day	
<b>Contamination Fee</b>	Direct pass through to Customer for fees incurred	
<b>LATE</b> Fee – Applies on past due balances of 30-days or more.	Periodic rate of 1.5% monthly (APR of 18%, minimum \$2.00 fee)	FA Section 4.9.5

SPECIAL EVENT SERVICES		References
CART Service	25% of the monthly Service Level equivalent by material type	FA Section 4.7.H
BIN Service	25% of the 1x/week monthly Service Level equivalent by material type.	FA Section 4.7.H
Bin DELIVERY & REMOVAL – 1 Bin Delivered by Stinger Truck	\$103.00 per trip	FA Section 4.7.H
Bin DELIVERY & REMOVAL – 2+ Bins Delivered on Flatbed Min. = 2 Bins, Max = as many as will fit on a flatbed.	\$206.00 per trip	FA Section 4.7.H
Cart DELIVERY & REMOVAL – Up to as many carts that will fit on flatbed.	\$103.00 per trip	FA Section 4.7.H
Bin CLEANING	\$25.75 per Bin	FA Section 4.7.H
Cart CLEANING	\$5.15 per Cart	FA Section 4.7.H
SUNDAY Service – Applies to All Services Requiring Sunday Labor.	175% of total Collection service	
Event Collection Station Monitors	\$25.75 per hour per monitor	FA Section 4.7.H

### **\*USE OF DIFFICULT TO SERVICE CHARGES**

Contractor shall charge Customers Difficult to Service Fees when special Collection services must be provided to service Container(s) and/or Contractor must drive more than 500' onto private property to service the Premise. Contractor may charge Customer(s) as either a Difficult to Service Property or for Difficult to Service Containers, whichever is greater, but shall not charge both. Both types of charges are described below.

Difficult to Service Container Charges: The charges are applied to each Container based on the weekly frequency of collection, multiplied by four (4) due to any one or more of the following:

1. Carts that are set out for Collection other than Curbside.
  - o *Monthly per-cart charges shall apply based on the subscribed number of carts to be Collected at any location other than Curbside; all other Carts shall only be Collected curbside. Customers shall not be entitled to receive a billing adjustment for Difficult to Service Carts periodically placed Curbside or for Carts that do not contain materials requiring Collection.*
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  - o *Monthly per-Bin charges shall apply as soon as the driver is required to dismount the vehicle to service a front-load Bin, inclusive of any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock.*
  - o *If a Customer requests an additional Collection on a non-scheduled Collection day, a one-time per-Bin "complete action" charge shall also apply for that Collection event.*
3. Bins serviced by a rear-load Collection Vehicle where the Bin is located more than 25' from the Curb or servicing the Bin includes, but is not limited, to any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock.
  - o *Monthly per-Bin charges shall apply if the rear-load Bin is located more than 25' from the Curb, inclusive of any one or combination of the following actions: push/pull, Bin lock/unlock, enclosure lock/unlock; or*
  - o *Monthly per-Bin charges shall apply if the Bin is located fewer than 25' from the Curb and any one or combination of the following actions are performed: push/pull, Bin lock/unlock, enclosure lock/unlock; and*
  - o *If a Customer requests an additional Collection on a non-scheduled Collection day, a one-time per-Bin "complete action" charge shall also apply for that Collection event.*

Difficult to Service Container Charges are calculated as follows:

- Cart Charge (Monthly) = Per Cart Fee x # of Carts x # Collection days/week x 4