

**EXHIBIT A:  
DEFINITIONS**

---



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

**"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Division 30 of the California Public Resources Code), also commonly referred to as "AB 1826," as amended, supplemented, superseded, and replaced from time to time.

**"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(Chapter 476, Statutes of 2011 [Chesbro, AB 341]), also commonly referred to as "AB 341", as amended, supplemented, superseded, and replaced from time to time.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(Division 30 of the California Public Resources Code), also commonly referred to as "AB 939," as amended, supplemented, superseded, and replaced from time to time.

**"Affiliate"** 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 interest or common management. They shall be deemed to be "Affiliated with" CONTRACTOR and included within the term "Affiliates" as used herein. An Affiliate shall include: (i) a business in which CONTRACTOR has a direct or indirect Ownership interest, (ii) a business, which has a direct or indirect Ownership interest in CONTRACTOR and/or (iii) 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 the purposes of this definition, "Ownership" means ownership as defined in the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the Effective Date, provided that 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 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 of value which the ownership interest represents.

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

**"Alameda County Mandatory Recycling Ordinance"** means Alameda County Waste Management Authority Ordinance No. 2012-1 adopted on January 25, 2012, as amended, supplemented, superseded, and replaced from time to time.

## EXHIBIT A DEFINITIONS

**“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, Garbage, and C&D that are in force on the Effective Date and as may be enacted, issued or amended during the Term of this Agreement. Applicable Law includes, but is in no way limited to, AB 939, AB 341, AB 1826, SB 1383, and the Alameda County Mandatory Recycling Ordinance.

**“Approved Back-up Facility(ies)”** means any one of or any combination of the: Approved Back-up C&D Processing Facility; Approved Back-up Organic Materials Processing Facility; or Approved Back-up Recyclable Materials Processing Facility.

**“Approved Back-up C&D Processing Facility”** means the Zanker Recycling Facility located in San Jose, CA which is owned and operated by Zanker Road Resource Management.

**“Approved Back-up Organic Materials Processing Facility”** means the ACI Transfer Facility, which is owned and operated by Alameda County Industries, LLC.

**“Approved Back-up Recyclable Materials Processing Facility”** means the Tri-CED Community Recycling Facility located in Union City, CA which is owned and operated by Tri-CED Community Recycling.

**“Approved C&D Processing Facility”** means the Davis Street Transfer Station, which is owned and operated by Waste Management.

**“Approved Facility(ies)”** means any one of or any combination of the: Approved C&D Processing Facility; Approved Mixed Waste Processing Facility; Approved Organic Materials Processing Facility; Approved Recyclable Materials Processing Facility; Approved Reusable Materials Processing Facility; Approved Transfer Facility; Approved Back-up Facilities; and/or Designated Disposal Facility.

**“Approved Mixed Waste Processing Facility”** means the ACI MRF, which is owned and operated by Alameda County Industries, LLC.

**“Approved Organic Materials Processing Facility”** means the City of Napa Materials Diversion Facility, which is owned by City of Napa.

**“Approved Processing Facility(ies)”** means any one of or any combination of the: Approved C&D Processing Facility; Approved Mixed Waste Processing Facility; Approved Organic Materials Processing Facility; Approved Recyclable Materials Processing Facility; Approved Reusable Materials Processing Facility; and/or, Approved Transfer Facility.

**“Approved Recyclable Materials Processing Facility”** means the ACI MRF which is owned and operated by Alameda County Industries, LLC.

## EXHIBIT A DEFINITIONS

**“Approved Reusable Materials Processing Facility”** means the ACI Bulky Item Storage and Sorting Operation, which is owned and operated by Alameda County Industries, Inc.

**“Approved Transfer Facility”** means the ACI Transfer Facility, which is owned and operated by Alameda County Industries, Inc.

**“Bin”** means a Container with capacity of approximately one (1) to seven (7) cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading Collection vehicle.

**“Bulky Item”** means discarded appliances (including refrigerators), furniture, tires, carpets, mattresses, E-Waste, and similar large items which can be handled by two (2) people, weigh no more than two hundred (200) pounds, and require special Collection due to their size or nature, but can be Collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky Items must be generated by the Customer and at the service address wherein the Bulky Items are Collected. Bulky Items do not include abandoned automobiles, large auto parts, trees, Construction and Demolition Debris, or items herein defined as Excluded Waste.

**“Business Days”** mean days during which the DISTRICT Offices are open to do business with the public.

**“Canyonlands”** means and refers to the geographic area located within the DISTRICT limits which is defined by the map in Exhibit K.

**“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, 32, 64 or 96 gallons (or similar volumes, as approved by the DISTRICT).

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

- a. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation of any Applicable Law on or after the Effective Date; 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 DISTRICT 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.

## **EXHIBIT A DEFINITIONS**

**“Collect or Collection** (or any variation thereof)” means the act of collecting Recyclable Materials, Organic Materials, Garbage, C&D, Bulky Items, and other material at the place of generation in DISTRICT.

**“Commencement Date”** means the date specified in Section 2.1 when Collection, Transportation, Processing, and Composting 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, 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. Construction and demolition contractors shall be considered Commercial Generators regardless of the zoning of the property where construction and demolition is undertaken.

**“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 from the mechanical compaction apparatus. Compactors include two (2) to eight (8) cubic yard Bin Compactors serviced by front-end loader Collection vehicles and ten (10) to fifty (50) cubic yard Drop Box Compactors serviced by roll-off Collection vehicles. Contractor is not required to provide Compactors. All Compactors shall be Customer-owned, or separately leased by Customers. CONTRACTOR shall not be responsible for providing Compactors to Customers.

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

**“Construction and Demolition Debris (C&D)”** means and 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. Construction and Demolition Debris includes rocks, soils, tree remains and other Yard Trimmings which results from land clearing or land development operations in preparation for construction.

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

**“Contract Administration Fee”** means the fee paid by CONTRACTOR to DISTRICT as described in Section 7.1.

**“CONTRACTOR”** means Alameda County Industries CV Inc., organized and operating under the laws of the State operating through its officers, directors, employees, agents, companies, related-parties, affiliates, subsidiaries, and Subcontractors.

## **EXHIBIT A DEFINITIONS**

**“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 DISTRICT by CONTRACTOR on December 8, 2017 for provision of Collection and Processing services and certain supplemental written materials, which are included as Exhibit G to this Agreement and are incorporated by reference.

**“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 to whom CONTRACTOR submits its billing invoice and from whom CONTRACTOR collects payment for Collection services provided to a Premises. The Customer may be either the Occupant or Owner of the Premises.

**“Customer Type”** means the Customer’s sector category including, but not limited to, Single-Family, Multi-Family, Commercial, C&D, Drop Box, and DISTRICT.

**“Designated Disposal Facility”** means the Davis Street Resource Recovery Complex and Transfer Station located at 2615 Davis Street, San Leandro, CA, which is owned and operated by Waste Management of Alameda County. The Designated Disposal Facility shall serve as the Disposal site for all Garbage Collected by CONTRACTOR (excluding Processing Residue).

**“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.

**“Disposal or Dispose (or any variation thereof)”** means the final disposition of Garbage at a Disposal site.

**“Disposal Facility”** means a facility for ultimate Disposal of Garbage.

**“DISTRICT”** means the Castro Valley Sanitary District and all the territory lying within its boundaries as presently existing or as such boundaries may be modified during the Term of this Agreement.

**“DISTRICT Contract Manager”** means DISTRICT’s Solid Waste Supervisor (or designee), who is responsible for the administrative management of this Agreement.

## EXHIBIT A DEFINITIONS

**“DISTRICT Fees”** means all fees payable to the DISTRICT, identified and referenced in Article 7 of this Agreement.

**“DISTRICT Offices”** means the DISTRICT’s offices on Marshall Street and any subsequent administration or corporation sites created during the term of this Agreement.

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

**“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.

**“Dwelling Unit”** means any individual living unit in a; Single-Family dwelling (SFD) or Multi-Family dwelling (MFD) structure or building, a mobile home, or a motor home located on a permanent site intended for, or capable of being utilized for, residential living other than a Hotel or Motel.

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

**“Excluded Waste”** means 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 DISTRICT 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. Excluded Waste does not include Used Motor Oil and Filters, or household batteries when properly placed for Collection by CONTRACTOR as set forth in this Agreement.

**“Extra Service Tags”** are tags approved by DISTRICT and provided by the CONTRACTOR which may be purchased by Residents and affixed to a bag provided by Residents for the Collection of Garbage overages.

**“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.



## EXHIBIT A DEFINITIONS

**"Fixed Body Vehicle"** means any wheeled vehicle that does not rely on a Drop Box or other detachable container to Collect, contain and Transport material. Dump trucks shall be considered Fixed Body Vehicles.

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

**"Food Scraps"** means Solid Waste that will decompose and/or putrefy including: (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; (v) non-Recyclable paper or contaminated paper; and, (vi) vegetable trimmings, houseplant trimmings and other compostable organic waste common to the occupancy of Residential dwellings. Food Scraps are a subset of Organic Materials.

**"Garbage"** means solid waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated hereunder. Excluded from the definition of Garbage are Excluded Waste, C&D, Source Separated Recyclable Materials, Source Separated Organic Materials, and radioactive waste. Notwithstanding any provision to the contrary, Garbage may include de minimis volumes or concentrations of waste of a type and amount normally found in Residential Garbage 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. Garbage includes salvageable materials only when such materials are included for Collection in a Garbage Container not Source Separated from Garbage at the site of generation.

**"Generator"** means any Person whose act or process produces solid waste as defined in the Public Resources Code, or whose act first causes Solid Waste, as defined herein, to become subject to regulation.

**"Gross Receipts"** shall mean total cash receipts collected from Customers by the CONTRACTOR for the provision of services pursuant to this Agreement, without any deductions. Gross Receipts 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. (CERCLA); (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 thereunder 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

## EXHIBIT A DEFINITIONS

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.

**"Household Hazardous Waste"** or **"HHW"** means Hazardous Waste generated at Residential Premises within the DISTRICT. HHW includes: paint, stain, varnish, thinner, adhesives, auto products such as old 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.

**"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.

**"Mixed C&D"** means C&D materials which have not been Source Separated into homogeneous material streams of like materials and which require sorting and Processing prior to Recycling.

**"Move-in Kit"** refers to a pre-prepared and standardized collection of useful items to be given by property managers or Owners of Multi-Family Premises to new Multi-Family tenants upon move-in to a Multi-Family Dwelling Unit. At a minimum, Move-in Kits shall include a Multi-Family Recycling guide, a Personal Recycling Bin, and stickers or refrigerator-magnets that clearly define the accepted and prohibited materials in the Recycling program.

**"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), including such premises when combined in the same building with Commercial establishments, that receive centralized Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address. Customers residing in townhomes, mobile homes, condominiums, or other structures with five (5) or more Dwelling Units who elect to receive individual service and are billed separately shall not be considered Multi-Family unless and until that Customer elects to receive combined service and/or billing

## EXHIBIT A DEFINITIONS

**“Non-Collection Notice”** means a DISTRICT-approved form developed by CONTRACTOR and provided at CONTRACTOR’s cost at least 2" by 6" in size, on which CONTRACTOR has provided CONTRACTOR’s phone number and indicated the reasons for CONTRACTOR’s refusal to Collect material, giving reference to the section of DISTRICT Legislation or to the section of this Agreement which has been violated, and which gives grounds for CONTRACTOR’s refusal either in writing or by means of a check system.

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

**“Organic Materials”** means those Yard Trimmings, Food Scraps, soiled paper (including facial tissues, paper towels, napkins, waxed paper, paper plates and cups, to-go containers, food-service wrappers, pizza boxes, cardboard boxes, shredded paper, paper cartons [such as those used for milk or ice cream] etc.; excluding aseptic containers and paper soiled by blood, urine, and/or feces), compostable serve-ware and bags, pet hair and fur, vegetarian animal feces, and those materials designated from time to time in DISTRICT, County, or State legislation for Collection and Recycling under this Agreement and which are specifically accepted at the Approved Organic Materials Processing Facility. No Discarded Material shall be considered to be Organic Materials, however, unless it is separated from Recyclable Materials and Garbage.

**“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.

**“Paper Garden Bags”** means a paper bag approved by DISTRICT and provided by the CONTRACTOR which may be purchased by Residents for the Collection of Organic Materials overages.

**“Party or Parties”** refers to the DISTRICT and CONTRACTOR, individually or together.

**“Person(s)”** means any individual, firm, association, organization, partnership, consortium, corporation, trust, joint venture, commercial entity, governmental entity, public entity, or any other legal person.

**“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 DISTRICT where Recyclable Materials, Organic Materials, Garbage, or C&D are generated or accumulated.

**“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, Reusable Materials, or C&D for the purpose of making

## EXHIBIT A DEFINITIONS

such material available for Recycling or reuse or the facility for the Processing and/or Composting of Organic Materials.

**“Public Litter Containers”** means public containers distributed on sidewalks and in other public places in the DISTRICT for the Collection of Recyclable Materials, Organic Materials, and/or Garbage.

**“Rate”** means the maximum amount, expressed as a dollar unit, approved by the DISTRICT 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. The Rates approved by DISTRICT 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 DISTRICT.

**“Rate Period”** means a twelve (12) month period, commencing July 1 and concluding June 30 with the exception that Rate Period One shall begin on the Commencement Date, and end on June 30 of the following year (i.e., 14 month period).

**“Recyclable Materials”** means Solid Waste that: the Generators set out in Recyclables Containers for Collection for the purpose of Recycling by the CONTRACTOR that are at least ninety percent (90%) Recyclable and that exclude Excluded Waste. No Solid Waste shall be considered Recyclable Materials unless such material is separated from Organic Materials, Garbage, 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); chipboard; 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), except expanded Polystyrene (EPS); bottles including containers made of HDPE, LDPE, or PET; dry cell household batteries when placed on the Recycling Cart in a sealed heavy-duty plastic bag; and, those materials added by the CONTRACTOR from time to time.

**“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.

**“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.

## EXHIBIT A DEFINITIONS

**“Related Party Entity”** (whether capitalized or not) means any Affiliate which has financial transactions with CONTRACTOR pertaining to this Agreement that have been approved by the DISTRICT.

**“Related Party Entity Transaction”** (whether capitalized or not) means any financial transaction between CONTRACTOR and a Related Party Entity pertaining to this Agreement that has been approved by the DISTRICT.

**“Residue”** means those materials which, after Processing, are Disposed rather than Recycled 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. Reusable Materials may be Collected Source Separated or recovered through a Processing Facility.

**“SB 1383”** means the Short-Lived Climate Pollutants Act of 2016 (an act to add Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and to add Chapter 13.1 [commencing with Section 42652] to Part 3 of Division 30 of the Public Resources Code, relating to methane emissions), also commonly referred to as "SB 1383," as amended, supplemented, superseded, and replaced from time to time.

**“Self-Haul Customer”** means a Generator of Recyclable Materials, Organic Materials, Garbage, and/or Construction and Demolition Debris within the DISTRICT's jurisdiction who delivers materials to a permitted facility rather than to the CONTRACTOR.

**“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 DISTRICT Code, any detached or attached house or residence designed or used for occupancy by one (1) family, 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. Single-Family includes Residential units of a duplex, tri-plex, or four-plex Residential structure.

**“Solid Waste”** means any combination of Recyclable Materials, Organic Materials, Garbage, Bulky Items, and/or C&D placed by a Generator in a receptacle and/or at a location for the purposes of Collection by CONTRACTOR, excluding Excluded Waste.

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

**“Specialty Recyclable Material”** means material not specified in this Agreement that can be or will be Collected for purposes of Recycling. Such Specialty Recyclable Material may include, but

## EXHIBIT A DEFINITIONS

is not limited to, scrap metal, high-grade paper (including office mixed paper), pallets, and plastic film.

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

**“StopWaste”** shall mean the Alameda County Waste Management Authority, its Board of Directors, staff, and/or agents.

**“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 providing service under this Agreement. Notwithstanding any other provision in this Agreement, Vendors providing materials, supplies or professional services to CONTRACTOR, and Approved Facilities, and any subcontractors of Approved Facilities, that are not Affiliates of CONTRACTOR, shall not be considered Subcontractors for any purpose under this Agreement.

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

**“Textiles”** means discarded fabric-, or cloth-based household items including, but not limited to clothing (including shirts, pants, dresses, and coats), household linens (including bed sheets, blankets, and towels), and shoes.

**“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”** means the act of transferring the materials Collected by CONTRACTOR in its route vehicles into larger vehicles for Transport to other facilities for the purpose of Recycling, Composting, or Disposing of such materials.

**“Transportation”** or **“Transport”** means the act of conveying Collected materials from one location to another.

**“Used Cooking Oil”** means oils or fats that have been used for the cooking or frying of food.

**“Used Motor Oil”** means used oil fluids for vehicles including motor oil, brake, transmission and hydraulic fluids, crankcase and differential oils, lubricating oils for vehicles, and may also be used to refer to oil filters from automobiles and light trucks.

**“Used Oil Recovery Kit”** means a kit containing: one (1) reusable plastic jug of at least one (1) gallon capacity with a leak-proof watertight screw-on top to contain Used Motor Oil or Used Cooking Oil; one (1) six (6) mil plastic disposable resealable bag with double track seal of sufficient capacity to accommodate one (1) Used Motor Oil filter; and, a flyer, brochure, or other informational media approved by the DISTRICT intended to educate Customers about the Used Motor Oil and Used Cooking Oil Collection programs and the benefits resulting from the proper handling of Used Motor Oil, Used Motor Oil filters, and Used Cooking Oil. The Used Oil Recovery

## EXHIBIT A DEFINITIONS

Kit is to be provided to Customers by CONTRACTOR to recover Used Motor Oil, Used Motor Oil filters, and/or Used Cooking Oil from Single-Family residents.

**“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.

**“Yard Trimmings”** means Solid Waste that will decompose and/or putrefy, including, but not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, cactus, palm, small pieces of unpainted and untreated wood, and other types of Organic Materials resulting from normal yard and landscaping maintenance that may be specified in DISTRICT Legislation for Collection and processing as Organic Materials under this Agreement. Yard Trimmings does not include items herein defined as Excluded 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.

*This page intentionally left blank*



**EXHIBIT B:  
DIRECT SERVICES**

---



## **EXHIBIT B DIRECT SERVICES**

The following Exhibits (B1 through B6) 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 B6) 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 Service Level 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 an indication of whether or not additional charges may apply; 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 B6.

*This page intentionally left blank*

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

---



# EXHIBIT B1

## SINGLE-FAMILY RESIDENTIAL SERVICES

### 1. Recyclable Materials Collection

CONTRACTOR shall Collect Recyclable Materials placed in CONTRACTOR-provided Containers one (1) time per week from Single-Family Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

**Containers:** Carts

**Container Sizes:** 32-, 64-, and 96-gallons (or comparable sizes approved by the DISTRICT).

Standard Cart size is 64-gallons. 32- and 96-gallon Cart service shall be made available for no additional charge, upon request by Customer.

**Service Frequency:** One (1) time per week on the same day as Organic Materials and Garbage Collection services.

**Service Location:** Curbside

**Acceptable Materials:** Recyclable Materials

**Prohibited Materials:** Garbage, Organic Materials, Excluded Waste

**Additional Service:** Single-Family Customers shall receive one (1) Recyclable Materials Cart as standard and may request a second Recyclable Materials Cart at no additional charge. CONTRACTOR shall provide additional Recyclable Materials Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the DISTRICT.

CONTRACTOR shall allow Single-Family Customers to place bundled cardboard (no larger than 4' x 4') adjacent to the Recyclable Materials Cart on their regularly-scheduled Collection day at no additional charge to the Customer.

**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.

CONTRACTOR may assess a "contamination fee" per event for Customers who have repeatedly (no less than three times in a calendar year) placed more than ten percent (10%) by volume of prohibited materials in their Recyclable Materials Container. 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 DISTRICT Contract Manager, upon request.

### 2. Organic Materials Collection

CONTRACTOR shall Collect Organic Materials placed in CONTRACTOR-provided Carts one (1) time per week from Single-Family Customers and Transport all Organic Materials to the Approved

## EXHIBIT B1 SINGLE-FAMILY RESIDENTIAL SERVICES

Organic Materials Processing Facility for Processing. As of the Effective Date, Organic Materials Collection service, as described in this Section 2 shall not be available to Premises located in the Canyonlands service area. At any time during the Term of this Agreement, the DISTRICT shall have the sole option to require that CONTRACTOR extend Organic Materials Collection service, as described in this Section 2 of Exhibit B1, to Premises located in the Canyonlands. In the event that DISTRICT directs CONTRACTOR to extend such service, the DISTRICT shall provide notice to the CONTRACTOR no less than one hundred eighty (180) prior to the desired implementation date. Within thirty (30) days of receiving notice from the DISTRICT, CONTRACTOR shall submit an application to the DISTRICT for review which details CONTRACTOR's proposed costs to provide such service, and estimated impact to Customer Rates. Such application shall be based on CONTRACTOR's initial proposal to perform such service as provided in CONTRACTOR's Proposal (Exhibit G2), and shall be updated as necessary to reflect inflationary adjustments, or adjustments to depreciation (assuming straight line depreciation through the remaining Agreement Term). CONTRACTOR shall be entitled to an adjustment in CONTRACTOR's Compensation for provision of such service, either immediately, or through the next scheduled Rate adjustment. In the event that such adjustment to CONTRACTOR's Compensation occurs through the next scheduled Rate adjustment, such adjustment shall include consideration of any time during which service was provided without an adjustment to CONTRACTOR's Compensation. The DISTRICT shall have the sole discretion to determine the timing of any adjustment in CONTRACTOR's Compensation, but such adjustment shall not be delayed beyond the next scheduled Rate adjustment, unless mutually agreed otherwise by the Parties.

- Containers:** Carts
- Container Sizes:** 32-, 64-, and 96-gallons (or comparable sizes approved by the DISTRICT).  
Standard Cart size is 64-gallons. 32- and 96-gallon Cart service shall be made available for no additional charge, upon request by Customer.
- Service Frequency:** One (1) time per week on the same day as Recyclable Materials and Garbage Collection service.
- Service Location:** Curbside.
- Acceptable Materials:** Organic Materials (including Yard Trimmings and Food Scraps)
- Prohibited Materials:** Recyclable Materials, Garbage, Excluded Waste
- Additional Service:** Single-Family Customers shall receive one (1) Organic Materials Cart standard. CONTRACTOR shall provide additional Organic Materials Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the DISTRICT.  
Single-Family Customers may purchase Paper Garden Bags for additional Organic Materials Collection service. CONTRACTOR shall make Paper Garden Bags readily available to Single-Family Customers through the mail, at CONTRACTOR's office at 610 Aladdin Ave., San Leandro, CA 94577, and/or at the DISTRICT office. The CONTRACTOR shall maintain a sufficient inventory of Paper Garden Bags to accommodate Collection of additional Organic Materials.
- Other Requirements:** CONTRACTOR may assess a "contamination fee" per event for



## EXHIBIT B1

### SINGLE-FAMILY RESIDENTIAL SERVICES

Customers who have repeatedly (no less than three times in a calendar year) placed more than ten percent (10%) by volume of prohibited materials in their Organic Materials Container. 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 DISTRICT Contract Manager, upon request.

#### 3. Garbage Collection

CONTRACTOR shall Collect Garbage placed in CONTRACTOR-provided Carts one (1) time per week from Single-Family Customers and Transport all Garbage to the Designated Disposal Facility for Disposal.

- Containers:** Carts
- Container Sizes:** 20-, 32-, 64-, and 96-gallons (or comparable sizes approved by the DISTRICT) as requested by Customer
- Service Frequency:** One (1) time per week on the same day as Recyclable Materials and Organic Materials Collection service.
- Service Location:** Curbside
- Acceptable Materials:** Garbage
- Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste
- Additional Service:** CONTRACTOR shall provide additional Garbage Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the DISTRICT.

Single-Family Customers may purchase Extra Service Tags for periodic additional Garbage. Garbage must be placed in a Customer-provided bag, with the Extra Service Tag affixed and clearly visible, and placed next to their Garbage Container for Collection. CONTRACTOR shall Collect all properly placed bags labeled with Extra Service Tags, and Customers shall not be required to schedule such extra service in advance.

CONTRACTOR shall make Extra Service Tags readily available to Single-Family Customers through the mail, at CONTRACTOR's office at 610 Aladdin Ave., San Leandro, CA 94577, or at the DISTRICT office. The CONTRACTOR shall maintain a sufficient inventory of Extra Service Tags to accommodate additional Garbage.

**Other Requirements:** None

## EXHIBIT B1

### SINGLE-FAMILY RESIDENTIAL SERVICES

#### 4. Used Oil Collection

CONTRACTOR shall Collect Used Motor Oil, Used Motor Oil filters, and Used Cooking Oil placed in a CONTRACTOR-provided Used Oil Recovery Kit from Single-Family Customers and shall Recycle all Used Motor Oil, Used Motor Oil filters, and Used Cooking Oil Collected pursuant to this Agreement.

- Containers:** Used Oil Recovery Kit
- Container Sizes:** Up to three (3) 1-gallon filter bags; and,  
Up to three (3) 1-gallon jugs
- Service Frequency:** Up to one (1) time per week on the same day as Garbage Collection service.
- Service Location:** Curbside (adjacent to Recyclable Materials Cart)
- Acceptable Materials:** Used Motor Oil, Used Motor Oil filter, Used Cooking Oil
- Prohibited Materials:** Recyclable Materials, Organic Materials, Garbage, Excluded Waste
- 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 a full Used Oil Recovery Kit from a Customer, CONTRACTOR shall leave a clean, empty Used Oil Recovery Kit adjacent to the Recyclables Cart. CONTRACTOR shall not be required to Collect more than three (3) Used Oil Recovery Kits per individual Dwelling Unit per week from Single-Family Customers who request it.

CONTRACTOR shall Recycle the Used Motor Oil, Used Motor Oil filter, and Used Cooking Oil only with Persons who are authorized by the State of California to Recycle such materials. In the event the Used Motor Oil, Used Motor Oil filter, or Used Cooking Oil Collected pursuant to this Agreement is contaminated to the extent that the material requires Disposal as a Hazardous Waste, CONTRACTOR shall dispose of such Collected material, at CONTRACTOR's own cost and expense in accordance with Applicable Law.

CONTRACTOR shall notify the DISTRICT Contract Manager of any contamination which renders the materials Collected in accordance with this Section unacceptable for Recycling or which requires Disposal of such material as a Hazardous Waste.

CONTRACTOR shall keep all Used Motor Oil, Used Motor Oil filters, and Used Cooking Oil Collected pursuant to this Agreement segregated from other materials.

CONTRACTOR shall provide Customers who notify CONTRACTOR at least twenty four (24) hours prior to setting out Used Motor Oil and Used Motor Oil filter(s) for Collection with a coupon from the DISTRICT for a new motor oil filter. Such coupon may be redeemed for one (1) oil filter with a maximum value of ten dollars (\$10) (including tax). If the cost of the oil filter and tax is less than ten dollars (\$10), the balance shall not

## EXHIBIT B1 SINGLE-FAMILY RESIDENTIAL SERVICES

transferable, or redeemable for cash, and shall be forfeited. A Used Motor Oil filter must be set out for Collection in order to receive a coupon. CONTRACTOR shall not be required to provide more than one (1) coupon per Single-Family Customer per week. Coupons are redeemable only at participating businesses within the DISTRICT. DISTRICT reserves the right to alter or cancel the coupon program at any time for any reason. Funding for this program shall be provided by the DISTRICT subject to availability of CalRecycle Used Oil Grant funds.

### 5. Curbside Bulky Item/Reusable Materials Collection

CONTRACTOR shall Collect Bulky Items and Reusable Materials from Single-Family Customers and Transport the Bulky Items to the Approved Reusable Materials Processing Facility for Processing.

**Containers:** Not applicable  
**Service Level:** Up to seven (7) cubic yards of Acceptable Materials as defined herein  
**Service Frequency:** Up to one (1) time per year (as requested by Customer)  
**Service Location:** Curbside, or other location on or adjacent to Customer's Premises, as arranged by Customer and CONTRACTOR, to reduce safety concerns of Collecting Bulky Items along busy streets.

**Acceptable Materials:** Reusable Materials, Bulky Items, Recyclable Materials, Organic Materials, Garbage, E-Waste, and U-Waste

**Prohibited Materials:** Hazardous Materials, abandoned automobiles, trees, Excluded Waste or any single item (e.g., large auto parts, etc.) that exceeds two hundred (200) lbs. in weight

**Additional Service:** CONTRACTOR shall Collect additional Acceptable Materials that exceed the required Service Level (as requested by Customer) and may charge the appropriate Rate approved by the DISTRICT for each additional cubic yard Collected.

CONTRACTOR shall provide additional Bulky Item/Reusable Materials Collection events to Single-Family Customers, beyond one (1) per year, and may charge the appropriate Rate approved by the DISTRICT. Each Bulky Item/Reusable Materials Collection event shall be subject to the same Service Level as identified above.

**Other Requirements:** 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, with the exception that CONTRACTOR shall not be required to schedule Collection events during the weeks designated for holiday tree Collection (in accordance with Section 6 of Exhibit B1), or Textiles Collection (in accordance with Section 7 of Exhibit B1). CONTRACTOR shall not Dispose of materials Collected through the Bulky Item/Reusable Materials Collection program unless the materials cannot be reused or Recycled. CONTRACTOR shall Process and Dispose of Bulky Items and Reusable Materials Collected from Customers in accordance with the following hierarchy: (1)

## **EXHIBIT B1**

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

Reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle; and if none of the other options are practicable, (4) Dispose.

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

CONTRACTOR shall Collect from Single-Family Customers un-flocked, and undecorated holiday trees that are placed Curbside during the two (2) week period beginning with the first Monday in January of each year as part of the Organic Materials services provided under this Agreement. To the extent they are properly set out, holiday trees shall be Collected on the regular Collection day for each Single-Family Customer during the two (2) week period, and delivered to the Davis Street Transfer Station, or the Approved Organic Materials Processing Facility for Processing. Holiday tree Collection services shall be provided at no additional cost to the DISTRICT or the Customer. CONTRACTOR may require that holiday trees be cut into sections no greater than six feet (6'). Holiday trees that are flocked shall be Collected but may be delivered to the Designated Disposal Facility at the discretion of the CONTRACTOR. Holiday trees that contain tinsel or other decorations, or are attached to a tree stand are not required to be Collected; however, CONTRACTOR shall affix a Non-Collection Notice to the tree informing the Customer of the reason(s) for non-Collection.

#### **7. Textile Collection**

CONTRACTOR shall Collect from Single-Family Customers Textiles that are placed Curbside, contained in Customer-provided bags, during two (2) one (1) week periods per Rate Period, as mutually determined by the DISTRICT and CONTRACTOR. To the extent they are properly set out, Textiles shall be Collected on the regular Collection day for each Single-Family Customer during each one (1) week period, and delivered to the Approved Reusable Materials Processing Facility for Processing. Textile Collection services shall be provided at no additional cost to the DISTRICT or the Customer.

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

Notwithstanding any term or definition set forth in this Agreement, CONTRACTOR shall provide Recyclable Materials, Organic Materials, and Garbage Collection services to Single-Family Customers at a location other than Curbside (e.g. the Customer's backyard) if all adult Persons residing at such Customer's Premises are unable to place the Recyclable Materials, Organic Materials, and Garbage Carts at the Curb for Collection, and if a request for such alterative service has been made to, and approved by, the CONTRACTOR in the manner required by the DISTRICT. CONTRACTOR shall provide such non-Curbside Collection service at no additional cost to the Customer.

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

**9. Reduce Your Waste Size Program**

CONTRACTOR shall provide to Single-Family Customers who elect to downsize to a twenty (20) gallon Garbage Cart with a fifty dollar (\$50) credit on their next Solid Waste Collection bill. Customers requesting the credit must schedule a Cart exchange with CONTRACTOR. CONTRACTOR shall not be required to provide more than one (1) credit per Single-Family Customer during the Term of this Agreement. Funding for this program shall be provided by the DISTRICT, and this program may be amended or eliminated by the DISTRICT in the event that funds are no longer available.

**10. Temporary Stop-Service**

Upon Customer request, and DISTRICT approval, CONTRACTOR shall place a "vacation hold" on existing Customer accounts for periods of no less than one (1) week in length.

*This page intentionally left blank*

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

---





## EXHIBIT B2

### MULTI-FAMILY RESIDENTIAL SERVICES

#### 1. Recyclable Materials Collection

CONTRACTOR shall Collect Recyclable Materials placed in CONTRACTOR-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

- Containers:** Carts, Bins, Drop Boxes, Compactors
- Container Sizes:** 32-, 64-, and 96-gallon (or comparable size Carts approved by the DISTRICT); 1-, 2-, 3-, 4-, 6-, and 7- cubic yard Bins; and, 10-, 20-, 30-, and 40- cubic yard Drop Boxes or Compactors  
As requested by Customer
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week (as requested by Customer, Saturday service requires three (3) service days during the week Monday through Friday)
- Service Location:** Curbside or other Customer-selected service location at the Multi-Family Premises; additional charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection Vehicle can access from a paved surface. In the event that a Customer requests Collection service at a location which the CONTRACTOR considers to be unsafe, CONTRACTOR shall recommend an alternative service location to the Customer. In the event that Customer and CONTRACTOR are unable to agree upon an alternative service location, CONTRACTOR shall notify the DISTRICT Contract Manager, and DISTRICT Contract Manager shall coordinate with the Customer and CONTRACTOR to identify a safe Collection location.
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic Materials, Garbage, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional pick-ups can be scheduled equating to up to six (6) days per week total service
- Other Requirements:** CONTRACTOR shall make contact with each and every Multi-Family Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency.  
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 service Containers (additional charge may apply).  
CONTRACTOR may assess a "contamination fee" per event for Customers who have repeatedly (no less than three times in a calendar year) placed more than ten percent (10%) by volume of prohibited materials in their Recyclable Materials Container. 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,

## EXHIBIT B2

### MULTI-FAMILY RESIDENTIAL SERVICES

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 DISTRICT Contract Manager, upon request.

#### 2. Organic Materials Collection

CONTRACTOR shall Collect Organic Materials in CONTRACTOR-provided Carts not less than one (1) time per week from Multi-Family Customers and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing.

- Containers:** Carts, Bins, Drop Boxes, Compactors
- Container Sizes:** 32-, 64-, and 96-gallon (or comparable size Carts approved by the DISTRICT);  
1-, 1.5-, 2-, 3-, 4-, 6-, and 7- cubic yard Bins  
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by the Multi-Family Customer. Saturday service requires three (3) service days during the week Monday through Friday.
- Service Location:** Curbside or other Customer-selected service location at the Multi-Family Premises; additional charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection Vehicle can access from a paved surface. In the event that a Customer requests Collection service at a location which the CONTRACTOR considers to be unsafe, CONTRACTOR shall recommend an alternative service location to the Customer. In the event that Customer and CONTRACTOR are unable to agree upon an alternative service location, CONTRACTOR shall notify the DISTRICT Contract Manager, and DISTRICT Contract Manager shall coordinate with the Customer and CONTRACTOR to identify a safe Collection location.
- Acceptable Materials:** Organic Materials (including Yard Trimmings and Food Scraps)
- Prohibited Materials:** Recyclable Materials, Garbage, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
- Multi-Family Customers subscribing to Cart service may purchase Paper Garden Bags for additional Organic Materials Collection service. CONTRACTOR shall make Paper Garden Bags readily available to Multi-Family Cart Customers through the mail, at CONTRACTOR's office at 610 Aladdin Ave., San Leandro, CA 94577, or at the DISTRICT office. The CONTRACTOR shall maintain a sufficient inventory of Paper Garden Bags to accommodate Collection of additional Organic Materials.

## EXHIBIT B2

### MULTI-FAMILY RESIDENTIAL SERVICES

**Other Requirements:** CONTRACTOR shall make contact with each and every Multi-Family Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency.

CONTRACTOR may assess a "contamination fee" per event for Customers who have repeatedly (no less than three times in a calendar year) placed more than ten percent (10%) by volume of prohibited materials in their Organic Materials Container. 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 DISTRICT Contract Manager, upon request.

#### 3. Garbage Collection

CONTRACTOR shall Collect Garbage placed in CONTRACTOR-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Garbage to the Designated Disposal Facility for Disposal.

**Containers:** Carts, Bins, Drop Boxes, Compactors

**Container Sizes:** 20-, 32-, 64-, and 96-gallon or comparable size Carts approved by the DISTRICT;  
1-, 1.5-, 2-, 3-, 4-, 6-, and 7- cubic yard Bins; and,  
6-, 14-, 20-, 30-, and 40- cubic yard Drop Boxes or Compactors  
As requested by Customer.

**Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer. Saturday service requires three (3) service days during the week Monday through Friday.

**Service Location:** Curbside or other Customer-selected service location at the Multi-Family Premises; additional charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection Vehicle can access from a paved surface. In the event that a Customer requests Collection service at a location which the CONTRACTOR considers to be unsafe, CONTRACTOR shall recommend an alternative service location to the Customer. In the event that Customer and CONTRACTOR are unable to agree upon an alternative service location, CONTRACTOR shall notify the DISTRICT Contract Manager, and DISTRICT Contract Manager shall coordinate with the Customer and CONTRACTOR to identify a safe Collection location

**Acceptable Materials:** Garbage

**Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste

**Additional Service:** Special pick-ups requested by a Customer, on days other than their

## EXHIBIT B2

### MULTI-FAMILY RESIDENTIAL SERVICES

regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.

Multi-Family Customers subscribing to Cart service may purchase Extra Service Tags for additional Garbage. Garbage must be placed in a Customer-provided bag, with the Extra Service Tag affixed and clearly visible, and placed next to their Garbage Container for Collection. Customers shall not be required to schedule such extra service in advance.

CONTRACTOR shall make Extra Service Tags readily available to Multi-Family Cart Customers through the mail, at CONTRACTOR's office at 610 Aladdin Ave., San Leandro, CA 94577, or at the DISTRICT office. The CONTRACTOR shall maintain a sufficient inventory of Extra Service Tags to accommodate additional Garbage.

**Other Requirements:** CONTRACTOR shall make contact with each and every Multi-Family Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency.

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 service Containers (additional charge may apply).

#### 4. Bulky Item/Reusable Materials Collection

CONTRACTOR shall Collect Bulky Items and Reusable Materials from Multi-Family Customers and Transport the Collected materials to the Approved Reusable Materials Processing Facility for Processing.

**Containers:** Not applicable

**Service Level:** Up to two (2) cubic yards per Dwelling Unit of Acceptable Materials.

**Service Frequency:** Up to one (1) time per year (as requested by Multi-Family Customer).

**Service Location:** Curbside or other Customer-selected service location at the Multi-Family Premises.

**Acceptable Materials:** Reusable Materials, Bulky Items, Recyclable Materials, Organic Materials, Garbage, E-Waste, and U-Waste

**Prohibited Materials:** Hazardous Materials, abandoned automobiles, trees, Excluded Waste or any single item (e.g., large auto parts, etc.) that exceeds two hundred (200) lbs. in weight

**Additional Service:** Upon Multi-Family Customer request, CONTRACTOR shall Collect additional Acceptable Materials which exceed the required Service Level and may charge the appropriate Rate approved by the DISTRICT.

CONTRACTOR shall provide additional Collection events for a Customer beyond one (1) per year and may charge the appropriate Rate approved by the DISTRICT. Each Bulky Item/Reusable Materials Collection Event shall be subject to the same Service Level as identified above.

## EXHIBIT B2

### MULTI-FAMILY RESIDENTIAL SERVICES

Upon Customer request, CONTRACTOR shall provide to each Multi-Family Dwelling complex one (1) voucher for free drop-off of up to two (2) cubic yards per year of Bulky Items at the Davis Street Transfer Station, or Approved Reusable Materials Processing Facility at no additional charge.

**Other Requirements:** 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. CONTRACTOR shall not Dispose of materials Collected through the Bulky Item/Reusable Materials Collection program unless the materials cannot be reused or Recycled. CONTRACTOR shall Process and Dispose of Bulky Items and Reusable Materials Collected from Customers in accordance with the following hierarchy: (1) Reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle; and if none of the other options are practicable, (4) Dispose.

#### **5. Rate Bundling Options for Customization of Service Subscription**

**A. Cart Service.** Multi-Family Cart Rates include Recyclable Materials, and Organic Materials Collection Service, in an amount at least equivalent to the weekly gallons of subscribed Garbage Service. For the purpose of this Section, subscription levels refer to total weekly Collection capacity, and may be achieved through different mixes of Cart sizes and quantities. For example, if a Customer subscribes to a 64-gallon Garbage Cart, Collected one-time per week, the Customer will be entitled to receive a 64-gallon Recyclable Materials (or two 32-gallon Recyclable Materials Carts), and a 64-gallon Organic Materials Carts (or two 32-gallon Organic Materials Carts), also Collected one-time per week. In the event a Customer subscribes to a 20-gallon Garbage Cart, such Customer shall be entitled to receive 32-gallon Carts for Recyclable Materials and Organic Materials.

**B. Bin Service.** Multi-Family Bin Customers subscribing to either Recyclable Materials, Organic Materials, or Garbage service in 3-cubic yard or smaller Containers, regardless of service frequency, shall have the option to select an equivalent level of Collection service for a second material type (either Recyclable Materials, Organic Materials, or Garbage) included in the Rate for that Service Level. Customers requiring Collection of the remaining material type may separately subscribe with CONTRACTOR for such service. For example, under this Section, Customers may select between the following:

- Customer subscribes to 3-cubic yard or smaller Container for Recyclable Materials, receives an equivalent level of Organic Materials Collection service at no additional charge, and separately subscribes to Garbage Collection service;
- Customer subscribes to 3-cubic yard or smaller Container for Recyclable Materials, receives an equivalent level of Garbage Collection service at no additional charge, and separately subscribes to Organic Materials Collection service;

## **EXHIBIT B2**

### **MULTI-FAMILY RESIDENTIAL SERVICES**

- Customer subscribes to 3-cubic yard or smaller Container for Organic Materials, receives an equivalent level of Recyclable Materials Collection service at no additional charge, and separately subscribes to Garbage Collection service;
- Customer subscribes to 3-cubic yard or smaller Container for Organic Materials, receives an equivalent level of Garbage Collection service at no additional charge, and separately subscribes to Recyclable Materials Collection service;
- Customer subscribes to 3-cubic yard or smaller Container for Garbage, receives an equivalent level of Recyclable Materials Collection service at no additional charge, and separately subscribes to Organic Materials Collection service or,
- Customer subscribes to 3-cubic yard or smaller Container for Garbage, receives an equivalent level of Organic Materials Collection service at no additional charge, and separately subscribes to Recyclable Materials Collection service.

**EXHIBIT B3:  
COMMERCIAL SERVICES**

---





## EXHIBIT B3 COMMERCIAL SERVICES

### 1. Recyclable Materials Collection

CONTRACTOR shall Collect Recyclable Materials placed in CONTRACTOR-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

- Containers:** Carts, Bins, Drop Boxes, Compactors
- Container Sizes:** 32-, 64-, and 96-gallon (or comparable size Carts approved by the DISTRICT);  
1-, 2-, 3-, 4-, 6-, and 7- cubic yard Bins; and,  
6-, 14-, 20-, 30-, and 40- cubic yard Drop Boxes or Compactors  
As requested by Customer.
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer. Saturday service requires three (3) service days during the week Monday through Friday.
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises; additional charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection Vehicle can access from a paved surface. In the event that a Customer requests Collection service at a location which the CONTRACTOR considers to be unsafe, CONTRACTOR shall recommend an alternative service location to the Customer. In the event that Customer and CONTRACTOR are unable to agree upon an alternative service location, CONTRACTOR shall notify the DISTRICT Contract Manager, and DISTRICT Contract Manager shall coordinate with the Customer and CONTRACTOR to identify a safe Collection location
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic Materials, Garbage, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service
- Other Requirements:** CONTRACTOR shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency.  
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 (additional charge may apply).  
CONTRACTOR may assess a "contamination fee" per event for Customers who have repeatedly (no less than three times in a calendar year) placed more than ten percent (10%) by volume of prohibited materials in their Recyclable Materials Container. 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,

## EXHIBIT B3 COMMERCIAL SERVICES

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 DISTRICT Contract Manager, upon request.

### 2. Organic Materials Collection

CONTRACTOR shall Collect Organic Materials placed in CONTRACTOR-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing.

- Containers:** Carts, Bins, Drop Boxes, Compactors
- Container Sizes:** 32-, 64-, and 96-gallon (or comparable size Carts approved by the DISTRICT); and,  
1-, 1.5-, 2-, 3-, 4-, 6-, and 7- cubic yard Bins  
As requested by Customer
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer. Saturday service requires three (3) service days during the week Monday through Friday.
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises; additional charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection Vehicle can access from a paved surface. In the event that a Customer requests Collection service at a location which the CONTRACTOR considers to be unsafe, CONTRACTOR shall recommend an alternative service location to the Customer. In the event that Customer and CONTRACTOR are unable to agree upon an alternative service location, CONTRACTOR shall notify the DISTRICT Contract Manager, and DISTRICT Contract Manager shall coordinate with the Customer and CONTRACTOR to identify a safe Collection location.
- Acceptable Materials:** Organic Materials (including Yard Trimmings and Food Scraps)
- Prohibited Materials:** Recyclable Materials, Garbage, Excluded Waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service
- Other Requirements:** CONTRACTOR shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency. CONTRACTOR shall allow the use of plastic bags by the Customer for the containment of the Organic Materials and shall Collect both the Organic Materials and the plastic bags as part of the Organic Materials Collection Service provided under the terms of this Agreement. CONTRACTOR may instruct Customers using bags to leave bags open or loosely tied.

## EXHIBIT B3 COMMERCIAL SERVICES

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 (additional charge may apply).

CONTRACTOR may assess a "contamination fee" per event for Customers who have repeatedly (no less than three times in a calendar year) placed more than ten percent (10%) by volume of prohibited materials in their Organic Materials Container. 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 DISTRICT Contract Manager, upon request.

### 3. Garbage Collection

CONTRACTOR shall Collect Garbage placed in CONTRACTOR-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Garbage to the Designated Disposal Facility for Disposal.

- Containers:** Carts, Bins, Drop Boxes, Compactors.
- Container Sizes:** 20-, 32-, 64-, and 96-gallon (or comparable size Carts approved by the DISTRICT);  
1-, 1.5-, 2-, 3-, 4-, 6-, and 7- cubic yard Bins; and,  
6-, 14-, 20-, 30-, and 40- cubic yard Drop Boxes or Compactors  
As requested by Customer
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week, as requested by Customer. Saturday service requires three (3) service days during the week Monday through Friday.
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises; additional charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection Vehicle can access from a paved surface. In the event that a Customer requests Collection service at a location which the CONTRACTOR considers to be unsafe, CONTRACTOR shall recommend an alternative service location to the Customer. In the event that Customer and CONTRACTOR are unable to agree upon an alternative service location, CONTRACTOR shall notify the DISTRICT Contract Manager, and DISTRICT Contract Manager shall coordinate with the Customer and CONTRACTOR to identify a safe Collection location.
- Acceptable Materials:** Garbage
- Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Waste

## **EXHIBIT B3 COMMERCIAL SERVICES**

**Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service

**Other Requirements:** CONTRACTOR shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency.

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 (additional charge may apply).

#### **4. Rate Bundling Options for Customization of Service Subscription**

Commercial Customers subscribing to either Recyclable Materials, Organic Materials, or Garbage service in 3-cubic yard or smaller Containers, regardless of service frequency, shall have the option to select an equivalent level of Collection service for a second material type (either Recyclable Materials, Organic Materials, or Garbage) included in the Rate for that Service Level. Customers requiring Collection of the remaining material type may separately subscribe with CONTRACTOR for such service. For example, under this Section, Customers may select between the following:

- Customer subscribes to 3-cubic yard or smaller Container for Recyclable Materials, receives an equivalent level of Organic Materials Collection service at no additional charge, and separately subscribes to Garbage Collection service;
- Customer subscribes to 3-cubic yard or smaller Container for Recyclable Materials, receives an equivalent level of Garbage Collection service at no additional charge, and separately subscribes to Organic Materials Collection service;
- Customer subscribes to 3-cubic yard or smaller Container for Organic Materials, receives an equivalent level of Recyclable Materials Collection service at no additional charge, and separately subscribes to Garbage Collection service;
- Customer subscribes to 3-cubic yard or smaller Container for Organic Materials, receives an equivalent level of Garbage Collection service at no additional charge, and separately subscribes to Recyclable Materials Collection service;
- Customer subscribes to 3-cubic yard or smaller Container for Garbage, receives an equivalent level of Recyclable Materials Collection service at no additional charge, and separately subscribes to Organic Materials Collection service or,
- Customer subscribes to 3-cubic yard or smaller Container for Garbage, receives an equivalent level of Organic Materials Collection service at no additional charge, and separately subscribes to Recyclable Materials Collection service.

**EXHIBIT B4:  
CONSTRUCTION AND DEMOLITION DEBRIS  
SERVICES**

---



# EXHIBIT B4

## CONSTRUCTION & DEMOLITION DEBRIS SERVICES

### 1. Source Separated C&D Collection

CONTRACTOR shall Collect C&D which has been Source Separated by homogeneous material types (e.g., all metals, all inert materials, all wood waste, etc.) in CONTRACTOR-provided Containers at the frequency requested by C&D Customers and Transport all Source Separated C&D to the Approved C&D Processing Facility for Processing.

- Containers:** Drop Boxes
- Container Sizes:** 6-, 14-, 20-, 30-, and 40- cubic yard Drop Boxes, as requested by Customer
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per month, as requested by Customer
- Service Location:** Curbside or other Customer-selected and CONTRACTOR approved service location at the construction site or point of generation.
- Acceptable Materials:** Source Separated C&D
- Prohibited Materials:** Organic Materials, Garbage, Excluded Waste
- Other Requirements:** CONTRACTOR shall respond within twenty-four (24) hours, or seventy-two (72) hours for requests made on a Friday, to requests by Residential or Commercial Customers for Construction and Demolition Debris Collection service and shall provide the appropriate Container for such Collection.

### 2. Mixed C&D Collection

CONTRACTOR shall Collect Mixed C&D and/or Recyclable Materials in CONTRACTOR-provided Containers at the frequency requested by C&D Customers and Transport all Mixed C&D to the Approved C&D Processing Facility for Processing.

- Containers:** Drop Boxes
- Container Sizes:** 6-, 14-, 20-, 30-, and 40- cubic yard Drop Boxes, as requested by Customer
- Service Frequency:** Up to six (6) times per week but not less than one (1) time per month, as requested by Customer
- Service Location:** Curbside or other Customer-selected and CONTRACTOR approved service location at the construction site or point of generation.
- Acceptable Materials:** Mixed C&D, Recyclable Materials
- Prohibited Materials:** Organic Materials, Garbage, Excluded Waste
- Other Requirements:** CONTRACTOR shall respond within twenty-four (24) hours, or seventy-two (72) hours for requests made on a Friday, to requests by Residential or Commercial Customers, Monday through Thursday, for Construction and Demolition Debris Collection and shall provide the appropriate Container for such Collection.

*This page intentionally left blank*



**EXHIBIT B5:  
DISTRICT SERVICES**

---



## **EXHIBIT B5 DISTRICT SERVICES**

### **1. Commercial Customer Services to DISTRICT Facilities**

CONTRACTOR shall Collect Recyclable Materials, Organic Materials, and Garbage from DISTRICT facilities in the same manner as those services are provided to Commercial Customers. CONTRACTOR shall provide service to all existing DISTRICT facilities identified in Exhibit B6 as well as any future DISTRICT facilities established after the Commencement Date. CONTRACTOR shall provide these services at no additional cost to the DISTRICT.

### **2. Bulky Item/Reusable Materials Collection**

CONTRACTOR shall Collect Bulky Items and Reusable Materials from DISTRICT facilities in the same manner as those services are provided to Single-Family Customers. Upon request by the DISTRICT Contract Manager, CONTRACTOR shall provide Bulky Item and Reusable Materials Collection service to the facilities identified in Exhibit B6 as well as any future DISTRICT facilities established after the Commencement Date. CONTRACTOR shall provide these services at no additional cost to the DISTRICT.

### **3. Public Litter Container Service**

CONTRACTOR shall provide Collection, Transportation, and Processing service to up to one hundred forty (140) Public Litter Containers placed and maintained by the DISTRICT along main thoroughfares in the DISTRICT, including County-owned Public Litter Containers located along Castro Valley Boulevard between Redwood Avenue and Santa Maria Avenue, during the Term of this Agreement. Such Collection services shall include monitoring Public Litter Containers and emptying them on an as-needed basis. CONTRACTOR shall Process all materials Collected from Public Litter Containers for recovery at the Approved Mixed Waste Processing Facility. During Rate Period One, the Parties shall meet and confer to develop an approach for ensuring the highest and best use of material recovered from Processing of Public Litter Containers.

### **4. On-call Clean-Up Service**

Upon DISTRICT request, CONTRACTOR shall provide Collection, Transportation and Processing or Disposal service of up to four hundred and eighty (480) cubic yards of on-call clean-up service per year. CONTRACTOR shall be entitled to charge the DISTRICT for quantities that exceed four hundred and eighty (480) cubic yards per complete or partial calendar year in accordance with the Rates specified in Exhibit G3.

CONTRACTOR shall, in response to a written request from the DISTRICT Contract Manager (which may include email correspondence), deliver and collect Drop Boxes for use in DISTRICT clean-up programs. Each clean-up event shall consist of a single Collection day beginning at 6:00 a.m. and ending at 6:00 p.m. The DISTRICT Contract Manager shall notify CONTRACTOR in writing not less than five (5) calendar days prior to the date of the service. The notice to CONTRACTOR shall specify the date of delivery and Collection of the Drop Box Containers, the location(s) for delivery, and the number of and size of the Drop Box Containers to be delivered.

## **EXHIBIT B5 DISTRICT SERVICES**

As part of this service, CONTRACTOR shall provide on-site supervision at all times the Drop Box Containers are available for DISTRICT clean-up services. At such time as the Drop Box Container is full, but not later than the end of the DISTRICT clean-up service day (unless otherwise approved by the DISTRICT Contract Manager), CONTRACTOR shall Transport and deliver the Collected materials to the appropriate Approved Facility for Processing and/or Disposal as approved by the DISTRICT Contract Manager.

With the prior written consent of the DISTRICT Contract Manager, CONTRACTOR may provide for the Collection of materials at a DISTRICT clean-up service event in a vehicle or Container other than a Drop Box Container. However, in the event the CONTRACTOR elects to utilize this alternative Collection process, CONTRACTOR is responsible for obtaining documentation of the weight of the materials Collected, Diverted and Disposed in a manner that is acceptable to the DISTRICT.

### **5. HHW/ E-Waste/ U-Waste/ or Other Material Collection Events**

CONTRACTOR shall be responsible for promoting, managing, staffing, and operating two (2) annual Collection events ("Collection Events") to accept Household Hazardous Waste (HHW), Electronic Waste (E-Waste), Universal Waste (U-Waste), Textiles, or other materials to be determined by the DISTRICT. Materials to be Collected at the Collection Events shall include, at a minimum and not by way of limitation, items such as: paint, stain, varnish, thinner and adhesives; automotive products such as old fuel, Used Motor Oil and filters, and automotive batteries; household batteries; cleaners and sprays; garden products, including pesticides and fertilizers; cell phones, computers, monitors and other items containing cathode ray tubes, (CRT's). CONTRACTOR shall ensure that all E-Waste collected from Collection Events is handled in accordance with Applicable Law and Recycled to the greatest extent practicable by a Processor that is certified through the "e-Steward" E-Waste Recycling certification program ([www.e-stewards.org](http://www.e-stewards.org)). CONTRACTOR may fulfill this requirement through its own forces or through the use of a DISTRICT-approved non-profit or community group.

No less than six (6) months prior to each Collection Event, CONTRACTOR shall prepare and submit a Collection Event Plan to the DISTRICT Contract Manager to account for the specific type of event to be held. The plan shall specifically include the level of effort to be incurred in the areas of public education and advertising for the event.

CONTRACTOR shall prepare and pay for publication of all advertisements and public announcements regarding the Collection event in accordance with the updated Collection Event Plan. All promotional material shall be approved by the DISTRICT prior to release to the public. CONTRACTOR shall arrange for an appointment system to be in place to allow residents to call in to make appointments to drop-off material at the Collection Event. The appointment system shall be designed to minimize waiting time for residents and to encourage participation.

The dates and sites of the Collection Event shall be selected by the CONTRACTOR and approved by the DISTRICT. The DISTRICT shall assist the CONTRACTOR in locating a site as requested,

## **EXHIBIT B5 DISTRICT SERVICES**

however such site shall always be within the jurisdictional limits of the DISTRICT. At such events, the CONTRACTOR shall accept material delivered by DISTRICT residents during a seven (7) hour period. CONTRACTOR shall provide personnel that will assist with directing traffic; verifying residency of persons delivering material; documenting the number of residents delivering materials; and directing residents where to unload materials. In addition, CONTRACTOR shall be responsible for managing the Collection Event; supervising and directing event personnel; inspecting materials delivered to the event; separating and packaging HHW/ E-Waste/ U-Waste and other material; documenting the quantity of each material type; Transporting HHW/ E-Waste/ U-Waste and other material to reuse, Recycling, and/or Processing locations; and cleaning-up the location at the end of the Collection Event.

CONTRACTOR shall provide properly trained and qualified personnel to handle, unload, package and Transport HHW, E-Waste, U-Waste, and other materials to proper vendors for Recycling and/or Disposal. CONTRACTOR shall provide appropriate containers for the HHW, E-Waste, U-Waste, and other material.

Except as set forth below, all costs, including but not limited to Transportation, management, administration, site selection, Processing and Disposal, related to these events shall be the responsibility of the CONTRACTOR and no additional compensation will be provided by the DISTRICT. CONTRACTOR shall be responsible for thirty thousand dollars (\$30,000) per event of net costs incurred for the Transportation and Disposal of materials Collected at each Collection Event. Costs shall be netted against any revenue received by CONTRACTOR from Federal, State or local programs, grants, producer responsibility organizations, etc. for the Collection or Disposal of the items. At any Collection Event where the net costs do not exceed thirty thousand dollars (\$30,000) the difference between the net cost incurred and thirty thousand dollars (\$30,000) shall be accumulated for use at the next Collection Event. In the event the net costs exceed thirty thousand dollars (\$30,000) plus any accumulated unexpended funds from prior Collection Events, the DISTRICT will reimburse the CONTRACTOR.

CONTRACTOR shall provide DISTRICT with a report within thirty (30) days of the event summarizing the number of participants and the total Tonnage collected by material type. In addition, the report shall provide detailed financial data regarding the cost of the Collection Event including but not limited to non-reimbursable costs such as administrative, training, setup, and cleanup costs and reimbursable costs such as Transportation, Disposal, and Processing. The report shall include an accounting that provides the balance, if any, of unspent accumulated funds from prior Collection Events, reimbursable costs incurred, any revenues received or to be received that are netted against the reimbursable costs, and the amount due to the CONTRACTOR or to be added to the unspent accumulated funds balance. DISTRICT may request additional information as needed but shall pay all unchallenged amounts due the CONTRACTOR within thirty (30) days of receipt of the report.

## **EXHIBIT B5 DISTRICT SERVICES**

### **6. Abandoned Waste**

CONTRACTOR shall direct its Collection vehicle drivers to note (i) the addresses of any Premises at which the driver observes that Recyclable Materials, Organic Materials, and/or Garbage is accumulating; and (ii) the address, or other location description, at which Recyclable Materials, Organic Materials, and/or Garbage has been dumped in an apparently unauthorized manner. CONTRACTOR shall deliver the address or description to DISTRICT within three (3) Business Days of such observation.

### **7. Commercial Customer Services to School Facilities**

CONTRACTOR shall provide Commercial Recyclable Materials and Organic Materials Collection service to DISTRICT approved public and private schools subscribing to Commercial Garbage Collection service under this Agreement at no additional cost to the school or DISTRICT. CONTRACTOR shall Collect holiday trees from school Customers in a manner and from a location which is agreed to between the CONTRACTOR and the school. To the extent they are properly set out, holiday trees shall be Collected on the regular Collection day for each school during the two (2) week period beginning with the first Monday in January, and delivered to the Davis Street Transfer Station, or the Approved Organic Materials Processing Facility for Processing. At the end of the two (2) week period during the month of January, holiday tree Disposal by schools in the DISTRICT must be made in the Carts and/or Bins provided to such Customers for the Collection of Organic Materials under this Agreement. Holiday tree Collection services shall be provided at no additional cost to the DISTRICT or the Customer. DISTRICT and CONTRACTOR have agreed that the Palomares Elementary School is eligible to receive the services set forth in this section.

### **8. Emergency Services**

CONTRACTOR shall provide emergency services (i.e., special Collections, Transport, Processing and Disposal) at the request of the DISTRICT Contract Manager in the event of major accidents, disruptions, or natural calamities. CONTRACTOR shall be capable of providing emergency services within twenty-four (24) hours of notification by the DISTRICT Contract Manager or as soon thereafter as is reasonably practical in light of the circumstances. For any services which exceed the scope of services under this Agreement, CONTRACTOR shall be entitled to compensation at the emergency service Rates approved under this Agreement. The DISTRICT shall have discretion in the method of such compensation between direct payments by the DISTRICT and allowing such costs to be considered in the adjustment of Rates for the following Rate Period.

### **9. Compost Give-Back**

CONTRACTOR shall make available up to five percent (5%) of the Compost product (based on the weight of Organic Material Collected) to the DISTRICT in the following categories: (i) bulk product or bagged Compost for use in parks located within the DISTRICT and DISTRICT facilities;

## **EXHIBIT B5 DISTRICT SERVICES**

(ii) bulk product or bagged Compost for distribution to DISTRICT Customers; and (iii) bulk product or bagged Compost for use as directed by DISTRICT. DISTRICT shall have the right to request that Compost product be provided in the form of Compost, mulch, soil, or a combination thereof.

**A. Bulk Compost for DISTRICT.** CONTRACTOR shall make available to DISTRICT bulk Compost for use in DISTRICT parks and facilities or such other places as may be directed by DISTRICT. The DISTRICT Contract Manager will notify CONTRACTOR as to the DISTRICT's needs for delivery of finished Compost throughout the calendar year. CONTRACTOR shall deliver Compost upon request of the DISTRICT Contract Manager at no additional cost to DISTRICT. If DISTRICT does not take delivery of Compost made available by CONTRACTOR within thirty (30) days of the end of the calendar year, CONTRACTOR's obligation to deliver Compost for said calendar year shall be deemed to be satisfied.

**B. Compost for DISTRICT Residents.** CONTRACTOR shall make available pre-bagged Compost for distribution at two (2) recurring annual Compost give-back events within the jurisdictional limits of the DISTRICT. CONTRACTOR shall work with the DISTRICT Contract Manager to determine the date and location of the give-back event, and may coordinate the dates with a Collection Event, as described in Section 5 of this Exhibit B5.

### **10. News Media Relations**

CONTRACTOR shall notify the DISTRICT Contract Manager by e-mail of all requests for news media interviews related to services provided under this Agreement within twenty-four (24) hours of CONTRACTOR's receipt of the request. Before responding to any inquiries involving controversial issues or any issues likely to affect participation or Customer perception of services, CONTRACTOR will discuss CONTRACTOR's proposed response with the DISTRICT Contract Manager.

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

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

### **11. Waste Generation, Characterization, and Pilot Studies.**

CONTRACTOR acknowledges that DISTRICT, StopWaste, CalRecycle, or other governmental agencies may wish to perform generation and characterization studies periodically with respect to materials covered under this Agreement. CONTRACTOR agrees to participate and cooperate

## **EXHIBIT B5 DISTRICT SERVICES**

with DISTRICT and its agents and to perform studies and data collection exercises, as needed, to determine weights, volumes and composition of materials generated, Disposed, Diverted or otherwise Processed. If DISTRICT requires CONTRACTOR to participate in such a study, CONTRACTOR and DISTRICT shall mutually agree on the scope of services to be provided by CONTRACTOR and the amount of compensation, if any, that the DISTRICT will pay to CONTRACTOR for such participation. In any event, CONTRACTOR shall permit and in no way interfere with the collection and handling of the subject materials by other Persons for such purposes.

In addition, CONTRACTOR acknowledges that the DISTRICT may, from time to time during the term of the Agreement, wish to conduct and/or participate in pilot studies related to the Customers and materials that are the subject of this Agreement. If DISTRICT requires CONTRACTOR to participate in such a pilot study, CONTRACTOR and DISTRICT shall mutually agree on the scope of services to be provided by CONTRACTOR and the amount of compensation, if any, that the DISTRICT will pay to CONTRACTOR for such participation. In any event, CONTRACTOR shall permit and in no way interfere with the collection and handling of the subject materials by other Persons for such purposes.



**EXHIBIT B6:  
DISTRICT FACILITY LOCATIONS**

---



## **EXHIBIT B6 DISTRICT FACILITY LOCATIONS**

CONTRACTOR shall Collect Recyclable Materials, Organic Materials, and Garbage from DISTRICT facilities in the same manner as those services are provided to Commercial Customers. CONTRACTOR will provide service to all DISTRICT facilities, present and future, at no additional cost to the DISTRICT. Listed below are the DISTRICT facilities receiving Collection services as of the Effective Date:


1. 21040 Marshall Street, Castro Valley, CA 94546
2. 20211 Patio Drive, Castro Valley, CA 94546
3. 21195 Center Street, Castro Valley, CA 94546
4. Public Litter Containers as shown on the map included on the following page.

\* Notes for specific street cans (street cans are in order of how they are audited, not numerical order):

This information is for CVSan staff audit purposes and has been removed from this version of the map.

KEY:

- Street Trash/Garbage Can
- △ Street Trash/Garbage Can with Recycling Pyramid
- Removable Can
- × Removable Can




Castro Valley Boulevard / Redwood Road  
Public Street Trash/Garbage Cans

As serviced by Waste Management of Alameda County  
Castro Valley Sanitary District  
21040 Marshall Street  
Castro Valley, CA 94546  
Revised March 5, 2018

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

---



## **EXHIBIT C**

### **PUBLIC EDUCATION & OUTREACH PLAN**

The DISTRICT 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 described in this Exhibit C, provided that CONTRACTOR shall not be required to increase staffing beyond the levels described in CONTRACTOR's Proposal (Exhibit G) in order to meet the obligations of this Exhibit C, and CONTRACTOR may recover reasonable printing and publication expenses resulting from the performance of this Exhibit C with prior approval from DISTRICT through the Public Education budget.

1. In support of the DISTRICT's public education efforts, CONTRACTOR shall provide annual funding to DISTRICT pursuant to Section 7.3 of the Agreement.
2. Annually, thirty (30) days prior to the commencement of the Rate Period, or as otherwise agreed to by DISTRICT, CONTRACTOR shall present an annual public education plan to the DISTRICT for the DISTRICT'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.
3. The DISTRICT Contract Manager and CONTRACTOR shall meet a minimum of one (1) time per month to discuss services, outreach, and educational campaigns including any changes needed to the DISTRICT's annual public education plan.
4. 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.
5. CONTRACTOR shall develop and distribute instructional information, public education, and promotion materials during any implementation of new or enhanced services, upon DISTRICT request. This shall entail, at a minimum, distributing program literature with delivery of Containers.
6. CONTRACTOR shall provide to all DISTRICT facilities any and all public education and outreach materials and services provided by CONTRACTOR to the Commercial sector.
7. CONTRACTOR shall provide all printed public education materials to DISTRICT offices and facilities to have available for the public that visits those facilities to take and shall replenish the materials as requested by the DISTRICT Contract Manager.
8. CONTRACTOR shall develop and utilize Non-Collection Notices that will also function as corrective action 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.

## **EXHIBIT C**

### **PUBLIC EDUCATION & OUTREACH PLAN**

9. Upon request from DISTRICT or a Customer, CONTRACTOR shall conduct Recycling opportunity assessments with the property managers or Owners of Multi-Family Premises to promote Recyclable Materials and Organic Materials Collection services. The assessments shall consist of a visual waste assessment and evaluation (sorting waste by categories) of Recyclable Materials, Organic Materials, and Garbage, including documentation (photos, written summary, and classification of materials). Data will be used to illustrate increased opportunities for Diversion. CONTRACTOR shall check the adequacy of the Service Level of Recyclable Materials and Organic Materials, and verify Container and public area signage is adequate at each Multi-Family Premises visited.
10. CONTRACTOR shall develop a website specific to its operations in the DISTRICT, with a section specific to DISTRICT programs and Customers, where CONTRACTOR shall post educational materials for download, highlight program successes, and provide Diversion statistics. CONTRACTOR shall present Customers with "how-to" information for participating in CONTRACTOR-provided programs including proper Container set-outs, and links for additional resources. CONTRACTOR shall cooperate with DISTRICT to post DISTRICT-developed educational materials to the website in PDF and/or video format. On its website, CONTRACTOR shall also publish the current Rates charged to Customers within the DISTRICT.
11. CONTRACTOR shall develop and provide notification to Customers and property managers advertising each seasonal or periodic program (e.g. holiday tree Collections, Textile Collections). The notification shall inform Customers of the schedule, acceptable and prohibited materials, and set-out requirements for the program. Such notification may be provided in writing, email correspondence, or through telephone out-dial technology.
12. CONTRACTOR shall develop and provide notification to Customers and property managers of any temporary changes to the Collection schedule caused by Holidays. Such notification may be provided in writing, email correspondence, or through telephone out-dial technology.
13. CONTRACTOR shall staff an exhibit booth and distribute promotional and educational materials at special events, as requested by DISTRICT. CONTRACTOR shall provide visual displays, educational materials (including all guides, flyers, and brochures produced in relation to this Agreement), and Recycling education activities appropriate to a variety of age groups. 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 as well as general information on "green" and/or sustainable behaviors. CONTRACTOR shall also aid in planning service needs for special events and large venues with a focus on reducing the Disposal of materials resulting from such events or venues.



**EXHIBIT C**  
**PUBLIC EDUCATION & OUTREACH PLAN**

14. CONTRACTOR shall promote, coordinate, and conduct educational field trips to the Approved Facilities, as requested by the DISTRICT.
15. CONTRACTOR shall provide additional public education and outreach or technical assistance as directed by DISTRICT Contract Manager, including follow-up outreach and communication resulting from outreach and/or technical assistance provided by DISTRICT staff.
16. CONTRACTOR shall provide notices of non-compliance to Multi-Family and Commercial Customers that are not in compliance with AB 341 and/or AB 1826.
17. CONTRACTOR shall grant the DISTRICT Contract Manager access to CONTRACTOR's Customer service and billing system in accordance with Section 4.10.

*This page intentionally left blank*

**EXHIBIT D:  
REPORTING REQUIREMENTS**

---



## **EXHIBIT D**

### **REPORTING REQUIREMENTS**

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

- Determine and set Rates and evaluate the financial efficacy of operations.
- Evaluate past and expected progress towards achieving the CONTRACTOR's Diversion goals and objectives.
- Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under Applicable Law.
- Determine needs for adjustment to programs.
- Evaluate Customer service and complaints.

#### **1. Weekly Report Content**

On each Monday (or Tuesday in the event that Monday falls on a Holiday) throughout the Term of the Agreement, CONTRACTOR shall provide the DISTRICT Contract Manager with a report of all new Single-Family service initiation requests which have occurred in the prior week. Such report shall contain each new Customer address, Service Level, primary contact information (including Customer name, phone number, and email address), and the date that new service will first be provided to that Customer. DISTRICT reserves the right to expand this reporting to include Multi-Family and/or Commercial Customers at any time during the Term of the Agreement.

#### **2. Monthly Report Content**

CONTRACTOR's designated contract manager shall be available for a scheduled monthly coordination meeting with the DISTRICT Contract Manager. Prior to the Commencement Date, CONTRACTOR and the DISTRICT Contract Manager shall agree to a recurring monthly meeting schedule. Monthly reports shall be presented by CONTRACTOR to show the following information for the reported month. CONTRACTOR shall present the contents of each monthly report to DISTRICT Contract Manager at the monthly coordination meetings.

##### **A. Services Report**

1. Tonnage delivered to each Approved Facility by Customer Type, subtotaling and clearly identifying those Tons that are Diverted and those that are Disposed.
2. Units of Used Motor Oil and filters, Used Cooking Oil, E-Waste, U-Waste, Textiles, and Bulky Items Collected by Customer Type. Upon request from either Party, DISTRICT and CONTRACTOR shall meet and confer to determine the most effective unit(s) of measurement for purposes of reporting each material type listed in this Section 2.A.2.
3. Recyclable Materials Tonnage Marketed (by commodity and including average commodity value for each) and Processing Residue Tonnage Disposed.

## **EXHIBIT D**

### **REPORTING REQUIREMENTS**

4. Organic Materials Tonnage Marketed and Processing Residue Tonnage Disposed.
5. Bulky Items and Reusable Materials Tonnage Marketed and Tonnage Disposed from non-Divertible materials and Processing Residue.
6. C&D Tonnage Marketed (by commodity and including average commodity value for each) and Processing Residue Tonnage Disposed.
7. Garbage Tonnage Disposed.
8. DISTRICT requested clean-up service provided pursuant to Section 4 of Exhibit B5, identifying the number, type and size(s) of Container(s) provided by material type. Such report shall also include a calculation of total clean-up capacity used to date, as well as total clean-up capacity remaining.
9. Monthly Diversion rate by Customer Type and in aggregate for all Customer Types under this Agreement.
10. Monthly total Solid Waste generation rate, expressed in terms of Tons per Customer account per month by Customer Type and in aggregate for all Customer Types under this Agreement.

#### **B. Revenue Report**

1. Provide a statement detailing Gross Receipts from all operations conducted or permitted pursuant to this Agreement as required by Section 7.5.
2. Provide a list of all extra (e.g. non-recurring) charges billed to Customers.
3. Provide a list of Customers that are forty five (45) 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; and method(s) the CONTRACTOR has used to attempt collection of the bad debt including date of such attempt(s). This list shall specifically identify any Customers that meet the standards for a special assessment as described in Section 4.8 of the Agreement.

#### **C. Route Manager Report**

Provide a summary assessment of the programs performed under this Agreement from CONTRACTOR's route manager's perspective relative to the operational status of the program. Such report shall reflect findings from the route manager's time in the field, as well as conversations with other operations staff. Each Route Manager Report shall include a list of the names of all route drivers operating within the DISTRICT, including the number of years each route employee has served the DISTRICT. CONTRACTOR may use this report to address operational challenges or issues that may arise from time to time. CONTRACTOR may also use this report to provide recommendations and plans to improve the services provided under this Agreement, or to highlight significant accomplishments. Throughout the Term of the Agreement, DISTRICT Contract Manager may request additional information to be provided in each Route Manager Report, including but not limited to, results of quality control audits, instances of Container replacement requests, and CONTRACTOR Container inventory levels.

## **EXHIBIT D REPORTING REQUIREMENTS**

### **3. Quarterly Report Content**

Quarterly reports shall be presented by CONTRACTOR to show the following information for each month in the reported quarter and include a quarterly average. In addition, each quarterly report shall show the past four (4) quarters average for data comparison (the first three (3) quarters of the Agreement shall only include the available quarterly information).

#### **A. Customer Report**

1. Number of Customers by Customer Type.
2. Number of Containers at each Service Level by Customer Type and program. Summarizing the total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Drop Box and Compactor service by Customer Type. Report should calculate the average volume of service received per: Single-Family Dwelling Unit (separately identifying Dwelling Units in a duplex, triplex, or fourplex); Multi-Family Dwelling Unit; Commercial Customer; and, C&D Customer.
3. Number of Bulky Item/Reusable Materials Collection events by Customer Type.
4. Number of Customers subscribing to each DISTRICT approved service exemption by Customer Type.

#### **B. DISTRICT Services Report**

1. DISTRICT facility Diversion rate report (i.e., volume of service by Service Type received by each DISTRICT Facility and the percentage of the total Service Levels that are for Diversion services relative to the total).
2. Summary report on the programs offered to DISTRICT as described in Exhibit B5 focused on when each non-routine service or event was provided and any issues/concerns identified.

#### **C. Customer Service Report**

1. 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, scheduled cleanups, billing concerns, damage claims, etc.).
2. Number of new service requests for each Customer Type and program.
3. Number of events of Solid Waste being tagged for non-Collection summarized by the reason for tagging (e.g., inclusion of non-Recyclable or non-Compostable materials, improper set-out, Hazardous Waste, etc.).
4. Number of hits and unique visitors to the CONTRACTOR's website.

#### **D. Education and Outreach Report**

Provide a status report of CONTRACTOR's actual activities completed compared to the annual public education plan. For each completed item, document the results including what date the

## **EXHIBIT D**

### **REPORTING REQUIREMENTS**

activity was performed, how many Customers were targeted or participated, and what methods were used to accomplish the task, if different from the plan.

#### **E. 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.

#### **4. Annual Report Content**

The annual report shall be the fourth quarterly report plus the following additional information.

##### **A. 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 Contactor in the State.

##### **B. 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.

##### **C. Recyclables and Organics Markets**

Provide a report of CONTRACTOR's marketing of Recyclable Materials and Organic Materials. The marketing report shall include: 1) quantities of each accepted Recyclable Material and each product stream of Organic Materials (e.g., mulch, engineered soils, compost, etc.) marketed during the prior year; 2) actual prior year and estimated coming year per unit or per Ton market values for each; and, 3) brokers, markets, and end uses for each.

##### **D. Compost Give-Back Calculation**

Provide a statement documenting the inputs, factors, and calculation used to determine the available amount of Compost product available through the Compost Give-Back Program in accordance with Section 9 of Exhibit B5, and the market value of such Compost product based on the public rates charged for similar product by the Approved Organic Materials Processing Facility.

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



## EXHIBIT D REPORTING REQUIREMENTS

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 DISTRICT Contract Manager at any time during the Term of the Agreement and CONTRACTOR shall comply with that request in a timely fashion.

CONTRACTOR understands that although all materials received by the DISTRICT in connection with this Agreement are intended for the use of the DISTRICT, they are potentially subject to disclosure under the provisions of the Public Records Act. The DISTRICT agrees to hold financial information delivered pursuant to the requirements of this Agreement and marked "CONFIDENTIAL" as confidential and shall not disclose the same unless and to the extent disclosure is required pursuant to Applicable Law. In the event such financial information is requested by any party, DISTRICT shall notify CONTRACTOR of the request and shall thereafter disclose the requested information unless CONTRACTOR, within five (5) Business Days of receiving notice of the disclosure request: a) requests nondisclosure; b) provides DISTRICT a legally sound basis for the nondisclosure; and, c) agrees to indemnify, defend, and hold DISTRICT harmless in any/all actions brought to require disclosure. This provision shall not be construed to create any legal right or claim that does not exist under the operation of Applicable Law.

1. **Financial Information.** Within one hundred twenty (120) calendar days after the close of the CONTRACTOR's fiscal year (June 30), CONTRACTOR shall deliver to the DISTRICT one (1) hard copy of the audited financial statements of CONTRACTOR for the preceding Fiscal Year. 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.
2. **Related Party Entities.** As part of the annual reporting requirement, CONTRACTOR shall provide the DISTRICT with a copy of each related party entity's (whose cost of services are not pre-determined in this Agreement on a unit price basis or by a governmental contractor) 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

## EXHIBIT D

### REPORTING REQUIREMENTS

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 DISTRICT (or the DISTRICT'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 DISTRICT, upon request. This letter shall include, but not be limited to, the following information:

- a.) 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.
  - b.) At the DISTRICT's request, CONTRACTOR shall provide the DISTRICT with copies of working papers or other documentation deemed relevant by the CONTRACTOR relating to information shown in the annual disclosure letter.
3. **Allocations.** Provide the following allocation data:
- a.) Provide a concise general explanation of the various allocation methodologies used for each Rate application line item.
  - b.) 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.
  - c.) 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.
4. **Projections.** Provide the following projection data:
- a.) Provide support for the basis for projected Gross Receipts and line item expenses, clearly indicate the supporting calculations and assumptions
  - b.) Provide support for the most-recent twelve (12) months of Tonnage data. Clearly indicate the supporting calculations and assumptions.
5. **Operational Information:**
- a.) Routes by Customer Type:
    - i. Number of routes per day.
    - ii. Types of vehicles.
    - iii. Crew size per route.

## EXHIBIT D REPORTING REQUIREMENTS

- iv. Number of full time equivalent (FTE) routes.
  - v. Number of accounts and cubic yards scheduled per route.
  - vi. Total route hours per Customer Type per year.
  - vii. Average cost per route.
- b.) Personnel:
- i. Organizational chart.
  - ii. Job classifications and number of employees (e.g., administrative, Customer service representatives, drivers, supervisors, educational staff).
  - iii. Wages by job classification.
  - iv. Number of FTE positions for each job classification.
  - v. Number of hours per job classification per year.
- c.) Productivity Statistics:
- i. Average number of accounts per route per day by Customer Type.
  - ii. Average number of setouts per route per day by Customer Type.
  - iii. Average Tons per route per day by vehicle type (i.e., side-loader, front-loader, roll-off).
  - iv. Average cubic yards of Collection scheduled per route.
- d.) Vehicles:
- i. List of Collection vehicles including year purchased and mileage.
  - ii. Average age of mobile equipment.
- e.) Operational Changes:
- i. Number of routes.
  - ii. Staffing.
  - iii. Supervision.
  - iv. Collection services.

**6. Variance Analysis:**

Provide the following variance analysis of all items listed in Subsection 5 "Operational Information", above, for each Customer Type. For any variances greater than five (5) percent annually, CONTRACTOR shall provide sufficient rationale to support variance:

- a.) Variance analysis comparing current Rate Period to each of the prior Rate Periods of Agreement.
- b.) Variance analysis comparing current Rate Period to each of the future projected Rate Periods.

*This page intentionally left blank*

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

---



# EXHIBIT E

## RATE ADJUSTMENT METHODOLOGY

### 1. GENERAL

Subject to the terms herein, the DISTRICT shall adjust all Rates on an annual basis. CONTRACTOR shall submit its application for a Rate adjustment to the DISTRICT 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 DISTRICT 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. Recyclable Materials Processing Costs shall be determined using the methodology provided in Exhibit E3.

The DISTRICT Board 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 DISTRICT, DISTRICT shall allow CONTRACTOR to retroactively bill Customers for the amount of the Rate increase for any period of said delay that is solely caused by DISTRICT (subject to the DISTRICT's approval of how the retroactive adjustment is billed) or the DISTRICT may compensate the CONTRACTOR for lost Gross Rate Revenues. In the case of a delayed Rate adjustment, the CONTRACTOR may bill the Customer during the next billing cycle to recoup the deferred Rate increase. 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.

### 2. DEFINITIONS

Certain terms which are specific to this Exhibit (including Exhibits E1, E2, and E3) are defined below:

- A. **"Annual Percentage Change"** means the annual percentage change in any of the indices defined herein calculated as described in the following paragraph.

The Annual Percentage Change for a cost index shall be calculated as the Average Index Value for the 12-month period ending October of the then-current Rate Period minus the Average Index Value for the 12-month period ending October of the most-recently completed Rate Period and the result of which shall be divided by the Average Index Value for the 12-month period ending October of the most recently completed Rate Period.

For example, if the CONTRACTOR is calculating the Total Calculated Costs in January 2021 to be effective for Rate Period Three (July 2021 through June 2022), the Annual Percentage Change for the CPI-U would be calculated as follows:

## EXHIBIT E RATE ADJUSTMENT METHODOLOGY

[(Average CPI-U for November 2019 through October 2020) minus  
(Average CPI-U for November 2018 through October 2019)] divided  
by (Average CPI-U for November 2018 through October 2019)

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 ending in October 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. **"CPI-U"** means the Consumer Price Index, All Urban Consumers, all items, not seasonally adjusted San Francisco-Oakland-Hayward Metropolitan Area compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- D. **"Disposal Cost"** means the cost of Disposing of Garbage at the Designated Disposal Facility where the per-Ton tipping fee (cost) shall be provided to CONTRACTOR by the DISTRICT.
- E. **"Fuel Index"** means the per-therm price for Core Natural Gas Service for Compression on Customer's Premises, Schedule G-NGV1, compiled and published by the Pacific Gas and Electric Company Analysis and Rate Department and reported monthly in its "Gas RateFinder" publication (<http://www.pge.com/tariffs/GRF.SHTML>). The June 2017 CNG Fuel Pricing Index is \$0.69753 per therm, which reflects the sum of the customer charge, procurement charge, transportation charge, and public purpose program (PPP) charge for natural gas service for compression on customer's premises as reported by Pacific Gas and Electric Company.
- F. **"Motor Vehicle Maintenance and Repair Index" or "MVI"** 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. **"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, the total Proposed costs for the last twelve (12) months of Rate Period One (July 1, 2019 to June 30, 2020) shall be used for the calculations.

Table 1 provides additional information about the indices defined above.



## EXHIBIT E RATE ADJUSTMENT METHODOLOGY

**TABLE 1\***

	CPI-U	Fuel Index	Motor Vehicle Maintenance and Repair
Description	Consumer Price Index - All Urban Consumers	Core Natural Gas for Compression at Customer's Premises for Motor Vehicles	Consumer Price Index - All Urban Consumers, Motor Vehicle Maintenance and Repair
Series ID	CUURS49BSA0	G-NGV1	CUUR0000SETD
Adjusted	Not seasonally adjusted	N/A	Not seasonally adjusted
Area	San Francisco-Oakland-Hayward Metropolitan Area	N/A	U.S. City average
Item	All items	N/A	Motor vehicle maintenance and repair
Base Period	1982-84=100	N/A	1982-84=100
Periodicity	Bi-monthly	Monthly	Monthly

\* All indices are published by the U.S. Bureau of Labor Statistics with the exception of the CNG Fuel Pricing Index, which is published by Pacific Gas and Electric Company Analysis and Rate Department.

### 3. COST OF RATE ADJUSTMENT PROCESS

The DISTRICT 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 DISTRICT's invoice for such costs. The CONTRACTOR may recover such costs through the Rates by treating the costs as an allowable Pass-Through Cost. Regardless of CONTRACTOR's payment of costs associated with said review, the DISTRICT shall retain full and unimpeded discretion in selection of its agents to ensure, at a minimum, that no conflict of interest arises in the review of CONTRACTOR's request. The DISTRICT retains the right to select its agents on the basis of their qualifications and experience and without regard to cost.

*This page intentionally left blank*

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



# EXHIBIT E1

## INDEX-BASED RATE ADJUSTMENT METHODOLOGY

### 1. GENERAL

The purpose of this attachment is to describe and illustrate the method by which the DISTRICT will calculate the scheduled index-based adjustments to Rates to reflect changes in various cost indices and changes to Processing and Disposal Costs based on Tonnages of materials Collected and changes in tipping fees, in accordance with the schedule for Rate adjustments described in Section 8.2 of the Agreement. This index-based adjustment process shall be used to determine Rates for all Rate Periods beginning with Rate Period Two (July 1, 2020 through June 30, 2021) with the exception that in place of the index adjustment to set Rates, the DISTRICT shall require the use of the methodology described in Exhibit E2 up to three (3) times during the initial Term of the Agreement, and up to two (2) times during extension periods, subject to the provisions of, and schedule provided in Section 8.2 of the Agreement.

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 Rate Adjustment Factor calculated pursuant to this Exhibit E1 may not exceed six percent (6%). In the event that the calculation results in a calculated increase exceeding six percent (6%), CONTRACTOR may elect to either: i) accept a Customer Rate increase of no more than six percent (6%); or, ii) require that a cost-based Rate adjustment be performed under the procedures described in Exhibit E2. In the event that CONTRACTOR requires a cost-based Rate adjustment, CONTRACTOR shall pay DISTRICT's costs of the cost-based Rate adjustment review and any noticing costs resulting from the need to conduct Proposition 218 noticing.

In the event that the index-based adjustment as calculated by this Exhibit E1 results in a negative Rate Adjustment Factor, the DISTRICT 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 E1**  
**INDEX-BASED RATE ADJUSTMENT METHODOLOGY**

**2. ADJUSTMENT OF TOTAL CALCULATED COSTS**

The cost categories of the main components of Total Calculated Costs are presented in detail in CONTRACTOR's original cost proposal forms 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 the Total Calculated Costs shall be calculated, as described in this section, to reflect the adjustment of wages and benefits under the collective bargaining agreement for represented employees of CONTRACTOR performing services under this Agreement.

The collective bargaining agreement requires adjustment of three factors: 1) hourly wage rate; 2) pension hourly rate; and, 3) health and welfare monthly rate. The Annual Percentage Change shall be determined for each of those factors using the procedures described in the collective bargaining agreement, using the most recently-available twelve month Annual Percentage Change in the indices referenced in that bargaining agreement. The Parties acknowledge that the timing of available inflationary index data is such that this calculation will be based on a different calculation period than the actual changes in the bargaining agreement and agree that these differences are acceptable for the purposes of these calculations.

The Labor-Related Costs presented in CONTRACTOR's Proposal include detailed cost sub-categories which are impacted by the three adjustment factors in the collective bargaining agreement. The table below defines which adjustment factor will be applied to each cost sub-category.

<b>Cost Sub-Category</b>	<b>Adjustment Factor</b>
Regular Wages	Hourly Wage Rate
Overtime Wages	Hourly Wage Rate
Holiday Wages	Hourly Wage Rate
Vacation Wages	Hourly Wage Rate
Sick Leave Wages	Hourly Wage Rate
Workers Compensation Insurance Premiums	Hourly Wage Rate
Workers Compensation Claims	NOT ADJUSTED
Health & Welfare	Health & Welfare Monthly Rate
Pension / Retirement Benefits	Pension Hourly Rate
Payroll Taxes	Hourly Wage Rate
Other (Please List)	NOT ADJUSTED

## EXHIBIT E1

### INDEX-BASED RATE ADJUSTMENT METHODOLOGY

For each sub-category, the value for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the associated adjustment factor. The resultant dollar value of all sub-categories shall be added together to determine the calculated Labor-Related Costs.

A separate calculation shall be prepared by multiplying the Labor-Related Costs component of the Total Calculated Costs for the then-current Rate Period by one hundred four and five tenths percent (104.5%) to determine the maximum allowable Labor-Related Costs.

The Labor-Related Costs component of the Total Calculated Costs shall be the lesser of the calculated Labor-Related Costs or maximum allowable Labor-Related Costs.

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 Fuel 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 seven hundred fifty-nine thousand three hundred twenty-two dollars (\$759,322) per year for Rate Periods Two through Ten, and is not annually adjusted, with the exception that an adjustment shall be made when calculating Rate Period Two costs if the CONTRACTOR received grant monies to offset the capital costs of compressed natural gas (CNG) Collection vehicles. In such case the direct depreciation cost shall be seven hundred fifty-nine thousand three hundred twenty-two dollars (\$759,322) less one ninth of the grant monies received. This adjusted depreciation amount shall remain fixed for Rate Periods Two through Ten. If the Agreement is extended beyond Rate Period Ten, direct depreciation shall be zero in subsequent Rate Periods unless Parties mutually agree to a different amount.
6. **Allocated Costs (Labor, Vehicle, Fuel, and Other Costs).** Except as provided in A.1. above, 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 eighty-five thousand nine hundred thirty-eight dollars (\$185,938) 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. **Organic Materials Processing Costs.** The Organic Materials Processing Costs shall be calculated as follows:

Organic Materials Processing Cost = [(Per-Ton Organic Materials Processing Cost for the

## EXHIBIT E1

### INDEX-BASED RATE ADJUSTMENT METHODOLOGY

then-current Rate Period - All regulatory fees identified on Form 7 of Exhibit G2, (CONTRACTOR's Proposal) and included in the then-current per-Ton cost) x (1 + Annual Percentage Change in the CPI-U) + (Then-current per-Ton regulatory fees)] x (Total Tons of Organic Materials Collected for the most-recently completed 12-month period\*)

\* Note that Tonnage calculations for Rate Period Two will be based on the estimated total Tons for the last twelve months of Rate Period One identified in CONTRACTOR's Proposal, Exhibit G2.

9. **Construction and Demolition Debris Processing Costs.** The C&D Processing Cost shall be calculated as follows:

C&D Processing Cost = [(Per-Ton C&D Processing Cost for the then-current Rate Period - All regulatory fees identified on Form 7 of Exhibit G2, (CONTRACTOR's Proposal) and included in the then-current per-Ton cost) x (1 + Annual Percentage Change in the CPI-U) + (Then-current per-Ton regulatory fees)] x (Total Tons of C&D Collected for the most-recently completed 12-month period\*)

\* Note that Tonnage calculations for Rate Period Two will be based on the estimated total Tons for the last twelve months of Rate Period One identified in CONTRACTOR's Proposal, Exhibit G2.

10. **Reusable Materials Processing Costs.** The Reusable Materials Processing Cost shall be calculated as follows:

Reusable Materials Processing Cost = [(Per-Ton Reusable Materials Processing Cost for the then-current Rate Period - All regulatory fees identified on Form 7 of Exhibit G2, (CONTRACTOR's Proposal) and included in the then-current per-Ton cost) x (1 + Annual Percentage Change in the CPI-U) + (Then-current per-Ton regulatory fees)] x (Total Tons of Reusable Materials Collected for the most-recently completed 12-month period\*)

\* Note that Tonnage calculations for Rate Period Two will be based on the estimated total Tons for the last twelve months of Rate Period One identified in CONTRACTOR's Proposal, Exhibit G2.

11. **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 (10) 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.12 above) by an operating ratio of eighty-nine percent (89%) and subtracting from the result the Total Annual Cost of Operations for the coming year.



## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

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

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

1. **Recyclable Materials Processing Costs.** The Recyclable Materials Processing Costs shall be calculated in the manner described in Exhibit E3.
2. **Disposal Costs.** The Disposal Costs shall be calculated by multiplying the per-Ton Disposal fee at the Designated Disposal Facility for the coming Rate Period by the total Tons of Garbage 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).
3. **Interest Expense.** The Interest Expense amount is two hundred five thousand nine hundred sixty-six dollars (\$205,966) 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. {
4. **Direct Lease Costs.** The Direct Lease Costs amount is zero dollars (\$0) 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.
5. **Allocated Lease Costs.** The Allocated Lease Costs amount is zero dollars (\$0) for Rate Period Two through Ten (including interest costs for Allocated General and Administrative of \$0, Allocated Vehicle Maintenance costs of \$0, and Allocated Container Maintenance of \$0) is not annually adjusted, and shall remain unadjusted in any subsequent Rate Period unless Parties mutually agree to a different amount.
6. **Total Pass-Through Costs.** Total Pass-Through Costs for the coming Rate Period are the sum of the amounts in Subsections (1) through (5) above.

### D. Total Calculated Costs before DISTRICT Fees/Payments

The Total Calculated Costs before DISTRICT 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. DISTRICT Fees/Payments (Pass-Through Fees)

1. **Contract Administration Fee.** Contract Administration Fees for the coming Rate Period, which shall equal 10% of the Total Calculated Costs, shall be calculated as follows:  $0.111 \times (\text{Total Calculated Costs before DISTRICT Fees/Payments plus the sum of other DISTRICT Fees/Payments specified in Sections 2.E.2 through 2.E.5 (and other$

## EXHIBIT E1

### INDEX-BASED RATE ADJUSTMENT METHODOLOGY

adjustments, if any, pursuant to Section 2.F).

2. **AB 939 Fee.** The AB 939 payment for the coming Rate Period shall equal the amount indicated in Section 7.2 of the Agreement for the appropriate Rate Period, or as otherwise directed by the DISTRICT.
3. **Public Education and Outreach Payment.** The Public Education and Outreach Payment for the coming Rate Period shall equal the total Public Education and Outreach Payment paid to the DISTRICT in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the DISTRICT.
4. **Rate Application Review Costs.** An amount determined by the DISTRICT to reimburse the CONTRACTOR for payment of the DISTRICT'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.
5. **Procurement Reimbursement.** The Procurement Reimbursement expense amount is \$25,000 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. **Total DISTRICT Fees/Payments.** The Total DISTRICT Fees/Payments for the coming Rate Period shall equal costs calculated in Section 2.E.1 through 2.E.5 above; provided, however, that any adjustment in any such fee, whether pursuant to the relevant index or as the result of the decision of DISTRICT, shall be pass-through fees (which are excluded from the calculation of profit) and reflected in the Total DISTRICT 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. For example, if the DISTRICT elects to roll-under a negative Rate adjustment to a future year, the dollar value of that negative adjustment shall be reflected as an adjustment. In such case, the adjustment would be a reduction to the Total Calculated Costs.

#### 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 DISTRICT 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

## **EXHIBIT E1**

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

the nearest thousandth. Note that when determining the Rate Adjustment Factor for Rate Period Two, the Rate Adjustment Factor shall equal the Total Calculated Costs for Rate Period Two divided by the Total Proposed Costs of thirteen million four hundred fifty-four thousand seven hundred seventy-seven dollars (\$13,454,777) for the last twelve (12) months of Rate Period One.

#### **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 examples illustrate the index-based adjustment method for determining Rates for Rate Period Four. The dollar amounts shown are hypothetical amounts for Total Calculated Costs for Rate Period Three (July 1, 2021 through June 30, 2022) 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 2020 and for the twelve (12) months ending October 2021. Example A depicts a standard index-based adjustment, wherein the calculated Total Annual Cost of Operations increased greater than zero percent (0%) and less than six percent (6%) over the prior Rate Period. Example B depicts an index-based adjustment wherein the calculated Total Annual Cost of Operations resulted in a decrease from the prior Rate Period.

##### **A. EXAMPLE A**

###### **1. Assumptions for Example Adjustment to CONTRACTOR's Compensation:**

Most-Recently Completed Rate Period = Rate Period Two (July 1, 2020 through June 30, 2021)

Then-current Rate Period = Rate Period Three (July 1, 2021 through June 30, 2022)

Coming Rate Period = Rate Period Four (July 1, 2022 through June 30, 2023)

Recyclable Materials Processing Cost per Ton for the then-current Rate Period = \$117.00 per Ton

Organic Materials Processing Cost per Ton for the then-current Rate Period = \$40.00 per Ton

C&D Processing Cost per Ton for the then-current Rate Period = \$45.00 per Ton

Reusable Materials Processing Cost per Ton for the then-current Rate Period = \$30.00 per Ton

Disposal cost for the coming Rate Period = \$92.00 per Ton

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

Annual Percentage Change in the CPI-U = 0.040

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

Annual Percentage Change in the Fuel Index = 0.075

Tonnages for the most-recently completed 12-month period:

Recyclable Materials – 8,000 Tons

Organic Materials – 10,000 Tons

Garbage – 14,000 Tons

C&D – 1,000 Tons

Bulky Items and Reusable Materials – 500 Tons

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

## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

**TABLE 2  
Example A Calculation of Total Calculated Costs for Rate Period Four**

	Rate Period Three	Adjustment Index	Adjustment Factor	Rate Period Four
<b>Processing Tip Fee Adjustments (per Ton)</b>				
Recyclable Materials Processing Tip Fee	\$117.00	Per Exh. E3	Per Exh. E3	\$119.00
Organic Materials Processing Tip Fee	\$91.00	CPI-U	1 + 0.040	\$94.64
C&D Processing Tip Fee	\$99.00	CPI-U	1 + 0.040	\$102.96
Reusable Materials Processing Tip Fee	\$30.00	CPI-U	1 + 0.040	\$31.20
<b>Annual Cost of Operations</b>				
Labor-related costs	\$2,000,000	CBA or 4.5%	1 + 0.045	\$2,090,000
Vehicle-related costs (excluding fuel)	\$400,000	MVI	1 + 0.031	\$412,400
Fuel costs	\$800,000	FUEL	1.074	\$859,200
Other Costs	\$250,000	CPI-U	1 + 0.040	\$260,000
Direct Depreciation	\$700,000	N.A.	N.A.	\$700,000
Allocated Costs (Labor, Vehicle, Fuel, and Other Costs)*	\$1,000,000	CPI-U	1 + 0.040	\$1,040,000
Allocated Costs (Depreciation and Start-Up)	\$100,000	N.A.	N.A.	\$100,000
Organic Materials Processing Cost	\$910,000	Tip Fee x Tons	10,000 x \$41.60	\$946,400
C&D Processing Cost	\$99,000	Tip Fee x Tons	1,000 x \$46.80	\$102,960
Reusable Materials Processing Cost	\$15,000	Tip Fee x Tons	500 x \$31.20	\$15,600
<b>Total Annual Cost of Operations</b>	<b>\$6,274,000</b>		N.A.	<b>\$6,526,560</b>
<b>Profit (assuming operating ratio of 0.92)</b>	<b>\$545,565</b>			<b>\$567,527</b>
<b>Pass-Through Costs</b>				
Recyclable Materials Processing Cost	\$936,000	Tip Fee x Tons	8,000 x \$119.00	\$952,000
Solid Waste Disposal costs	\$1,288,000	Tip Fee x Tons	14,000 x \$92.00	\$1,288,000
Interest expense	\$150,000	N.A.	N.A.	\$150,000
Direct lease	\$200,000	N.A.	N.A.	\$200,000
Allocated lease costs	\$25,000	N.A.	N.A.	\$25,000
<b>Total Pass-Through Costs</b>	<b>\$1,663,000</b>			<b>\$1,663,000</b>
<b>Total Calculated Costs before District Fees</b>	<b>\$8,482,565</b>			<b>\$8,757,087</b>
<b>District Fees/Payments</b>				
Contract Administration Fee	\$972,467.14	N.A.	N.A.	\$1,003,908.75
AB 939 Fee	\$182,000	CPI-U	1 + 0.040	\$189,280
Public Education and Outreach Payment	\$36,400	CPI-U	1 + 0.040	\$37,856
Procurement Reimbursement Fee	\$25,000	N.A.	N.A.	\$25,000
Rate Application Review Fee	\$35,000	N.A.	N.A.	\$35,000
<b>Total District Fees/Payments</b>	<b>\$1,250,867</b>			<b>\$1,291,045</b>
Other Adjustments (as needed from time to time)	N.A.	N.A.	N.A.	N.A.
<b>Total Calculated Costs</b>	<b>\$9,733,432</b>			<b>\$10,048,132</b>

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

## **EXHIBIT E1**

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

#### **2. Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Four**

Rate Adjustment Factor =  $\$10,048,132/\$9,733,432 = 1.032$

20-gallon Single-Family Rate for Rate Period Three =  $\$25.94 \times 1.032 = \$26.77$ , which shall be effective July 1, 2022.

#### **A. EXAMPLE B**

##### **1. Assumptions for Example Adjustment to CONTRACTOR's Compensation:**

Most-Recently Completed Rate Period = Rate Period Two (July 1, 2020 through June 30, 2021)

Then-current Rate Period = Rate Period Three (July 1, 2021 through June 30, 2022)

Coming Rate Period = Rate Period Four (July 1, 2022 through June 30, 2023)

Recyclable Materials Processing Cost per Ton for the then-current Rate Period = \$117.00 per Ton

Organic Materials Processing Cost per Ton for the then-current Rate Period = \$40.00 per Ton

C&D Processing Cost per Ton for the then-current Rate Period = \$45.00 per Ton

Reusable Materials Processing Cost per Ton for the then-current Rate Period = \$30.00 per Ton

Disposal cost for the coming Rate Period = \$92.00 per Ton

Annual Percentage Change in the CPI-U = -0.020

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

Annual Percentage Change in the Fuel Index = 0.075

Tonnages for the most-recently completed 12-month period:

Recyclable Materials – 8,000 Tons

Organic Materials – 10,000 Tons

Garbage – 14,000 Tons

C&D – 1,000 Tons

Bulky Items and Reusable Materials – 500 Tons

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

## EXHIBIT E1 INDEX-BASED RATE ADJUSTMENT METHODOLOGY

**TABLE 2  
Example B Calculation of Total Calculated Costs for Rate Period Four**

	Rate Period Three	Adjustment Index	Adjustment Factor	Rate Period Four
<b>Processing Tip Fee Adjustments (per Ton)</b>				
Recyclable Materials Processing Tip Fee	\$117.00	Per Exh. E3	Per Exh. E3	\$119.00
Organic Materials Processing Tip Fee	\$91.00	CPI-U	1 + -0.040	\$87.36
C&D Processing Tip Fee	\$99.00	CPI-U	1 + -0.040	\$95.04
Reusable Materials Processing Tip Fee	\$30.00	CPI-U	1 + -0.040	\$28.80
<b>Annual Cost of Operations</b>				
Labor-related costs	\$2,000,000	CBA or 4.5%	1 + 0.018	\$1,964,000
Vehicle-related costs (excluding fuel)	\$400,000	MVI	1 + 0.031	\$412,400
Fuel costs	\$800,000	FUEL	1.074	\$859,200
Other Costs	\$250,000	CPI-U	1 + -0.040	\$240,000
Direct Depreciation	\$700,000	N.A.	N.A.	\$700,000
Allocated Costs (Labor, Vehicle, Fuel, and Other Costs)*	\$1,000,000	CPI-U	1 + -0.040	\$960,000
Allocated Costs (Depreciation and Start-Up)	\$100,000	N.A.	N.A.	\$100,000
Organic Materials Processing Cost	\$910,000	Tip Fee x Tons	10,000 x \$41.60	\$873,600
C&D Processing Cost	\$99,000	Tip Fee x Tons	1,000 x \$46.80	\$95,040
Reusable Materials Processing Cost	\$15,000	Tip Fee x Tons	500 x \$31.20	\$14,400
<b>Total Annual Cost of Operations</b>	<b>\$6,274,000</b>		N.A.	<b>\$6,218,640</b>
<b>Profit (assuming operating ratio of 0.92)</b>	<b>\$545,565</b>			<b>\$540,751</b>
<b>Pass-Through Costs</b>				
Recyclable Materials Processing Cost	\$936,000	Tip Fee x Tons	8,000 x \$119.00	\$952,000
Solid Waste Disposal costs	\$1,288,000	Tip Fee x Tons	14,000 x \$92.00	\$1,288,000
Interest expense	\$150,000	N.A.	N.A.	\$150,000
Direct lease	\$200,000	N.A.	N.A.	\$200,000
Allocated lease costs	\$25,000	N.A.	N.A.	\$25,000
<b>Total Pass-Through Costs</b>	<b>\$1,663,000</b>			<b>\$1,663,000</b>
<b>Total Calculated Costs before District Fees</b>	<b>\$8,482,565</b>			<b>\$8,422,391</b>
<b>District Fees/Payments</b>				
Contract Administration Fee	\$972,467.14	N.A.	N.A.	\$934,885.43
AB 939 Fee	\$182,000	CPI-U	1 + -0.040	\$174,720
Public Education and Outreach Payment	\$36,400	CPI-U	1 + -0.040	\$34,944
Procurement Reimbursement Fee	\$25,000	N.A.	N.A.	\$25,000
Rate Application Review Fee	\$35,000	N.A.	N.A.	\$35,000
<b>Total District Fees/Payments</b>	<b>\$1,250,867</b>			<b>\$1,204,549</b>
Other Adjustments (as needed from time to time)	N.A.	N.A.	N.A.	N.A.
<b>Total Calculated Costs</b>	<b>\$9,733,432</b>			<b>\$9,626,941</b>

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

## **EXHIBIT E1**

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

#### **2. Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Four**

Total Calculated Costs = \$9,626,941 < \$9,733,432; Adjusted Total Calculated Costs = \$9,733,432 (Total Calculated Costs from prior Rate Period)

Rate Adjustment Factor =  $\$9,733,432 / \$9,733,432 = 1.000$

20-gallon Single-Family Rate for Rate Period Three =  $\$25.94 \times 1.000 = \$25.94$ , which shall be effective July 1, 2022 (i.e., NO RATE ADJUSTMENT).

Subsequent Rate Period Adjustment.  $\$9,733,432 - \$9,626,941 = \$106,492$  cost savings to be applied as an "Other Adjustment" in the subsequent Rate Period adjustment calculations as an offset to CONTRACTOR's Total Calculated Costs.

#### **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 & Electric, the index published by the organization which is most comparable shall be used.



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



## **EXHIBIT E2**

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

#### **1. GENERAL**

The DISTRICT shall require the use of the methodology described in this Exhibit E2 to adjust Rates up to three (3) times during the initial Term of the Agreement, and up to two (2) times during extension periods, subject to the provisions of, and schedule provided in Section 8.2.C of the Agreement. In the event that Rates are scheduled to be adjusted using the cost-based Rate adjustment in accordance with Agreement Section 8.2.C, or if the CONTRACTOR requests an extraordinary Rate adjustment in accordance with Agreement Section 8.3, the DISTRICT shall use the cost-based Rate adjustment method described in this Exhibit to determine Rates. 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.

In the event that the cost-based adjustment calculated in accordance with this Exhibit E2 results in a negative Rate Adjustment Factor, the DISTRICT 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.

#### **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 statements, 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

## EXHIBIT E2

### COST-BASED RATE ADJUSTMENT METHODOLOGY

- d. Actual other costs (as defined on Form 6E 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)
  - h. Actual Organic Materials Processing costs
  - i. Actual C&D Processing costs
  - j. Actual Reusable Materials Processing costs
- 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 proposal forms contained in Exhibit G2 and/or which cannot be demonstrated to have been incurred as part of the performance of services under this Agreement.
  - 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 reasonable discretion of the DISTRICT.
  - c. Total annual travel and entertainment expenses above five thousand dollars (\$5,000) in Rate Period One, and adjusted by the same Rate Adjustment Factor used to adjust Rates each subsequent Rate Period, unless authorized in advance by the DISTRICT.
  - 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 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 DISTRICT 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 DISTRICT and CONTRACTOR are adverse

## EXHIBIT E2

### COST-BASED RATE ADJUSTMENT METHODOLOGY

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 DISTRICT 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 market value, as reasonably determined by the DISTRICT, 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.
- 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:
- a. **Forecasted labor-related costs** shall be calculated for the coming Rate Period by (i) multiplying each allowed subcategory of labor-related costs described in Section 2.A.1 of Exhibit E1 for the most-recently completed Rate Period by one plus the Annual Percentage Change in the index specified for that subcategory in Section 2.A.1 of Exhibit E1, and (ii) multiplying the results of step one once more by one plus the Annual Percentage Change in the appropriate index for that subcategory.

A separate calculation shall be prepared by (i) multiplying the allowed labor-related costs for the most-recently completed Rate Period by one hundred four and five tenths percent (104.5%), and (ii) multiplying the result

## EXHIBIT E2

### COST-BASED RATE ADJUSTMENT METHODOLOGY

of step one once more by one hundred four and five tenths percent (104.5%) to determine the maximum allowable forecasted labor-related costs.

The allowable forecasted labor-related costs shall be the lesser of the calculated forecasted labor-related costs or maximum allowable forecasted labor-related costs.

- 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 Fuel Index, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the Fuel 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.6 of Exhibit E1 for vehicles, Containers, and facilities.
- h. Forecasted Organic Materials Processing costs** shall be calculated in the manner described in Section 2.A.8 of Exhibit E1.
- i. Forecasted C&D Processing costs** shall be calculated in the manner described in Section 2.A.9 of Exhibit E1.

## EXHIBIT E2 COST-BASED RATE ADJUSTMENT METHODOLOGY

- j. **Forecasted Reusable Materials Processing costs** shall be calculated in the manner described in Section 2.A.10 of Exhibit E1.
  
- k. **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
  - (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
  - (8) Forecasted Organic Materials Processing costs
  - (9) Forecasted C&D Processing costs
  - (10) Forecasted Reusable Materials Processing costs

### 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-nine percent (89.0%) 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 89%
- 2. Assuming a Forecasted Total Annual Cost of Operations of \$1,000,000
- 3. Profit =  $(\$1,000,000 / 0.89) - \$1,000,000 = \$123,595.51$

### C. Forecast Pass-Through Costs

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

- 1. **Forecasted Recyclable Materials Processing costs** shall be calculated in the manner described in Exhibit E3.
  
- 2. **Forecasted Disposal Costs.** The Disposal Costs shall be calculated by multiplying the per-Ton Disposal fee at the Designated Disposal Facility for the coming Rate Period by the total Tons of Garbage Collected for the most-recently completed Rate Period.
  
- 3. **Forecasted Interest Expense.** Interest Expense is two hundred five thousand

## **EXHIBIT E2**

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

nine hundred sixty-six dollars (\$205,966) per year and shall not be adjusted over the Term of the Agreement.

- 4. Forecasted Direct Lease Costs.** Direct Lease Costs are zero dollars (\$0) per year and shall not be adjusted over the Term of the Agreement.
- 5. Forecasted Allocated Lease Costs.** Allocated Lease Costs are zero dollars (\$0) per year and shall not be adjusted over the Term of the Agreement.

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

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

## **2. 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, inclusive of all Rates and special charges authorized under this Agreement. For the purposes of determining Customer Service Levels for on-call services (e.g., Drop Box service provided less than weekly, Bin rentals, etc.) and special charges (e.g., push charges, lock/unlock charges, etc.), the prior 12 months of billing activity for such services and special charges shall be used.

## **3. 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.

## **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.



**EXHIBIT E3:  
RECYCLABLE PROCESSING COST ADJUSTMENT  
METHODOLOGY**

---



# EXHIBIT E3

## CALCULATION OF RECYCLABLE MATERIALS PROCESSING COSTS

### 1. GENERAL

The purpose of this Exhibit E3 is to describe and illustrate the method by which the DISTRICT will calculate the annual adjustment to Recyclable Materials Processing Costs under Exhibit E1, Section 2.A.8 and Exhibit E2, Section 2.A.3.H. The intent of the Parties is to limit the adjustment of Processing costs to inflationary indices, but allow adjustment of both the value of Recyclable commodities and Disposal based on the actual operating results of the Approved Recyclable Materials Processing Facility.

### 2. ADJUSTMENT OF RECYCLABLE MATERIALS PROCESSING COSTS

The cost categories of the main components of Recyclable Materials Processing Costs are presented in detail in Section 3 below. 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 the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
2. **Repairs and Maintenance.** The Repairs and Maintenance Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
3. **Transportation.** The Transportation Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the percentage change from one Rate Period to another resulting from the calculation in Section 2.B below.
4. **General and Administrative.** The General and Administrative Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
5. **Other Operational.** The Other Operational Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
6. **Depreciation.** The Depreciation Costs component of the Recyclable Materials Processing Costs is one million fifty nine thousand five hundred fifty one dollars (\$1,059,551) per year for all Rate Periods and is not adjusted.

## EXHIBIT E3

### CALCULATION OF RECYCLABLE MATERIALS PROCESSING COSTS

7. **Interest.** The Interest Costs component of the Recyclable Materials Processing Costs is two hundred forty six thousand seven hundred twenty four dollars (\$246,724) per year for all Rate Periods and is not adjusted.
  8. **Total Annual Cost of Operations.** The Total Annual Cost of Operations portion of the Recyclable Materials Processing Costs for the coming Rate Period equals the sum of the costs calculated in subsections (1) through (7) above.
- B. Residue and Unmarketable Commodity Disposal Cost.** The Residue and Unmarketable Commodity Disposal Costs shall equal the total actual cost of Disposal for any and all Residue and/or Recyclable Materials which, subject to the requirements of Section 4.1.D of this Agreement, cannot be marketed by CONTRACTOR. The per-Ton cost of Disposal for the purposes of this Exhibit E3 may not exceed the Disposal tip fee at the Designated Disposal Facility. CONTRACTOR shall engage a third party to design and perform a Residue characterization of the Recyclable Materials Processed at the Approved Recyclable Materials Processing Facility a minimum of one time per calendar year. CONTRACTOR shall propose a study methodology that must include separately Processing at least thirty (30) Tons of Recyclable Materials, stratified across no fewer than three distinct days of service, from the DISTRICT at the Approved Recyclable Materials Processing Facility under normal operating conditions for the facility (i.e. staffing levels, belt speed, burden depth, etc.). The methodology must be approved by the DISTRICT Contract Manager in writing prior to CONTRACTOR conducting such a study. The results of that study shall be used to determine the allowable level of Residue and Unmarketable Commodity Disposal Costs for the upcoming Rate Period. The DISTRICT shall be notified at least thirty (30) days in advance of each annual study and CONTRACTOR shall invite the DISTRICT Contract Manager to observe all aspects of the study.
- C. Recyclable Commodity Value.** The Recyclable Commodity Value shall equal the net of total gross revenues for the sale of marketable materials less the cost paid to buyers for marketable materials by the Approved Recyclable Materials Processing Facility as a result of marketing Processed Recyclable Materials.
- D. Profit.** CONTRACTOR's profit shall equal five percent (5%) of the total Recyclable Commodity Value plus an operating ratio of ninety five percent (95%) on the Total Annual Cost of Operations calculated in subsection 2.A.8 above.
- E. Net Recyclable Materials Processing Costs.** The Net Recyclable Materials Processing Costs shall equal the Total Annual Cost of Operations, plus the Residue and Unmarketable Commodity Disposal Cost, less Recyclable Commodity Value, plus Profit.
- F. Per Ton Recyclable Materials Processing Costs.** The Net Recyclable Materials Processing Costs shall be divided by the total Tons Processed, from all sources, by the Approved Recyclable Materials Processing Facility.
- G. Recyclable Materials Processing Costs.** The total Recyclable Materials Processing Costs to be used under Exhibit E1, Section 2.A.8 or Exhibit E2, Section 2.A.3.H, depending on which method is used in a given Rate Period, shall equal the Per Ton

## EXHIBIT E3

### CALCULATION OF RECYCLABLE MATERIALS PROCESSING COSTS

Recyclable Materials Processing Costs multiplied by the Tons of Recyclable Materials Collected by CONTRACTOR during the most recently completed twelve month period.

### 3. COMPONENTS OF RECYCLABLE MATERIALS PROCESSING COSTS

The table below presents CONTRACTOR's proposed Rate Period 1 (annualized) cost components for the Approved Recyclable Materials Processing Facility. These values shall form the baseline for calculating all adjustments under this Exhibit E3.

Cost Component	Rate Period 1 Value
<b>ANNUAL COST OF OPERATIONS</b>	
Labor-Related	\$4,845,959
Repairs and Maintenance	\$348,677
Transportation	\$1,095,262
General and Administrative	\$799,128
Other Operational	\$439,836
Depreciation	\$1,059,551
Interest	\$246,724
<b>TOTAL ANNUAL COST OF OPERATIONS</b>	<b>\$8,835,136</b>
Residue and Unmarketable Commodity Disposal Cost	\$1,118,170
95% of Recyclable Commodity Value	(\$3,210,914)
Profit	\$625,553
<b>Net Recyclable Materials Processing Costs</b>	<b>\$7,367,945</b>

*This page Intentionally Left Blank*

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

---





## EXHIBIT F

### PERFORMANCE STANDARDS & LIQUIDATED DAMAGES

DISTRICT wishes to establish standards of performance under the Agreement in each of the five (5) "Performance Areas" listed below. The DISTRICT Contract Manager may monitor CONTRACTOR's performance in each of those areas based on the "Specific Performance Measures" within that performance area. In the event that the DISTRICT Contract Manager determines that CONTRACTOR has failed to meet the performance standard established for any "Specific Performance Measure", the DISTRICT may assess Liquidated Damages pursuant to Section 10.6 of the Agreement. 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 (including email communication) or orally communicated statement made by any Person, whether to DISTRICT 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 Recyclable Materials Collection service two (2) times per week from two (2) Containers and Garbage Collection service three (3) 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 subscription levels presented in CONTRACTOR's most recent Quarterly Report to DISTRICT.

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

*{Remainder of Page Left Intentionally Blank}*

## EXHIBIT F PERFORMANCE STANDARDS & LIQUIDATED DAMAGES

### 1. Performance Area: Service Quality and Reliability

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
1.	Missed Collections	Each Service Opportunity where CONTRACTOR fails to Collect a Container from a Customer who properly placed said Container for Collection, unless CONTRACTOR produces documentation that such Container was not properly set-out by the Customer, or CONTRACTOR leaves a Non-Collection notice specifying the reasons for Non-Collection and available remedies.	No acceptable failure level	\$100/Event
2.	Failure to Correct Missed Collections	Each "Missed Collection" as defined above which is not Collected by the end of the Business Day following the receipt of the Customer complaint about the Missed Collection if the complaint is received within the appropriate timeframe specified in Section 4.9.	No acceptable failure level	\$100/Collection/Day
3.	Failure to Properly Return Empty Container	Failure to properly return empty Carts or Bins to the Collection location not blocking a driveway, pedestrian walkway or bike lane, and/or to place Carts upright with lids closed.	Five (5) or less occurrences per quarter	\$150/Container/Day

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

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
4.	Failure to Replace Used Oil Recovery Kit	Failure to replace Collected Used Oil Recovery Kit with a clean Used Oil Recovery Kit within two (2) Business Days of notification of need for replacement.	Five (5) or less occurrences per quarter	\$150/Kit/Day
5.	Failure to Clean-Up Spillage	Each failure by CONTRACTOR to clean up: (1) any items or materials spilled during the Collection or Transportation of such materials; or, (2) any fluids spilled or leaked from a Container or Collection vehicle prior to leaving the Collection location.	No acceptable failure level	\$300/Event
6.	Damage to Property	Each event of damage to either public or private property caused by CONTRACTOR, including without limitation curbs, sidewalks, landscapes, Container enclosures and gates, signs, light fixtures, and overhead wires and cables.	No acceptable failure level	\$500/Event
7.	Damage to Public Streets	Each event of damage to public streets within the DISTRICT caused by CONTRACTOR, excluding damage caused by normal wear and tear.	No acceptable failure level	Actual cost of repair to DISTRICT's satisfaction.
8.	Failure to Maintain Equipment	Each event of failure to maintain equipment, vehicles, Carts, Bins and other containers in a clean, safe, and sanitary manner, subject to the provisions of Section 5.6.	No acceptable failure level	\$100/Item/Day

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

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
9.	Failure to Provide/ Utilize Required Vehicles/ Equipment	Failure to provide and utilize required vehicles, and communications equipment as specified in this Agreement.	No acceptable failure level	\$100/Item/Day
10.	Unlicensed Vehicle Operator	Failure to have a vehicle operator properly licensed.	No acceptable failure level	\$500/Operator/Day
11.	Failure to Display CONTRACTOR's Name	Failure to display and maintain visibility of CONTRACTOR's name and customer service phone number on Collection vehicles, Bins and other Containers.	No acceptable failure level	\$100/Instance/Day
12.	Failure to Wear Uniform	Failure to have CONTRACTOR personnel in proper uniform.	No acceptable failure level	\$100/Person/Day
13.	Discourteous Behavior	For each occurrence of uncustomary discourteous behavior of CONTRACTOR's employees to a DISTRICT representative or Customer.	No acceptable failure level	\$250/Event
14.	Failure to Meet Vehicle Noise Requirements	Failure to meet vehicle noise requirements.	No acceptable failure level	\$100/Event
15.	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.	No acceptable failure level	\$100/Event
16.	Failure to Complete Route	Failure or neglect to complete at least ninety percent (90%) of each route on the regular scheduled Collection Service day.	No acceptable failure level	\$1,000/Route

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

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
17.	Changing Routes	Changing routes without advance notification to the DISTRICT Contract Manager.	No acceptable failure level	\$500/Route/Day
18.	Overweight Vehicles	Loading Collection vehicles in excess of State or local weight restrictions.	No acceptable failure level	\$150/Event
19.	Uncovered Loads	Failure to properly cover materials in Collection vehicles.	No acceptable failure level	\$500/Event
20.	Materials Emanating from Vehicle	Each occurrence of Collected materials emanating from CONTRACTOR's vehicles following Collection.	No acceptable failure level	\$500/Event
21.	Failure to Cure in Timely manner	Failure to cure non-compliance with the provisions of this Agreement in the manner and time set forth in Section 10.2.	No acceptable failure level	\$150/Incident/Day
22.	Failure to Maintain Control of Vehicle	Each instance of CONTRACTOR Collection vehicle "roll-away" while operating in the DISTRICT (e.g. Collection vehicle is in uncontrolled motion without driver presence in vehicle), regardless of whether such loss in control resulted in injury to Persons or damage to property.	No acceptable failure level	\$10,000/Event, in addition to any additional resulting claims regarding injury to Persons or damage to property.
23.	Failure to Perform Other Requirement	Each failure to perform any obligation of the Agreement not specifically stated above.	No acceptable failure level	\$100/Event

## EXHIBIT F

### PERFORMANCE STANDARDS & LIQUIDATED DAMAGES

#### 2. Performance Area: Customer Service

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
1.	Failure to Commence Service and/or Provide Move-in Kits	Any failure by CONTRACTOR to deliver a Container and begin providing Collection to a Customer, at the level of service requested by said Customer, within three (3) 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, Move-in Kits, and PRBs to Customers upon request.	No acceptable failure level	\$150/Event
2.	Failure to Exchange Container	Any failure by CONTRACTOR to exchange Container within ten (10) Business Days of notification that a change in the size or number of Carts or Bins is required.	No acceptable failure level	\$100/Container/Day
3.	Failure to Replace Container	Any failure by CONTRACTOR to replace a damaged or defaced Container within the timeline required in Section 5.6.	No acceptable failure level	\$100/Container/Day

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

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
4.	Failure to Resolve Complaint	Any failure or neglect by CONTRACTOR to resolve each Complaint within the time set forth in this Agreement.	No acceptable failure level	\$100/Event
5.	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.) Any failure to have a customer service representative answer a phone call within a two (2) minute average for any month and/or for each single caller having to wait more than ten (10) minutes.	No acceptable failure level	\$150/Event
6.	Failure to Maintain Office Hours	Failure to maintain office hours as required by this Agreement.	No acceptable failure level	\$100/Event

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

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
7.	Failure to provide multi-lingual CSRs	Failure to provide a Spanish, Mandarin, and Cantonese speaking Customer Service Representative as required by this Agreement.	No acceptable failure level	\$150/Language/Day
8.	Unauthorized Hours of Operation	Each occurrence of CONTRACTOR Collecting from Customers during unauthorized hours.	No acceptable failure level	\$100/Event
9.	Failure to Conduct Route Audits	Failure to conduct route audits as required by Section 6.4 of this Agreement.	No acceptable failure level	\$150/Audit/Day

**3. Performance Area: Diversion**

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
1.	Failure to Perform Education and Outreach Activities	Each individual failure by CONTRACTOR to develop, produce, and distribute public education material or perform community outreach activities in the form and manner required under Exhibit C to this Agreement.	No acceptable failure level	\$500/Activity
2.	Provision of Incorrectly Branded Outreach Materials or Equipment	Each individual occurrence of providing public education and outreach materials or Containers which are labeled with the name of an agency that is not DISTRICT, or a company that is not CONTRACTOR.	No acceptable failure level	\$50/Event



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

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
3.	Failure to Provide Targeted Technical Assistance	Each individual failure to provide targeted technical assistance to a Commercial or Multi-Family Customer in the manner required under Exhibit C to this Agreement.	No acceptable failure level	\$50/Customer

**4. Performance Area: Facilities**

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
1.	Delivery to Non-Approved Facility	Each individual occurrence of delivering materials to a facility other than the Approved Facility designated for each material type under Section 4 of this Agreement.	No acceptable failure level	\$5,000 first failure.  \$25,000 each subsequent failure.
2.	Disposal of Targeted Diversion Materials	Each individual occurrence of delivering Recyclable Materials, Organic Materials, C&D, or Reusable Materials set out for Collection by the Customer for Disposal rather than Processing.	No acceptable failure level	\$1,000/Load
3.	Mixing Materials 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 Garbage vehicle, Garbage Collected in Organic Materials vehicle, etc.)	No acceptable failure level	\$1,000/ Container
4.	Commingling with Non-DISTRICT Materials	Commingling of materials Collected inside and outside the DISTRICT during Collection.	No acceptable failure level	\$1,000/Event

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

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
5.	Delivery to Disposal Facility of Non-DISTRICT Materials comingled with DISTRICT Materials	Delivery to the Designated Disposal Facility of any Garbage Collected outside of the DISTRICT boundaries comingled with that Collected as part of this Agreement except for material delivered in transfer trailers.	No acceptable failure level	\$5,000 first delivery  \$25,000 each subsequent delivery
6.	Failure to Provide Adequate Capacity	Failure to provide adequate primary and alternate capacity to accept and Process Recyclable Materials, or Organic Materials.	No acceptable failure level	\$1,000/Day

**5. Performance Area: Reporting**

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
1.	Late Report	Each occurrence of a Report, as required under Exhibit D to this Agreement, being submitted after the due date. Reports shall be considered late until they are submitted in a complete and accurate format.	No acceptable failure level	\$250/Report/Day
2.	Failure to Maintain or Provide Access to Records	Each occurrence of DISTRICT 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

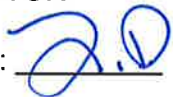
**EXHIBIT F**  
**PERFORMANCE STANDARDS & LIQUIDATED DAMAGES**

Item	Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
3.	Misleading/ Inaccurate Reporting	Each occurrence of CONTRACTOR providing misleading or otherwise inaccurate information or reporting to DISTRICT 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	\$250/Event
4.	Failure to Correct Submittal of Inaccurate Data in a Timely Manner	Failure to correct submittal of inaccurate data within three (3) days (or such other time period as may be agreed to in writing between DISTRICT and CONTRACTOR) of notification by DISTRICT.	No acceptable failure level	\$500/ Day

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

Initial Here:           



DISTRICT

Initial Here:           



*This page intentionally left blank*

**EXHIBIT G:  
CONTRACTOR'S PROPOSAL**

---



**EXHIBIT G1:  
TECHNICAL PROPOSAL**

---







## COVER LETTER

December 8, 2017

Castro Valley Sanitation District

Attn: Naomi Lue, Solid Waste Supervisor

21040 Marshall Street

Castro Valley, California 94546

RE: Castro Valley Sanitation District Proposal for Collection and Processing Services

Dear Ms. Lue,

Alameda County Industries, Inc. (ACI), a California corporation, is pleased to submit this response to the Castro Valley Sanitation (CVSan) District's Request for Proposals (RFP) for Collection and Processing Services.

In keeping with the CVSan District's goal of Zero Waste, this proposal has been written to minimize the use of paper and to conserve resources.

ACI is comprised of three groups of active members of Northern California's solid waste and recycling industry. The groups are: The Pellegrini Group, represented by Louie Pellegrini; South San Francisco Scavenger Company, represented by Doug Button; and Pleasanton Garbage Service, represented by Bob Molinaro.

Our industry experience and dedication to excellent service and maximum diversion offers the residents and businesses within the Castro Valley Sanitation District an excellent choice for the collection and processing of their waste stream.

- ✓ Tailored consistent collection and processing system that maximizes efficiencies and reduces waste sent to landfill.
- ✓ Experience to ensure a smooth and successful transition.
- ✓ "State-of-the-Art" Material Recovery Facility (MRF) with guaranteed processing capacity and proven diversion rates.
- ✓ Financial capability and security.
- ✓ Stable long-term municipal relationships.
- ✓ Local and expedient decision making.
- ✓ Exemplary past performance and safety record.
- ✓ Excellent customer service.
- ✓ Informative and innovative outreach and diversion programs.
- ✓ Clear understanding of all existing and future regulatory requirements.
- ✓ Stable and long-term agreements with landfills, composting and facilities.

We have conducted due diligence to confirm material facts upon which this proposal is based. With submittal of this Proposal, Alameda County Industries, Inc. acknowledges and accepts all terms and conditions of the Collection Agreement, except for any exceptions taken in *Section 5* of our

proposal. The following addenda were issued through this RFP process and were downloaded and fully reviewed by ACI:

- Addendum 1 | Issued 10/11/17**
- Addendum 2 | Issued 12/4/17**

As per the Secretary's Certificate provided in *Section 7 | Other Proposal Forms*, and the Board of Directors of Alameda County Industries, Inc., I certify that I am the contact person in reference to this submittal. We appreciate the opportunity to respond and provide environmentally and economically sustainable collection operations for The Castro Valley Sanitary District.

Sincerely,

Kent Kenney  
Controller  
Alameda County Industries, Inc.

## TABLE OF CONTENTS

<b>COVER LETTER</b> .....	<b>1</b>
<b>TABLE OF CONTENTS</b> .....	<b>3</b>
<b>EXECUTIVE SUMMARY</b> .....	<b>5</b>
<b>1. COMPANY DESCRIPTION</b> .....	<b>7</b>
A. Business Structure.....	7
B. Collection Experience.....	9
C. Service Initiation Experience and New Program Implementation.....	18
D. Key Personnel.....	24
E. Labor Agreements & Wages.....	37
F. Past Performance Record.....	38
G. Financial Information.....	39
<b>2. TECHNICAL PROPOSAL FOR BASE SERVICES</b> .....	<b>41</b>
A. Collection.....	45
B. Recyclable Materials Processing.....	47
C. Organic Materials Processing.....	49
5.5.4 Garbage Transport.....	50
D. Residential On-Call Bulky Item Clean-Up and Other Clean-Up Events.....	50
E. Construction & Demolition Debris Services.....	52
F. Public Education & Outreach.....	52
G. Customer Service.....	55
H. Billing.....	59
I. Implementation Plan.....	63
J. Mandatory Recycling Implementation & Monitoring Plan.....	68
K. Subcontractors.....	70
L. Management and Customer Service Systems.....	70
M. Corporation Yard & Maintenance Facilities.....	80
N. Zero Waste Requirements.....	82
<b>3. TECHNICAL PROPOSAL FOR ALTERNATIVE SERVICES</b> .....	<b>83</b>
A. Cart Replacement for RFID Attachment (Required).....	83
B. Single-Family Garbage Pay-per-Set out (Required).....	84
C. Single-Family Used Cooking Oil Collection (Required).....	85
D. Single-Family Curbside Textile Collection (Required).....	85
E. Single-Family Organic Materials Collection to Canyonlands Residents (Required)....	86
F. Single-Family Bulky Item Collection to Canyonlands Residents (Required).....	87
G. Mixed Waste Processing for Public Litter (Required).....	88
H. Alternative Fuel Vehicles (Optional).....	89
I. Other Service Enhancements & Innovations (Optional).....	89

<b>4. ENVIRONMENTAL CONSIDERATIONS (OPTIONAL)</b> .....	<b>90</b>
<b>5. ACCEPTANCE OF RFP &amp; FRANCHISE AGREEMENT</b> .....	<b>91</b>
<b>6. COST PROPOSALS</b> .....	<b>92</b>
A. Base Cost Proposal.....	92
B. Cost Proposal for Alternative Services .....	92
<b>7. OTHER PROPOSAL FORMS</b> .....	<b>93</b>
A. Secretary’s Certificate .....	93
B. Anti-Collusion Affidavit .....	96
C. Iran Contracting Certification .....	97
<b>8. ATTACHMENTS</b> .....	<b>98</b>
ATTACHMENT A - Biennial Inspection of Terminal (BIT) Report.....	98
ATTACHMENT B - Available Processing Capacity Letter (Organics) .....	99
ATTACHMENT C - Billing Samples .....	100
ATTACHMENT D - Labor Agreements.....	106

## EXECUTIVE SUMMARY

Alameda County Industries, Inc. (ACI) is comprised of three experienced groups in the solid waste and recycling industry: *the Pellegrini Group, the South San Francisco Scavenger Company, and the Pleasanton Garbage Company.*

ACI seeks to provide CVSan with:

- Accurate and effective cost analysis of CVSan program requirements.
- Increased levels of diversion.
- High quality customer service.

The ACI experienced partner groups:

- ✓ Oversee the operations of eight collection companies.
- ✓ Manage nearly 600,000 tons of waste annually in 13 jurisdictions.
- ✓ Provide collection and processing services to more than 350,000 residential and commercial customers throughout the San Francisco Bay Area.
- ✓ Have expertise in new service initiations, rollouts, and innovative collection programs.
- ✓ Employ over 500 people in bay area companies.

ACI looks forward to working with the CVSan to attain their goals:

- ✓ Waste reduction, reuse, recycling and composting.
- ✓ Minimize future rate increases.
- ✓ Achieve 90% diversion by 2029.
- ✓ High standards for customer service.
- ✓ Collaboration with CVSan on all programs during the course of the contract.
- ✓ Active community participation.
- ✓ Provide access to customer information and collection data.

Proposal Highlights:

- ✓ Base proposal provided as required by RFP
- ✓ Residential service provided using fully automated side-loader vehicles.
- ✓ Commercial service provided using front-end loader vehicles with cart service capability, and a roll-off collection vehicle.
- ✓ Bulky collection provided using a rear-end loader and utility vehicle.
- ✓ Hard to service and Canyonlands areas serviced using a split-body satellite collection vehicle.
- ✓ Holiday tree collection provided using a rear-end loader vehicle.

Alternate proposal as required by RFP

- ✓ RFID technology
  - Cart lid swap with RFID chip
  - Collection vehicle enhancements
  - Software implementation
- ✓ Single family garbage Pay-per-Setout.
  - Utilize RFID technology
  - Integrate with customer relationship management software
- ✓ Single family curbside collection of textiles.
  - Encourage donation instead of disposal.
- ✓ Single family organic collection services for Canyonlands residents.
- ✓ Single family bulky item collection program for Canyonlands residents.

- ✓ Mixed-waste processing for public litter containers.
- ✓ Alternative fuel vehicles.

**Optional proposals:**

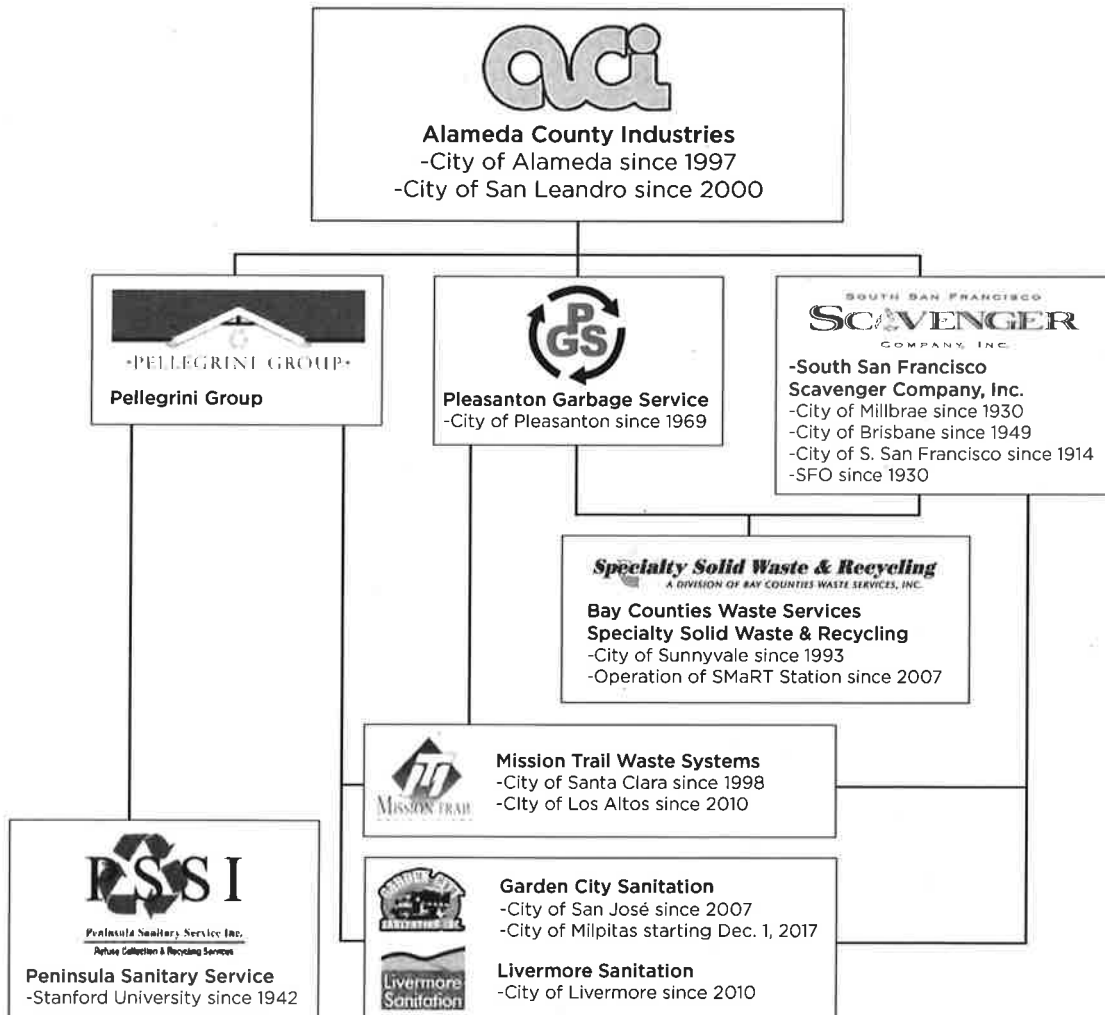
- ✓ Base agreement term 15 years to reduce costs.
- ✓ Food scraps collected separately to reduce organics processing costs and increase diversion.

# 1. COMPANY DESCRIPTION

## A. Business Structure

Alameda County Industries, Inc. (ACI) is authorized to do business in California and is the legal entity that would execute the new Franchise Agreement. ACI is an S Corporation and has been providing collection, transfer and processing services since its inception in 1997, under its previous name, Alameda Recycling Company in the City of Alameda. In 2000, ACI upgraded a Material Recovery Facility (MRF) and Transfer Station (TS) in San Leandro to process recyclables and transfer organics and solid waste collected from Alameda and San Leandro. ACI is a privately-held company formed by owners of other local, privately-held garbage companies, as depicted in the graphic below.

### ACI AFFILIATE COMPANIES



ACI is comprised of the following companies: *Pleasanton Garbage Company* (33.3% shareholder), *The Pellegrini Group* (33.3% shareholder), and *South San Francisco Scavenger Company* (33.3% shareholder).

ACI is governed by the following individuals, each of whom has over ten percent (10%) ownership: Mr. Bob Molinaro and Mr. Louie Pellegrini.

As of December 1, 2017, ACI has one creditor (Bank of the West – 4400 MacArthur Blvd., Suite 600, Newport Beach, CA 92660) with debt greater than ten percent (10%) of the company’s total assets.

The following table lists the companies that are owned and operated by the Shareholders of ACI, the jurisdictions in which they provide service, the shareholder / partners involved and the date each entity was formed.

**Alameda County Industries Affiliate Companies Table**

<b>Company</b>	<b>Jurisdictions Served</b>	<b>Shareholders / Partners</b>	<b>Date Formed</b>
<b>Alameda County Industries (ACI)</b>	Alameda San Leandro Operation of the ACI MRF	Pellegrini Group PGS SSFSC	1997 2000
<b>Garden City Sanitation (GCS) Livermore Sanitation (LS) Milpitas Sanitation (MS)</b>	San José Livermore Milpitas	Pellegrini Group SSFSC Other Investors	2007 2010 2017
<b>Mission Trail Waste Systems (MTWS)</b>	Los Altos Santa Clara Operation of the MTWS MRF/Transfer Station	Pellegrini Group PGS SSFSC	2010 1998
<b>Pleasanton Garbage Service (PGS)</b>	Pleasanton Operation of the Pleasanton MRF/Transfer Station	2 Partners	1969
<b>Peninsula Sanitary Service Incorporated (PSSI)</b>	Stanford University Street Sweeping throughout entire campus and at affiliate company's facilities Operation of the PSSI Recycling and Transfer Station	Louie Pellegrini Peninsula Sanitary Group	1942
<b>South San Francisco Scavenger Company (SSFSC)</b>	Brisbane, Millbrae, South San Francisco, SFO Operation of the Blue Line Transfer Station	8 Partners	1914
<b>Specialty Solid Waste and Recycling (SSWR) - Bay Counties SMaRT</b>	Sunnyvale Operation of SMaRT Station	PGS SSFSC	1993



Services provided by subcontractors will be for processing.

C&D processing – Waste Management of Alameda County  
Organics Processing – Napa Recycling & Waste Services

A variety of business partnerships and overlapping ownership interests, exist among ACI's owners, shareholders, and other similar business entities. These smaller, local companies have formed partnerships to bid competitively on municipal collection contracts. The owners of these companies genuinely understand the solid waste and recycling industry and add valuable management experience and expertise to new endeavors.

At the turn of the century, waste was collected using open-top back-end dump trucks with crews of three men. The trucks were outfitted with a ladder of five rungs that drivers climbed to dump collected materials contained in burlap sacks or pack cans. The drivers and collectors would sort any material that was recyclable such as rags/clothing, glass bottles and jars, motor oil, and metals into special bins and racks along the sides of the truck.



Fast forward 100 years. ACI and its affiliates now collect waste and recyclables using state-of-the-art multiple compartment CNG-fueled trucks. Recyclable and compostable materials are collected safely and efficiently, with smaller crews and a small carbon footprint.

A description of each company referenced, along with examples of collection and service initiation experience follows.

## **B. Collection Experience**

The following jurisdictional references for collection and processing services have been implemented in other jurisdictions that are similar to the demographics and size of Castro Valley. Each jurisdictional reference includes:

- ✓ Name of jurisdiction where services are provided and term of the agreement
- ✓ Services provided
- ✓ Total number of customers served
- ✓ Jurisdiction representative contact information



Alameda County Industries

## Alameda County Industries



### CITY OF ALAMEDA

Served since 1997 | Contract expires 2022

SERVICES PROVIDED:

MSW, Recyclables (single-stream), mixed organics collection and processing to 18200 SFD, 870 MFD and 850 commercial customers.

CONTACT:

Maria DiMeglio | Program Specialist  
City of Alameda, 950 W. Mall Square, Alameda, CA 94501  
510.749.5893

### CITY OF SAN LEANDRO

Served since 2000 | Contract expires 2022

SERVICES PROVIDED:

MSW, Recyclables (single-stream), mixed organics collection and processing to 12800 SFD, 450 MFD and 1500 commercial customers.

CONTACT:

Jennifer Auletta | Administrative Analyst  
City of San Leandro, 835 E. 14th Street, San Leandro, CA 94577  
510.577.6022

### ACI MRF/TRANSFER STATION

Opened in 1998, upgraded in 2010

SERVICES PROVIDED:

50,000 sf MRF to recycle single-stream recyclables, and transfer MSW and organics to nearby processors. Closed to public.

CONTACT:

Arthur Surdilla | LEA Inspector  
Alameda County Environmental Health  
510.567.6868



## Garden City Sanitation



### CITY OF SAN JOSÉ

Served since 2007 | Contract expires 2021

**SERVICES PROVIDED:**

Collection of MSW from more than 163,000 SFDs.  
Direct haul to the City's designated landfill.

**CONTACT:**

Jeff Anderson | Environmental Services Dept.  
City of San Jose, 200 E. Santa Clara St, San Jose, CA 95113  
408.975.2518



## Livermore Sanitation



### CITY OF LIVERMORE

Served since 2010 | Contract expires 2020

**SERVICES PROVIDED:**

MSW, Recyclables (single-stream), mixed organics  
collection and processing to 25000 SFD, 4900 MFD and  
1450 commercial customers.

**CONTACT:**

Judy Erlandson | Public Works Manager  
City of Livermore, 3500 Robertson Park Rd, Livermore, CA  
94550  
925.960.8002



## Milpitas Sanitation



### CITY OF MILPITAS

Served since 2017 | Contract expires 2032

**SERVICES PROVIDED:**

MSW, Food Scraps, Recyclables (dual-stream), and Yard  
Trimblings collection and processing to 13689 SFD, 189 MFD  
and 804 commercial customers.

**CONTACT:**

Leslie Stobbe | Public Information Manager  
City of Milpitas, 455 E. Calaveras Blvd., Milpitas, CA 95035  
408.586.3352



## Mission Trail Waste Systems



### CITY OF LOS ALTOS

Served since 2010 | contract expires 2020

#### SERVICES PROVIDED:

MSW, Recyclables (single-stream), mixed organics collection and processing to 9370 SFD, 110 MFD and 360 commercial customers.

#### CONTACT:

Susanna Chan  
Public Works Director  
City of Los Altos, 1 N. San Antonio Rd, Los Altos, CA 94022  
650.947.2621

### CITY OF SANTA CLARA

Served since 1998 | contract expires 2021

#### SERVICES PROVIDED:

MSW and mixed organics collection and processing to 17000 SFD, 5600 MFD and 1820 commercial customers. Exclusive waste hauler for Levi's Stadium.

#### CONTACT:

Dave Staub | Public Works Director  
City of Santa Clara, 1700 Walsh Ave, Santa Clara, CA 95050  
408.615.3080

### MTWS MRF/TRANSFER STATION

Opened in 1998

#### SERVICES PROVIDED:

11,000+ sf MRF/Transfer Station that is open to the public to receive garbage, recycling, C&D, wood waste, and transfer station.

#### CONTACT:

Roel Meregillano | LEA Inspector  
Santa Clara County Dept of Environmental Health  
408.918.1962



Peninsula Sanitary Service Inc.  
Refuse Collection & Recycling Services

## Peninsula Sanitary Service, Inc.



### STANFORD UNIVERSITY

Served since 1942 | 6 year evergreen contract

#### SERVICES PROVIDED:

Collection of recyclables, compostables, and solid waste, processing of recyclables, operation of Direct Transfer Facility, operation of Agricultural Material Storage and Handling Facility and street sweeping services to Stanford University.

#### CONTACT:

Ted Tulochski | Director of Grounds Services  
221 Bonair Siding Road, Stanford, CA 94305  
650.723.3383

### PSSI RECYCLING FACILITY

Opened in 1992

#### SERVICES PROVIDED:

Stanford Recycling Center and Direct Transfer Facility is used to process recyclables and transfer recyclables and landfilled trash from frontloaders to transfer trailers. Open to Stanford only. PSSI's Agricultural Material Storage and Handling Facility (permitted in 2005) handles the horse manure coming from the Stanford Barn and surrounding community.

#### CONTACT:

Jaji Murage | LEA Inspector  
Santa Clara County Dept of Environmental Health  
408.918.3405



**Pleasanton  
Garbage  
Service**



**CITY OF PLEASANTON**

Served since 1969 | Contract expires 2019

**SERVICES PROVIDED:**

MSW, Recyclables, mixed organics collection and processing to 19723 SFD, 641 MFD and 902 commercial customers.

**CONTACT:**

Mr. Brian Dolan | City of Pleasanton  
P.O. Box 520, Pleasanton, CA 94566  
925-931-5005

---

**Specialty Solid Waste & Recycling**  
A DIVISION OF HW COUNTIES WASTE SERVICES, INC.

**Specialty  
Solid Waste  
& Recycling**



**CITY OF SUNNYVALE**

Served since 1997 | Contract expires 2022

**SERVICES PROVIDED:**

MSW, Recyclables (dual-stream), Food Scraps, and Yard Trimmings collection and processing to 29000 SFD, 2055 MFD and 1862 commercial customers.

**CONTACT:**

Mark Bowers | Solid Waste Programs Division Manager  
City of Sunnyvale, PO Box 3707, Sunnyvale, CA 94088-3707  
408/730-7421



**South  
San Francisco  
Scavenger  
Company**



**CITY OF BRISBANE**

Served since 1930 | Contract expires 2034

**SERVICES PROVIDED:**

MSW, Recyclables (dual-stream), mixed organics collection and processing to 1200 SFD, 430 MFD and 260 commercial customers.

**CONTACT:**

Ms. Maria Saguisag-Sid | Analyst/Special Projects  
City of Brisbane, 50 Park Place, Brisbane, CA 94005  
415.508.2115

**CITY OF MILLBRAE**

Served since 1949 | Contract expires 2033

**SERVICES PROVIDED:**

MSW, Recyclables (dual-stream), mixed organics collection and processing to 5600 SFD, 2900 MFD and 485 commercial customers.

**CONTACT:**

Nick Nguyen | Public Works Director  
City of Millbrae, 621 Magnolia Ave, Millbrae, CA 94030  
650.259.2418

**SOUTH SAN FRANCISCO**

Served since 1914 | Contract expires 2035

**SERVICES PROVIDED:**

MSW, Recyclables (dual-stream), mixed organics collection and processing to 14800 SFD, 6000 MFD and 2000 commercial customers.

**CONTACT:**

Mike Futrell | City Manager  
City of South San Francisco, PO Box 711, SSF, CA 94080  
650.877.8500

**SF INTERNATIONAL AIRPORT**

Served since 1930 | Contract expires 2019

**SERVICES PROVIDED:** Collection of more than 25,000 tons of MSW and recyclables annually as well as the sanitation of all international wastes, per Federal regulations.

**CONTACT:**

Liborio Yap | Project Manager  
SFO, PO Box 8097, SSF, CA 94128  
650.259.2418



**BLUE LINE**  
TRANSFERS, INC.

**Blue Line  
Transfer, Inc.**



**BLUE LINE TRANSFER STATION**

Open to the public since 1970

**SERVICES PROVIDED:**

100,000 sf MRF to recycle dual-stream recyclables, mixed C&D, wood waste processing, CRV buyback, County-run HHW drop off center, and MSW transfer. Includes newly commissioned first in the nation dry AD Facility that produces carbon-negative biogenic CNG for SSFSC fleet.

**CONTACT:**

Greg Schirle | LEA Inspector  
San Mateo County - Environmental Health  
650.372.6297

### C. Service Initiation Experience and New Program Implementation

ACI and our affiliate companies possess a high level of experience implementing new collection service programs in numerous jurisdictions. Programs have resulted in successful customer participation, an increase in diversion, and compliance with local and state ordinances. Described in this section are recent examples of initiation and implementation of new contracts and diversion programs.

#### Service Initiation

##### GARDEN CITY SANITATION

###### City of San José

- Garden City Sanitation was created in 2006 (owners and partners of affiliate companies, depicted in the ACI Affiliate Companies Table provided earlier in Section 1.A).
- Garden City provides garbage collection services to more than 163,000 Single-Family Dwellings (SFDs) in San José. All solid waste is directly hauled to the City's specified disposal facility.

###### City of San José Service Initiation Highlights

- Coordination with City Staff
- Coordinated Outreach between City of San José and all Franchise Haulers
- Property, Equipment & Container Procurement
- Hiring and Employment
- Efficient Route Planning
- Public Outreach Planning/Activities

###### City of San José Service Initiation Challenges

**CHALLENGE - INSUFFICIENT DATA:** Previous San José contractors had overestimated their operating efficiencies and underestimated cart weights and freeway traffic.

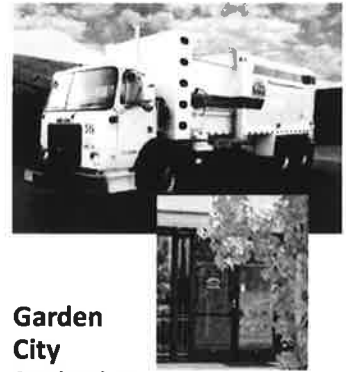
**SOLUTION:** We spent months reviewing every weight tag from the previous year trying to associate truck numbers to specific areas within the daily footprint of the service areas. GCS was able to execute exceedingly well-planned routes within day boundaries resulting in 44 routes that, with the exception of 4, are completed within 8 hours each day.

**CHALLENGE - INCOMING EMPLOYEE MORALE:** Drivers had undergone many changes with previous hauler.

**SOLUTION:** Training program occurred around various schedules. Result is a positive and safe workforce.

#### Service Initiation

##### CITY OF SAN JOSÉ INITIATION OF NEW FRANCHISE AGREEMENT



##### Garden City Sanitation

Commencement date: July 1, 2007  
Contract expires: 2021

**SERVICES PROVIDED  
AND CUSTOMERS SERVED:**  
SFD solid waste collection to more  
than 163,000 customers. Direct haul  
to City's designated landfill.

**CONTACT:**  
Jeff Anderson  
Environmental Services Dept  
City of San Jose  
200 E. Santa Clara St.  
San Jose, CA 95113  
408.975.2518



**GARDEN CITY SANITATION dba Livermore Sanitation  
City of Livermore**

- Garden City was awarded the 10-year contract to provide collection and processing services to the entire City of Livermore, under the dba Livermore Sanitation (LS) in 2010.
- The City of Livermore transition included a universal rollout of new color-coded collection bins and carts for recyclables (blue), organics (green), and garbage (gray). In 2016, a food scraps collection pilot program was implemented and included a kitchen pail, new residential collection carts, and an expanded list of accepted recyclable materials.

**City of Livermore Service Initiation Highlights**

- Coordinated Meetings with City and Previous Hauler Staff
- Coordinated Transition/Community Outreach with City
- Property, Equipment & Container Procurement
- Hired Displaced Workers
- New Billing System Implemented
- Created [www.LivermoreSanitation.com](http://www.LivermoreSanitation.com)
- Efficient Route Planning

**City of Livermore Service Initiation Challenges**

**CHALLENGE - COLLECTION CART SIZING:** More residents opted for the 20-gallon garbage cart than anticipated.

**SOLUTION:** We placed a rush order for additional 20-gallon carts. Customers with 32-gallon carts were charged the 20-gallon cart rate until their new carts were delivered.

**CHALLENGE - RATE STRUCTURE:** The City's rate structure changed, making commercial recycling more expensive and several customers contemplated canceling service.

**SOLUTION:** Through site visits, community education and printed outreach, our Outreach Team encouraged continued use of the recycling program and participation increased.

**CITY OF LIVERMORE  
INITIATION OF NEW  
FRANCHISE AGREEMENT**



**Garden City Sanitation  
dba Livermore Sanitation**

Commencement date: July 1, 2010  
Contract expires: 2020

**SERVICES PROVIDED**

**AND CUSTOMERS SERVED:**

Universal rollout of recycling, organics and garbage collection to more than 29,000 residents and 1,500 commercial customers.

**CONTACT:**

Judy Erlandson  
Public Works Manager  
City of Livermore  
3500 Robertson Park Rd.  
Livermore, CA 94550  
925.960.8002



## Service Initiation

### MISSION TRAIL WASTE SYSTEMS

#### City of Los Altos

- ACI affiliate company, Mission Trail Waste Systems (MTWS), was awarded the collection and processing contract for the City of Los Altos in 2010.
- New service transition included a universal rollout of new color-coded collection containers for recyclables (blue), organics (green), and garbage (gray).
- Food scraps collection introduced. A kitchen pail was delivered with every residential organics (green) cart and included instructions for use and an expanded list of accepted recyclable materials.

#### City of Los Altos Service Initiation Highlights

- Coordinated Meetings with City and Previous Hauler Staff
- Coordinated City and Company Transition Outreach
- [www.MissionTrail.com](http://www.MissionTrail.com)
- Equipment & Container Procurement
- Hired Displaced Workers
- Efficient Route Planning
- Billing System Implementation

#### City of Los Altos Service Initiation Challenges

**CHALLENGE - COLLECTION CART SIZING:** More residents opted for the 20-gallon garbage cart than anticipated.

**SOLUTION:** We placed a rush order for additional 20-gallon carts. Customers with 32-gallon carts were charged the 20-gallon cart rate until their new carts were delivered.

**CHALLENGE – HARD TO SERVICE AREA:** Homes in a small portion of the City had rear alley access and were accustomed to having service being provided in the alley. We did not have a small enough vehicle to safely drive down the alley to service the containers.

**SOLUTION:** Our management team worked with residents and City Staff to ensure a safe and efficient service solution by having drivers walk through the alley and empty carts into special rolling containers. There was a slight decrease in productivity and an adjustment to routes, but residents and the City are pleased with the results.

### CITY OF LOS ALTOS INITIATION OF NEW FRANCHISE AGREEMENT



#### Mission Trail Waste Systems

Commencement date: Sept. 2010  
Contract expires: 2020

**SERVICES PROVIDED  
AND CUSTOMERS SERVED:**  
MSW, Recyclables (single-stream),  
mixed organics collection and  
processing to 9370 SFD, 110 MFD  
and 360 commercial customers.

**CONTACT:**  
Susanna Chan  
Public Works Director  
City of Los Altos  
1 N. San Antonio Rd.  
Los Altos, CA 94022  
650.947.2621



**New Program Implementation**  
**GARDEN CITY SANITATION**  
**City of San José - Residential Food Scraps Collection Pilot Program**

- Garden City introduced a residential food scraps collection pilot program to a diverse group of 6,500 single-family residents in San José. The goal of the pilot program was to divert additional food waste from landfills and to provide a higher and better use of food waste. Prior to the pilot program, food scraps were collected in garbage carts and hauled directly to the City's landfill.
- Collected Food Scraps were processed by Sustainable Alternative Feed Enterprises (SAFE) into an ingredient used to animal feed. Additional information regarding the SAFE process can be found at [www.forktofeed.com](http://www.forktofeed.com).
- Garden City offered 2 different collection scenarios:
  - a designated 20-gallon food scraps cart
  - a split-cart with 48-gallons of capacity for garbage and 16-gallons of capacity for food scraps
- Participants in both service areas received Food Scraps Kitchen Pail for use inside their homes.
- Pails and carts featured graphic-rich labels indicating what materials belong inside in English, Spanish and Vietnamese.
- An existing CNG fueled collection vehicle was retrofitted with a split-body hopper and auger attachment to service the split carts.
- Program Outreach included tri-lingual postcards, notices and letters.
  - A special pilot program page was added to [www.GardenCitySanitation.com](http://www.GardenCitySanitation.com).
  - Garden City Sanitation CSRs were trained on how to respond to program calls/emails.
  - Garden City provided tri-lingual (English, Spanish, Vietnamese) program information to council members from the pilot program service areas to distribute to their constituents.
- Program participation and contamination data was gathered via visual audits and weights from certified scales. Tri-lingual notices of positive feedback or contamination were distributed to participants via cart hangers. An average of 8 pounds of food scraps per household per week were collected.

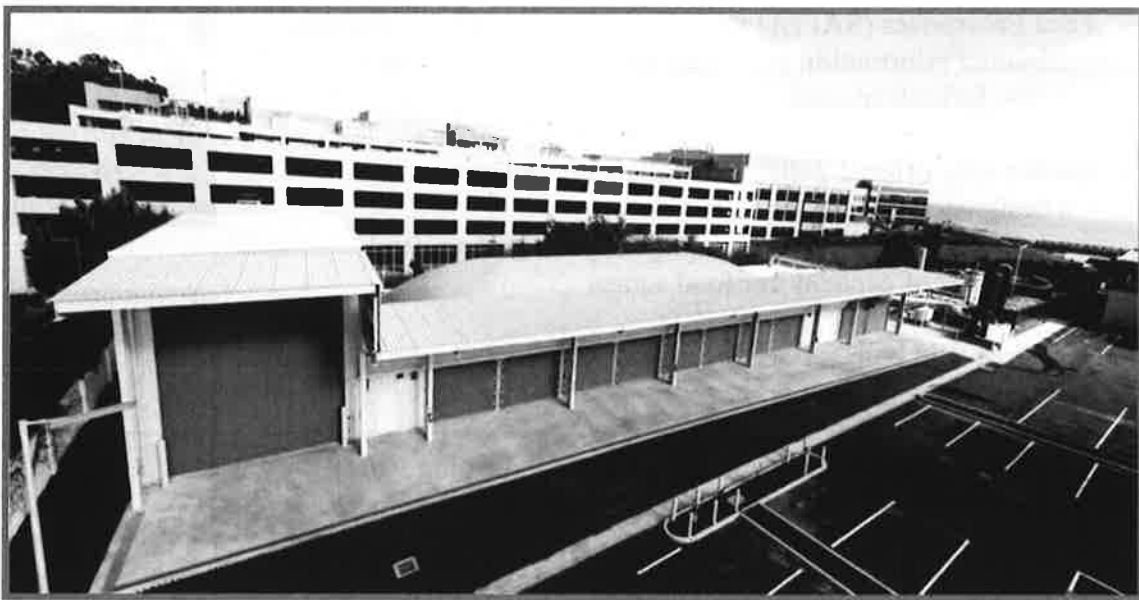


## **New Program Implementation**

### **SOUTH SAN FRANCISCO SCAVENGER COMPANY (SSFSC)**

#### **Food Scraps to AD and Biogenic CNG Fueling Station**

- In 2015 SSFSC worked with City staff to develop an expanded organics collection program for commercial businesses and single-family residents in an effort to divert additional food waste from landfills and to provide a highly desirable and digestible feedstock for the *AD Facility and Biogenic CNG Fueling Station* located at the Blue Line Transfer Station in South San Francisco.
- Residents were provided with a kitchen pail and outreach materials. Businesses in the service areas were visited by outreach representatives and received training and instructional program materials.



*The BLTS AD Facility and Biogenic CNG (Compressed Natural Gas) Fueling Station provides a local, sustainable fuel source. Organic waste is processed in the low oxygen environment of the anaerobic digesters. Methane gas is transformed into CNG to fuel SSFSC's carbon negative collection fleet.*

**New Program Implementation**  
**SPECIALTY SOLID WASTE AND RECYCLING (SSWR)**  
**City of Sunnyvale – Residential Food Scraps Collection Pilot Program**

- In 2014 the City of Sunnyvale implemented a food scraps pilot program with assistance from industry consultants and Garden City's affiliate company, Specialty Solid Waste and Recycling (SSWR). Five demographically diverse pilot service areas, each with just over 100 households, were selected to test the concept of source separating food scraps.
- SSWR replaced participants' single compartment garbage cart with a split body cart with different colored lids. Yellow lid compartment for kitchen waste (food and food soiled paper). Black lid compartment for household garbage (including pet waste and diapers). Program participants also received a Food Scraps Kitchen Pail for use in their home.
- Audits indicate over 85% of the households in the pilot area participate in the food scrap collection program. An average of 12 pounds of materials is collected per household per week. The average contamination rate is less than 20%.
- Food scraps are being delivered to the SAFE pre-processing facility and to a local compost facility. The program has resulted in fewer recyclable materials being disposed of in the garbage.



**New Program Implementation**  
**SOUTH SAN FRANCISCO SCAVENGER COMPANY (SSFSC)**  
**City of Brisbane – Trash Container Management Program**

- The Brisbane Trash Container Management Policy monitors and assesses a non-compliance fee for customers that continually violate the City's litter reduction policy by leaving container lids open, accumulating debris in collection areas and/or excessively overfilling containers.
- SSFSC is currently working alongside with the City to implement a new system that deters overfilling containers while reducing litter in the neighborhoods. A program-specific Non-Compliant Notice, program brochure, and informational letter that clearly describes the policy and includes methods to deter litter was developed for distribution to customers.

**D. Key Personnel**

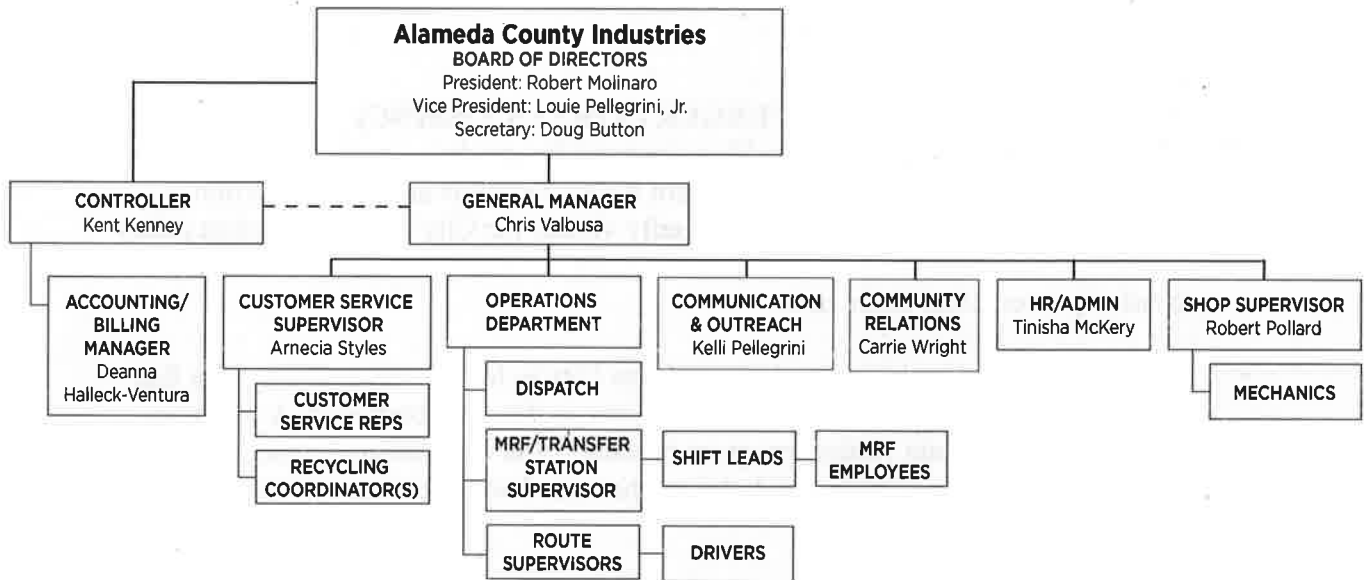
ACI's partners, owners and management team are committed to providing superior collection services and innovative outreach programs to the residents and businesses in Castro Valley. The following pages outline our team qualifications.

**TRANSITION TEAM**

- Bob Molinaro – Board of Directors – President**
- Louie Pellegrini – Board of Directors – Vice President**
- Doug Button – Board of Directors – Secretary**
- Bill Dobert – Chief Financial Officer**
- Kent Kenney – Controller**
- Chris Valbusa – General Manager**
- Deanna Halleck-Ventura – Accounts Receivable and Information Systems Management**
- Tinisha McKery – Human Resources**
- Arnecia Styles – Customer Service**
- Abigail Loveless – Accounts Payable**
- Kelli Pellegrini – Communication and Outreach**
- Alex Button – Routing and Operations**

**ONGOING MANAGEMENT TEAM ORGANIZATIONAL CHART**

**Primary contract contact - Chris Valbusa, General Manager**







## **ROBERT MOLINARO**

**PRESIDENT: ALAMEDA COUNTY INDUSTRIES**

**PRESIDENT: BAY COUNTIES WASTE SERVICES**

**DIRECTOR/OWNER: PLEASANTON GARBAGE SERVICE**

**Mr. Molinaro has over 52 years experience owning and operating a garbage company, and nearly 40 years operating a materials recovery facility and transfer station.**

### **Shareholder, President**

#### **Pleasanton Garbage Service: 1969 – Present**

- Mr. Molinaro is actively involved in general oversight of daily operations;
- Implemented collection services in Pleasanton in 1969 to 12,000 households which has grown to over 60,000 households today;
- Designed and developed the transfer facility, PTS, located on the Pleasanton Garbage Company site, and managed the transfer of all MSW to a disposal facility;
- Pioneered first fully automated collection services in the Bay Area;
- Together with the City of Pleasanton, Mr. Molinaro developed a recycling program featuring picking out recyclable materials from residential MSW at his materials recovery facility.

### **Shareholder, President**

#### **Alameda County Industries: 1997 – Present**

- Mr. Molinaro makes decisions relative to collection system changes; major equipment purchases.

### **Shareholder, President**

#### **Bay Counties Waste Services: 1993 – Present**

- Mr. Molinaro is responsible for maintaining labor relations and conducting Union negotiations;
- Makes decisions relative to collection system changes; major equipment purchases.

### **Shareholder**

#### **South San Francisco Scavenger Co: 1952 – 1969**

- Mr. Molinaro managed the transition of collection operations in the commercial division throughout periods of technological advancement.



## **LOUIE PELLEGRINI, JR.**

VICE PRESIDENT: ALAMEDA COUNTY INDUSTRIES

VICE PRESIDENT/MAJORITY SHAREHOLDER: PENINSULA SANITARY SERVICE, INC.

PRESIDENT/SHAREHOLDER: GARDEN CITY SANITATION

PRESIDENT/SHAREHOLDER: MISSION TRAIL WASTE SYSTEMS

**Mr. Pellegrini has over 40 years of experience in the solid waste and recycling industry. He has been involved as an owner and manager in five well-regarded hauling companies and is active in numerous trade organizations.**

Louie's experience includes planning and implementing collection and processing systems, routing, data flow and capture, efficiency analysis, diversion monitoring and reporting, processing and collection equipment procurement, execution of recyclables market agreements, negotiation of municipal and union contracts, and more. He also has expertise in the development of equipment, he holds two patents for collection vehicles.

### **Vice President, General Manager**

#### **Alameda County Industries: 2000 – Current**

- Mr. Pellegrini helped organize six garbage and recycling companies into Alameda County Industries in January 2000.
- He oversaw all aspects of the transition: contract negotiations, Alameda recycling operations, city relations, privatization of City of San Leandro's garbage collection, redesign of collection systems, procurement of new equipment, productivity increases in processing facility, etc.
- Mr. Pellegrini implemented citywide organics collection—yard trimmings, food scraps and food-soiled paper—a notable first in the State of California.

### **President, Shareholder**

#### **Garden City Sanitation, Livermore Sanitation,**

#### **Milpitas Sanitation: 2007 – Current**

- Mr. Pellegrini was key in the creation of the collaborative venture between the Pellegrini Group and South San Francisco Scavenger. He was responsible for general oversight of service transitions.

### **President, Shareholder**

#### **Mission Trail Waste Systems: 1997 – Current**

- Mr. Pellegrini and a group local industry professionals, purchased Mission Trail Waste Systems in 1997.
- He helped the City of Santa Clara move from an outdated manual to a fully automated residential co-collection system: one truck collects both residential garbage and yard waste.
- He helped privatize the City of Santa Clara's residential yard waste collection program.
- He oversaw a smooth transition in the City of Los Altos: new trucks, collection carts/bins, and several enhanced services.

### **Vice President, Majority Shareholder**

#### **Peninsula Sanitary Service, Inc.: 1972 – Present**

- Acquired the Stanford Recycling Center, pioneered multi-family recycling and expanded recycling programs throughout the university and the Stanford Linear Accelerator Center (SLAC).

- Designed a semi-automated sort line to streamline recycling center operations.
- Implemented Stanford University's first curbside recycling program to faculty and staff residential districts in 1987. Has overseen the expansion of the program through the years.
- Expanded recycling to multi-family housing by patenting a retrofitted straight frame frontload collection vehicle with a three compartment body and divided workbuckets to simultaneously collect three types of materials.
- His expanded multi-family recycling program was adopted by the Cities of San José and Sunnyvale.

### **Founder, General Manager**

#### **GreenTeam of San José: 1991 – 1998**

- Served as General Manager from 1991 through 1998, and was the City's key contact during those years.
- Was instrumental in the implementation of automated collection and data capture (utilizing on-board computing technology) to a customer base of over 400,000 people.
- Helped develop the curbside recycling set-out configuration and likewise aided in the retrofit of the curbside recycling vehicles to match.
- Determined equipment needs, designed the manufacturing process, and developed a marketing plan to create plastic lumber from the residue and miscellaneous plastic material from the processing line. The material is used to make roofing shingles, fence posts, retaining walls, railroad ties, and pallets.

### **INDUSTRY/CIVIC INVOLVEMENT**

- Mr. Pellegrini has been a Past President and serves on the executive committee of the California Refuse and Recycling Council (CRRC), an independent solid waste and recycling trade organization.
- He has also served as President of the Clara-Mateo Garbage Collector's Association.

### **AFFILIATE COMPANY INVOLVEMENT**

- President, Shareholder  
Garden City Sanitation/Livermore Sanitation: 2007 – Current
- Vice President, General Manager  
Alameda County Industries: 2000 – Current
- President, Shareholder  
Mission Trail Waste Systems: 1997 – Current
- Vice President, Majority Shareholder  
Peninsula Sanitary Service: 1972 – Present



## **DOUG BUTTON**

**PRESIDENT AND GENERAL MANAGER  
SOUTH SAN FRANCISCO SCAVENGER COMPANY AND BLUE LINE TRANSFER, INC.**

**Mr. Button has worked in the solid waste and recycling industry for over 30 years. He actively participates in the leadership of five companies. In addition, he commits considerable time and energy to the communities served.**

### **EXPERIENCE**

**Shareholder, President, CEO, and General Manager  
South San Francisco Scavenger Company and Blue Line  
Transfer, Inc.**

**1985 – Present**

- Oversees and manages labor relations.
- Prepares and reviews productivity reports.
- Acts as municipal liaison to the jurisdictions served.
- Responsible for all contract negotiations.
- Acts as project manager for the company, developing and implementing large scale projects such as curbside recycling programs.

### **Shop Foreman**

**South San Francisco Scavenger Company**

**1981 – 1985**

- Supervised the mechanical maintenance and repair of 29 collection vehicles.
- Provided direction and supervision to six shop mechanics.
- Provided regular assistance to driver training and safety awareness programs.
- Procured new equipment and parts.

### **INDUSTRY AND CIVIC INVOLVEMENT**

- Past President and Vice President - California Refuse and Recycling Council
- Past President - Clara Mateo Garbage Association
- Member - Daly City-Colma Chamber of Commerce
- Member - Millbrae Chamber of Commerce
- Member - South San Francisco Chamber of Commerce
- Member - Brisbane Chamber of Commerce
- Member - Millbrae Lion's Club
- Past Director - Millbrae Lion's Club
- Member - Italian Catholic Federation, Millbrae Chapter
- Past Director - Italian Catholic Federation
- Member - Knights of Columbus, Millbrae Chapter

### **AFFILIATE COMPANY INVOLVEMENT**

**Board Secretary, Shareholder**

**Garden City/Livermore Sanitation: 2007 – Present**

- Mr. Button maintains labor relations and conducts Union negotiations.
- Assists in development and implementation of new service programs.
- Assists in technical research and procurement of new collection vehicles.

**Board Secretary, Shareholder**

**Alameda County Industries: 2000 – Present**

- Mr. Button maintains labor relations and conducts Union negotiations.
- Assists in business development, technical research and procurement of new collection vehicles.

**Board Secretary, Shareholder**

**Mission Trail Waste Systems: 1997 – Present**

- Mr. Button is responsible for maintaining labor relations and Union negotiations.
- Assists in decision making and business development.

**Vice President, Shareholder**

**Bay Counties Waste Services: 1993 – Present**

- Mr. Button maintains labor relations and conducts Union negotiations.
- Assists in research, decision making, and development of new collection systems.

### **EDUCATION/SPECIAL COURSEWORK**

- BS degree from California State Polytechnic University, San Luis Obispo, CA
- Labor Relations
- Stress Management
- General Business Management



**WILLIAM J. DOBERT**  
 CHIEF FINANCIAL OFFICER  
 ALAMEDA COUNTY INDUSTRIES

**Mr. Dobert has over 27 years of experience in the Solid Waste & Recycling Industry.**

Mr. Dobert is Chief Financial Officer for Alameda County Industries. He is the Chief Financial Officer and Board of Director's Treasurer for Bay Counties Waste Services (BCWS), and Controller for Pleasanton Garbage Service. He also serves as Director of Administration and Finance for BCWS' SMaRT Station operation.

**EXPERIENCE**

**Controller**

**1990 – Present**

**Pleasanton Garbage Service**

- Mr. Dobert is responsible for the development and maintenance of core banking relationships and negotiating all credit and bonding requirements;
- Performs all financial strategic planning;
- Acts as liaison to City Council and staff;
- Acts as liaison with corporate attorney and accountants;
- Responsible for financial reporting.

**Chief Financial Officer**

**1993 – Present**

**Bay Counties Waste Services**

- Mr. Dobert is responsible for the development and maintenance of core banking relationships and negotiating credit and bonding requirements;
- Acts as liaison to City Council and staff;
- Acts as liaison to corporate attorney and accountants;
- Performs financial reporting;
- Member, California Refuse Removal Council

**Vice President, Commercial Credit Officer**

**1987 – 1990**

**WestAmerica Bank, N.A.**

- Mr. Dobert was responsible for a portfolio valued at over \$30 million;
- Specialized in solid waste industry financing

**Vice President/Manager, Commercial Loan Department**

**1975 – 1987**

**Bank of America**

- Responsible for training;
- Involved in business development activities.

**INDUSTRY/CIVIC INVOLVEMENT**

**California Refuse & Recycling Council**

- Past President - Board of Directors
- Northern District Board
- Statewide Board

- Board of Directors - Alameda Boys & Girls Club

- Past Board Member - Alameda Meals on Wheels

**EDUCATION**

**St. Mary's College**

- Undergraduate Degree
- MBA



## **KENT KENNEY**

**CONTROLLER: GARDEN CITY SANITATION, LIVERMORE SANITATION, INC.,  
PENINSULA SANITARY SERVICE, INC.,  
CONTROLLER/MANAGING PARTNER: ALAMEDA COUNTY INDUSTRIES**

**Mr. Kenney possesses over 20 years of experience in the solid waste and recycling industry, and over 30 years experience in financial management. Kent has expertise in accounting, forecasting, financial analysis, pricing impact models for the oil and gas industry, and complex solid waste rate setting models.**

### **EXPERIENCE**

He has designed, developed, and implemented both financial and operational reporting systems for ACI and PSSI. Mr. Kenney has been successful in creating and implementing reliable reporting and data collection systems for internal management that satisfy municipal reporting requirements. He is an expert at specifying, procuring, customizing, and implementing computerized information systems for smooth data flow between the field, the accounting department, and ultimately for municipal reporting.

#### **Controller and Managing Partner Alameda County Industries 2000 – Present**

- Mr. Kenney is responsible for all aspects of financial and administrative management at ACI, including forecasting, budget management, contract compliance, and financial reporting/analysis.
- Administrative responsibilities include information systems planning, management, and development.
- Provided oversight and manages the transfer of billing responsibilities of over 30,000 residential and commercial accounts from the prior contractor and city-managed billing systems in 2002.

#### **Controller**

#### **Peninsula Sanitary Service 1992 – Present**

- Mr. Kenney is responsible for financial and administrative management of the company, including financial compliance, forecasting, budget management, and financial reporting/analysis.
- Developed an innovative rate-making model which has been adopted and in current use by Stanford University.

### **EDUCATION**

- BA Business Administration,  
St. Mary's College, Moraga



**CHRIS VALBUSA**  
 GENERAL MANAGER  
 ALAMEDA COUNTY INDUSTRIES

**Mr. Valbusa is a native of the Bay Area and second generation solid waste professional who has worked in the industry for over 30 years. His management experience ranges from oversight of solid waste collection operations to oversight of transfer stations and material recovery facilities.**

**EXPERIENCE**

**General Manager**

**Alameda County Industries: 2015 - present**

- Responsible for managing the day to day activity of a privately owned solid-waste and recycling collection, transfer and processing company with 180 employees.
- Interacts with the company's Board of Directors in formulating short and long-term goals consistent with the company's financial and operational objectives.
- Communicates company objectives to department managers and oversee implementation.
- Manages labor contracts and relationships with unions.
- Interacts with municipal staff for franchise compliance.
- Provides guidance and direction to managers/supervisors in budgeting process. Assists staff in designing budgets that contribute acceptable margin improvements and annual growth.
- Ensures appropriate staffing levels and expertise, and oversees hiring, training and performance management of employees.
- Monitors financial performance vs. budget (P&L, CapEx, etc.) and develops realistic attainable goals for areas needing improvement.
- Responsible for the execution, follow up, and sustainability of planned operating improvements.
- Oversees and maintains an effective accident prevention program, ensures all reasonable actions are taken to prevent accidents or injuries, and ensures a safe and productive work environment for all employees.

**Operations Manager**

**Alameda County Industries: 2007 – 2015**

- Responsible for operations personnel assignments, scheduling, and route productivity.
- Responded to service-related issues for collections operations.
- Ensured compliance with labor contract.
- Prepared and reviewed productivity reports.
- Acted as municipal liaison to the City of Alameda and City of San Leandro for service matters.
- Supervised Commercial Recycling Coordinators.
- Oversaw safety program and personnel.

**General Manager**

**Allied Waste Services, San Carlos: 2003 – 2006**

- Managed all aspects of large-sized business unit with revenue over \$100M and a staff of 365 individuals, multiple direct reports with key administrative, sales, customer service, fleet maintenance, operations, and safety personnel.
- Administered collective bargaining agreements for 275 drivers,

maintenance, and operations personnel.

- Ensured contract compliance for 12 municipal franchise agreements providing for residential and commercial collection of solid waste and recyclable materials to over 100,000 customers.
- Provided general oversight to a 3,000 ton per day, 16-acre solid waste transfer station and materials recovery facility.

**General Manager**

**Allied Waste Services, San José: 2002 - 2003**

- Managed all aspects of mid-sized business unit with revenue of \$45M and a staff of 95 individuals, 65 drivers, and multiple direct reports.
- He ensured contract compliance with Allied's franchise agreement with the City of Milpitas.

**Facility Manager**

**Allied Waste Services, San Carlos: 1997 - 2002**

- Responsible for the overall management of a 3,000 ton per day post-collection transfer and recycling facility.
- Managed a staff of 40 personnel, included sale, operations, and maintenance personnel. He also managed 20 drivers.
- Responsible for facility grounds improvements and maintenance of a 16-acre site, including several administrative and operations building structures.

**Assistant General Manager**

**BFI Waste Systems of North America, Daly City: 1995 - 1997**

- Provided management assistance for all aspects of a small-sized business unit with a staff of 35 personnel, including customer service, maintenance, and operations personnel.
- Assisted with management of 35 union drivers.
- Ensured contract compliance with two municipal franchise agreements providing for residential and commercial collection of solid waste and recyclable materials.
- Provided oversight to a 300 ton per day solid waste transfer station.

**INDUSTRY AND CIVIC INVOLVEMENT**

- San Leandro LINKS board member: 2014 - present
- Past Board Member/Treasurer, Foster City Chamber of Commerce
- Past Board Member, Better Business Bureau of San Mateo County
- Past Board Member, Sequoia YMCA, Redwood City
- Graduate, Leadership Redwood City, San Mateo County

**EDUCATION**

- BS Business Administration - Notre Dame de Namur University
- AA Marine Technology - Santa Barbara City College



## DEANNA HALLECK VENTURA

ACCOUNTS RECEIVABLE MANAGER/ INFORMATION SYSTEMS MANAGER

**Ms. Halleck Ventura possesses over 20 years of experience in the solid waste and recycling industry and over 25 years in accounting. She is an expert at procuring, customizing, and implementing computerized information systems that provide a smooth data flow from service, to accounting, and ultimately to municipal reporting.**

Deanna is the systems specialist for the proprietary customer service/billing software used at ACI, Garden City Sanitation, Livermore Sanitation, Milpitas Sanitation, Mission Trail Waste Systems, and Peninsula Sanitary Service, Inc.

### **Accounts Receivable Manager Information Systems Manager**

#### **Peninsula Sanitary Service, Inc.: 1996 – Present**

- Implemented use of Tower software to manage all operational and accounting functions.
- Maintains billing functions for all University customers – including residential sites, Stanford University, Stanford Linear Accelerator Center and commercial customers.
- Designed data capture and processing for all operational functions.
- Trains users on Tower software and is responsible for all software maintenance and updates.

### **Accounts Receivable Manager Information Systems Specialist**

#### **Alameda County Industries, Inc.: 2006 – Present**

- Lead conversion project from RAMS software to Tower for both San Leandro and Alameda databases.
- Trained all staff on departmental functions of new software and designed data flow between departments.
- Manages the billing department responsible for over 35,000 active customers in the cities of Alameda and San Leandro.
- Designs procedural guidelines for department data collection and processing. She is also responsible for the continued maintenance of these procedures.
- Serves as liaison to City of Alameda in relation to City's lien policy. Also manages City's tracking of vacant and not-serviced sites.
- Responsible for resolving customer billing service disputes and interacts with the City of Alameda Public Works staff as appropriate.

### **Systems Application Specialist**

#### **Garden City Sanitation, Inc.: 2007 – Present**

- Worked with Tower software developers to design system that seamlessly interfaces with the City of San José billing system.
- Managed all aspects of system design for new Tower installation for use with City of San José billing system and ftp data site.
- Trained all users on Tower software, as well as, operational/data procedures and policies to insure all

contractual obligations are met.

- Serves as liaison with City of San José contract managers on technical and billing issues.
- Manages the customer database consisting of over 160,000 active customers in the city of San José.
- Provides daily supervision of city and hauler generated transactions through Tower software and ensuring completion of orders within contractual guidelines.

### **Accounts Receivable Manager Information Systems Manager**

#### **Livermore Sanitation, Inc.: 2010 – Present**

- Lead data conversion from current haulers database into Tower software.
- Trained all staff on departmental functions of new software and designed data flow between departments.
- Manages the billing department responsible for over 20,000 active customers in the city of Livermore.
- Designs procedural guidelines for department data collection and processing. She is also responsible for the continued maintenance of these procedures.
- Serves as liaison to City of Livermore in relation to City's lien policy. Also manages City's tracking of vacant and not serviced sites.
- Responsible for resolving customer billing service disputes.

### **Billing Manager/Systems Application Specialist Mission Trails Waste Systems – Los Altos/Santa Clara: 2010 – Present**

- Lead data conversion from retired Tower software to updated Tower software for both the City of Los Altos and the City of Santa Clara.
- Trained all staff on departmental functions of new software and designed data flow between departments.
- Manages the billing department responsible for over 9,000 active customers in the city of Los Altos.
- Designs procedural guidelines for department data collection and processing. She is also responsible for the continued maintenance of these procedures.
- Responsible for resolving customer billing service disputes and interacts with the City of Los Altos public works staff as appropriate.

### **EDUCATION**

- BS, Special Major – Environmental Business  
San Francisco State University



**TINISHA MCKERY**  
HUMAN RESOURCES GENERALIST  
ALAMEDA COUNTY INDUSTRIES

**Ms. McKery's extensive background in HR generalist affairs makes her a vital part of the ACI team. Her skills include successful negotiation of win-win compromises, developing teambuilding programs, conflict resolution, and mediation.**

**EXPERIENCE**

**Human Resources Generalist**

**Alameda County Industries: June 2017 - Present**

- Responsible for workers compensation claim management, benefits administration with FMLA/LOA, SDI, full cycle recruitment, onboarding and new hire orientation. Administer health benefit plans, 401k, pension and other health and welfare benefits offered for union and non-union employees.
- Serves as backup Payroll Administrator.
- Investigate accidents/prepare reports for insurance carriers.
- Performs analytical assessments of attendance management, and Affirmative Action Plans/EEO reports. Influence management decisions with difficult and sensitive employment issues including but not limited to: policy and procedure, accommodations, progressive disciplinary procedures, corrective actions disciplines and terminations.
- Interacts with unions in coordination with general manager on all collective bargaining agreement matters, develop and oversee training on policies and procedures.
- Maintains employee personnel files, driver qualification files and safety compliance files.
- Maintains contract files, lease files and ensures compliance with all applicable labor law standards and requirements.

**Human Resources Generalist**

**Davis Street Community Center Inc.: March 2015 - May 2017**

- Responsible for workers compensation claim management, benefits administration and new hire orientation.
- Primary and secondary credentialing of all providers and medical staff, performance management and training to employees and managers.
- Administered health benefit plans and benefits, investigated accidents and prepared reports for insurance carrier.
- Performed analytical assessments of attendance management, benefits, and Affirmative Action Plans/EEO reports.
- Handled payroll administration issues.
- Influenced management decision with difficult and sensitive employment issues.

**Human Resources Operations Specialist**

**Logitech: January 2014 - February 2015**

- Responsible for managing the HR operations support queue.
- Managed global data entry including audits with a 100% data accuracy rate.
- Maintained global employee records and compliance files as well as operational off boarding.
- Developed and produced business practices using innovative and strategic thinking and writing, responsible for training on the new processes.

- Created data entry controls to ensure 100% accuracy, and defined/set up standards for all of HR Operations.

**Human Resource Analyst**

**Kaiser HR Service Center: August 2012 – October 2013**

- Responsible for responding to moderate to complex Human Resource inquiries from Employees and Retirees.
- Assisted employees with Medicare assessments, life insurance eligibility and Medicare reimbursements.
- Conducted case management studies and provided structural training based on daily operations and metrics set by divisional regions and state laws.

**Employment Program Representative - State of California Unemployment Branch, Oakland: May 2010 – August 2012**

- Responsible for identifying eligibility issues and scheduling determination interviews.
- Completed documents to expedite payment as well as work on special projects such as: completing payment transfers, filing new extensions, removing flags, and authorizing payments.
- Worked independently reviewing, investigating and determining claimant eligibility while complying with State, Federal and Unemployment program laws, regulations, and procedures.

**Human Resources Generalist**

**Office Team Consulting, Oakland: July 2009 – October 2009**

- Provided HR Generalist Support to Sr VP of Human Resources.
- Personnel, health, and termination file compliance.
- Conducted audits on various employee files.
- Scanned all files into an electronic system for easy access.

**Senior Human Resources Specialist III**

**AF Evans Company, Oakland: March 2003 – June 2009**

- Responsible for strategic human resources and organizational development activities.
- Managed staffing and recruiting, organizational development, performance management, training, compensation, benefits administration, and compliance.
- Managed leave-of-absence programs, return to work programs, and personnel records.
- Administered HR budget day to day functions.

**EDUCATION, CERTIFICATIONS & AFFILIATIONS**

- Bachelor of Arts (BA) 2000  
Langston University, Langston, OK
- Society for Human Resource Management
- Delta Sigma Theta Sorority Incorporated





**ARNECIA STYLES**  
CUSTOMER SERVICE SUPERVISOR  
ALAMEDA COUNTY INDUSTRIES

**Ms. Styles' focus is on creating systems that permanently resolve issues and promote efficiency within the company.**

Ms. Styles possesses over fifteen years of direct experience with ACI in various aspects of customer relations. She has a natural interest and is skilled in resolving customer concerns expeditiously. Ms. Styles' is highly dedicated to professionalism.

**EXPERIENCE**

**Customer Service Supervisor**  
**Alameda County Industries**  
**2001 – Present**

- Ms. Styles is responsible for training and supervising all customer service representatives.
- She reviews day-to-day customer service operations in ACI's San Leandro and Alameda offices.
- She sets department goals and works with customer service representatives to achieve them.
- She attends regularly scheduled meetings to review the effectiveness of customer service department protocols in order to identify opportunities for improved communications channels and processes within the department.
- She directs the department work flow and helps prioritize staff responsibilities.
- During her tenure at ACI, Ms. Styles has also held the following positions: A/R and A/P clerk; dispatcher, and customer service lead. This has led to her in-depth understanding of collection operations.

**EDUCATION**

- Chico State University
- Skyline High School



## **ABIGAIL J. LOVELESS**

**ACCOUNTING SUPERVISOR**

**ALAMEDA COUNTY INDUSTRIES, GARDEN CITY SANITATION,  
LIVERMORE SANITATION, INC., PENINSULA SANITARY SERVICES, INC.,  
SUSTAINABLE ORGANIC SOLUTIONS**

**Abigail's knowledge, experience and background in the industry makes her an invaluable part of our financial team. Her skills include comprehensive auditing and managerial accounting.**

### **EXPERIENCE**

#### **Accounting Supervisor**

**Alameda County Industries, Inc.**

**January 2012 – Present**

#### **Senior Associate Accountant**

**Hayashi & Wayland Accounting & Consulting, LLP**

**September 2007 – December 2011**

- Responsible for the completion of monthly/yearly general ledger transactions and preparation of financial statements for board meetings
- Supervising other accounting staff and their daily activities
- Preparing compliance items and financial projections for the bank
- Preparing RRI and rate calculations annually

### **AUDITING:**

- Preparing compilations, reviews, and audits for small to large businesses.
- Supervising team members and instructing them on audit procedures and compliance.
- Provide general ledger account and procedural analysis, preparing journal entries, preparing financial statements and foot notes according to generally accepted accounting principles.
- Inspecting and testing client's internal controls and assessing areas of weakness.
- Taking a key role in the planning and execution of an audit and determining the scope of an audit engagement.

### **EDUCATION**

Sonoma State University

BS in Business Administration with an emphasis in Accounting - 2007

### **CONTINUING EDUCATION**

- Formal audit training by McGladrey & Pullen, the 6th largest accounting firm in the U.S.
- Cal CPA taxation Federal & State
- CPA Candidate
- Completed California Refuse and Recycling Council (CRRC) Next Generation Program - 2014

### **TAX:**

- Provide tax preparation services for individual, non-profit and corporate entities. (Experienced and knowledgeable in: individual, partnership, corporate, non-profit, and trust returns.)

### **ACCOUNTING AND BOOKKEEPING SERVICES:**

- Provide consultation accounting services.
- Hands on organization of daily workflow and accounting processes including bank and cash reconciliations, accounts payable and receivable, as well as, general ledger set up and management.
- Provide consultation, design and implementation of managerial reporting.
- Assisting in preparing for annual financial audits.



## **KELLI PELLEGRINI**

**COMMUNICATION AND OUTREACH MANAGER  
ALAMEDA COUNTY INDUSTRIES, LIVERMORE SANITATION,  
MILPITAS SANITATION, PENINSULA SANITARY SERVICE, INC.**

**Ms. Pellegrini has over 25 years of art direction, graphic design and outreach project management experience. She has worked in the solid waste and recycling industry for more than 10 years.**

### **EXPERIENCE**

Kelli brings a unique aspect to our team by providing all aspects of communication and outreach project management in-house. She plans and creates all materials from concept to completion including: development, writing, design, budgeting, client relations, photo direction and print coordination. She is also a company municipal communication liaison.

**Communication and Outreach Manager  
Alameda County Industries, Inc., San Leandro, CA  
Livermore Sanitation, Inc., Livermore, CA  
Milpitas Sanitation, Inc., Milpitas, CA  
February 2016 - Present**

- Manages day-to-day communications and outreach activities and interacts with all areas of the company to plan, create and align external and internal communications, outreach projects, rollouts, pilot programs and events.
- Develops and manages outreach and public education plans, along with content and graphic layout, for all company print and electronic communication vehicles.
- Collaborates with managers, staff members and other groups to assess key messages and review as needed.
- Interacts professionally and courteously as company representative with customers, vendors, members of the community and municipal and other government employees.

### **Freelance Art Direction/Graphic Design/Photography**

**October 2003 - February 2016**

- Corporate marketing and outreach material design with an emphasis on the Solid Waste and Recycling Industry. All aspects of: graphic design, project management, photography and web site graphic support.

### **Senior Graphic Designer**

**April 1998 - September 2003**

**Pleasant Holidays, Westlake Village, CA**

- Project management and design of printed support materials for nationwide sales programs, new product launches, various product/service brochures, newspaper and magazine advertising for worldwide travel company.

### **Senior Graphic Designer**

**June 1994 - April 1998**

**Adventist Health/Southern California, Glendale, CA**

- Provided the design and print coordination of advertising, promotional and communication materials for 3 Southern California hospitals; including internal employee newsletters, materials for individual physician/medical offices and related community assistance programs.

### **EDUCATION**

- BS Advertising/Graphic Design  
AS Photography  
Pacific Union College, Angwin, CA
- Next Generation Management Program Graduate  
California Refuse and Recycling Council

### **INDUSTRY AND CIVIC INVOLVEMENT**

- Industry Member - California Refuse & Recycling Council
- Member - Clara Mateo Clara Mateo Garbage Collector's Association
- Milpitas Sanitation, Inc. Representative - Milpitas Chamber of Commerce



## ALEX BUTTON

IT SPECIALIST & ROUTE MAPPING/DESIGN  
LIVERMORE SANITATION, GARDEN CITY SANITATION,  
SOUTH SAN FRANCISCO SCAVENGER COMPANY

**Alex has been involved in the garbage industry most of his life. He is an expert in the planning of efficient route mapping and design. He is also an accomplished IT specialist and can troubleshoot a variety of issues.**

### EXPERIENCE

**IT Specialist and Route Mapping/Design  
Livermore Sanitation, 7000 National Drive,  
Livermore, CA**

**2010-Present**

- Designed all routes for Residential, Commercial, and Multi-family for all offered commodities.
- Created GIS maps for drivers and management.
- Managed an Air-Trak GPS system for operations use.
- Worked with vendors to create and maintain a SQL customer database.
- Maintains employees computers, phones, tablets, and servers.
- Problem solves route issues with employees and city representatives.

**Scale House Attendant  
South San Francisco Scavenger Company  
and Blue Line Transfer, Inc.**

**2008-2010**

- Worked closely with the public as a Cashier.
- Accurately recorded material and weights.
- Created monthly material reporting.
- Scheduled employee calendar.
- Maintained efficiency for expedited service and customer satisfaction.
- Quickly and effectively solved customer service issues.

**Dispatch, Route mapping, and IS Specialist  
Garden City Sanitation, 1080 Walsh Ave.,  
Santa Clara CA**

**2007-2008**

- Problem solving with city officials and sanitation engineers.
- GIS map work for residential garbage routes.
- Daily Route Collection Design.
- Dispatched and routed collection serves.

### ADDITIONAL SKILLS

- Proficient with MS Office (excel, word, power point, access).
- Skilled with GIS software (ESRI ArcGIS, QGIS).
- Advanced knowledge of PCScale Tower.
- Expert Knowledge of Air-Trak GPS software and hardware.
- Extensive experience with asset tracking and monitoring.
- Knowledge of python and other scripting languages.
- Proficient with SQL databases and Crystal Reports.
- Employee relation and management skills.

### INDUSTRY/CIVIC INVOLVEMENT

- Member of California Refuse Recycling Council—and graduate of the Next Generation, Leadership and Management Program

### EDUCATION

- California Polytechnic University San Luis Obispo, Ca
- B.S. Agricultural Business
- Minor in Information Systems

#### **E. Labor Agreements & Wages**

ACI assures the CVSan District that we will cooperate with organized labor and agree to the labor policies set forth in *Section 3.3 of the RFP* and in *Section 5.7.B of the draft Franchise Agreement*. ACI has included copies of current workforce labor agreements in ATTACHMENT D. Our Cost Proposals reflect wages and benefits included in these labor agreements.

- We encourage a positive work environment; health and safety is of the utmost importance.
- We seek to supply safe working conditions for all employees, and to comply with all federal, state and local regulations and requirements in order to remain in good standing as an Equal Opportunity Employer in the eyes of our employees and the community.
- We ensure that our employees have the right equipment, tools and training to perform their jobs safely and efficiently.

#### **Competitive Wages & Benefits**

- Employees will be provided with initial wages and benefits in accordance with the current Collective Bargaining Agreement(s) between ACI and the applicable union as required for the job.
- Included as an attachment are copies of the labor agreements between ACI and Teamsters Local Union 70, the International Longshoreman and Warehouse Workers Union 6, and the Machinists Lodge 190 as required.

#### **Employee Retention Policy**

- ACI will fully comply with RFP requirements and the previous workforce will be hired to the extent required, and in accordance with Union provisions for seniority. We will retain workers for at least 120 calendar days prior to the expiration of the contract. These employees shall fill open positions and we do not foresee the need to create additional positions.
- If any positions become available during the nine months following the initial three-month contract period, we shall offer employment to qualified persons on the seniority list with the terms of the CBA, who are in good standing and meet our hiring and employment requirements.

#### **Labor Peace**

- A neutral work environment is provided for organized employees by forbidding anti-union comments or campaigning by company management.
- Such an environment goes hand-in-hand with the union agreeing not to use disruptive and economically damaging tactics, such as labor strikes, to accomplish union objectives.
- ACI and several affiliate companies have agreements with unions and for each situation there exists a CBA between the union and the company recognizing the union. The

employees of ACI and its affiliates referenced in this Proposal, with one exception, are currently represented by the following labor organizations:

- Alameda County Industries - *Teamsters Local No. 70, Machinists Lodge 190, ILWU No. 6*
- Blue Line Transfer - *Teamsters Local No. 350*
- Garden City Sanitation - *Teamsters Local No. 350*
- Livermore Sanitation - *Teamsters Local No. 70*
- Mission Trail Waste Systems - *Teamsters Local No. 350*
- Pleasanton Garbage Service - *Teamsters Local No. 70*
- South San Francisco Scavenger - *Teamsters Local No. 350*
- Specialty Solid Waste & Recycling - *Teamsters Local No. 350*

#### **F. Past Performance Record**

##### **Litigation and Regulatory Actions**

Over the past five (5) years, and as of October 1, 2017, there are no past or pending civil, legal, regulatory, and criminal actions against key personnel, proposing entity, its parent company, and all subsidiaries owned by ACI.

##### **Payment of Fines, Penalties, Settlements, or Damages**

- **Labor Settlement - 2014** - In July of 2014, ACI was sued for alleged violations of the San Leandro Living Wage Ordinance and related claims by workers at the MRF. ACI engaged legal counsel to defend that action, and filed an answer denying liability. On September 12, 2014 ACI engaged in private mediation and thereafter reached a settlement agreement. In June of 2015, the court granted preliminary approval of the settlement and the final approval hearing was held on October 14, 2015, in which the court requested the parties revise the settlement amount. As of June 30, 2016, the Companies have received final approval and the amount has been paid in full. A collective bargaining agreement was implemented in July of 2015 and provides for wages, benefits and working conditions through June of 2020 for the workers at the MRF.
- **OSHA Administrative Penalty – 2015** - In November 2015, ACI was issued an administrative penalty for mistakenly omitting partial event description information on the annual OSHA 300 log and was issued a fine of \$280.00 that was promptly paid. A change in tracking software was implemented to prevent recurrence.

**Insurance Mod Rate** - ACI's current experience modification factor (Mod Rate) as applied to our Workers' Compensation Insurance Policies is calculated in the chart below:

WOIRB California		Workers' Compensation Experience Rating Form		
ALAMEDA COUNTY INDUSTRIES		Bureau Number	14-45-95-R	Page 3 of 3
		Effective Date	04/01/2017	
		Issue Date	12/20/2016	
		Experience Modification	66%	
		Insurer	ALASKA NATIONAL INSURANCE CO	
		Insurer Group	ALASKA NATIONAL INSURANCE CO	
		Policy Number	18DWD10505	
		Issuing Office	SAN FRANCISCO	
		Experience Period	07/01/2012 to 07/01/2015	

Experience Period Totals	Expected Losses	Expected Primary Losses	Expected Excess Losses	# of Claims	Actual Losses	Actual Primary Losses	Actual Excess Losses
	A 2,645,208	B 1,762,995	C 782,211	D 157	E 1,131,417	F 905,846	G 225,571

Credible Primary Loss			Credible Excess Loss			Total Adjusted Losses	Total Expected Losses (A)
$\left[ \left( \frac{\text{Total Actual Primary Losses (D)} \times \text{Credibility Primary}}{\text{Credibility Primary}} \right) + \left( \frac{\text{Total Expected Primary Losses (B)} \times (1 - \text{Credibility Primary})}{1 - \text{Credibility Primary}} \right) \right]$	$\left[ \left( \frac{\text{Total Actual Excess Losses (E)} \times \text{Credibility Excess}}{\text{Credibility Excess}} \right) + \left( \frac{\text{Total Expected Excess Losses (C)} \times (1 - \text{Credibility Excess})}{1 - \text{Credibility Excess}} \right) \right]$	=					
905,846 x 1.00	1,762,995 x 0.00	=	225,571 x 0.00	782,211 x 1.00	=	1,688,057	2,645,208
Loss-Free Rating: 31%						Experience Modification	66%

**BIT Report** - ACI's most recent Biennial Inspection of Terminal Report (BIT) for the ACI Facility in San Leandro is provided in **ATTACHMENT A**.

**G. G. Financial Information**

**Financial Statements**

- Audited financial statements for the most-recently completed fiscal year for the legal entity that would execute the new Franchise Agreement are included in a separately sealed envelope labeled **“Audited Financial Statements”**.
- All such statements were prepared in accordance with Generally Accepted Accounting Principles applied on a consistent basis and were audited in accordance with Generally Accepted Auditing Standards by an Accountant certified in the State of California.
- ACI's Financial Statements are labeled **CONFIDENTIAL** and shall remain as such.
- Included with the financial statements is a statement from ACI's Chief Financial Officer (CFO) that there has been no material adverse change in such condition or operations as reflected in the submitted balance sheet and income statements since the date on which they were prepared.

**Financing Plan**

- All financing for the Franchise Agreement shall come from a combination of internally generated funds and commitments from external sources.
- ACI intends to contribute over \$500,000.00 in capital for start-up and operating of collection operations, with additional funding for rolling stock, containers, and equipment utilizing CPCFA funding.

- ACI and affiliate companies have utilized CPCFA funding for over \$67,000,000 of project costs over the past 15 years. The table below displays the Sources and Uses of Funds format for the proposed collection operations as requested in the RFP.

<i>Sources &amp; Uses of Funds</i>	
<i>Sources</i>	
CPCFA Bonds	\$8,489,119.00
Cash Equity	\$500,000.00
<b>Total Sources</b>	<b>\$8,989,119.00</b>
<i>Uses</i>	
Start-up Costs	\$500,000.00
Rolling Stock	\$6,929,686.00
Containers	\$632,183.00
Miscellaneous Equipment & Support	\$927,250.00
<b>Total Uses</b>	<b>\$8,989,199.00</b>

- A letter from our financing firm is included with our Financial Statements (in a separate envelope) to demonstrate our ability to implement the financing plan.



## 2. TECHNICAL PROPOSAL FOR BASE SERVICES

ACI is dedicated to environmentally sustainable operations that will assist the District in continuing to be environmental leaders through responsible resource management. Unlike most companies in the area, neither ACI, nor any of our affiliate companies or subcontractors, own or operate landfills to maintain our financial stability.

### Collection Operations Overview

Our strategy for providing outstanding collection operations in the District is designed to accomplish the following:

- ✓ Provide quality, consistent and convenient services to all customers at reasonable rates.
- ✓ Increase recycling and organics participation to be compliant with the State's 75% Recycling Goal and CVSan's progressive Zero Waste Goal of 90% + Diversion by 2029.
- ✓ Demonstrate the value of waste reduction, reuse, recycling, and composting to all customers.
- ✓ Significantly reduce vehicle emissions and the carbon footprint of collection operations by deploying a CNG fleet of collection vehicles.
- ✓ Provide additional opportunities to participate in innovative diversion programs.
- ✓ Achieve high customer satisfaction while minimizing disruption during the transition.

### Effective Route Planning

Effective route planning reduces vehicle emissions, fuel consumption, traffic, and wear and tear on streets.

#### ✓ **Mapping & Account Data Confirmation**

We utilize powerful geocoding software (ArcView) in tandem with our customer service software, TOWERPC Scale Tower (Tower). TOWER is described in detail in *Section 2.L | Management Systems and Customer Service Systems*.

The ArcView geocoding software:

- is a precise desktop Geographic Information Systems (GIS) program.
- has been adapted to produce and maintain accurate maps.
- generates detailed maps and is monitored in real-time utilizing AirTrak Global Positioning System (GPS) devices.
- records each lift of the vehicle's tipping mechanism.
- records no setouts.
- leaves a "breadcrumb" trail that can be reviewed to ensure all routes are completed.

#### ✓ **Route Balancing & Finalization**

We prefer to hire existing drivers and have them continue to service their current areas because of their familiarity and experience in the community. We calculate and balance routes to:

- ensure maximum productivity is achieved.
- exercise caution and common sense when routing around areas where children are frequently present (schools, playgrounds, parks, community centers, and libraries).
- review, audit, balance and finalize routes to ensure the most efficient collection

system is deployed.

- document travel paths, ensure safety, and verify productivity assumptions.

### Collection Vehicles Overview

All collection vehicles will be new and powered by Compressed Natural Gas (CNG). Details on vehicle specifications are described in the following table. Manufacturer's brochures are available upon request.

**Collection Vehicles Overview Table**

Type	Automated Side Loaders	Front Loader	Hard to Service	Flat Bed	Rear Loader	Roll-Off
Service Recipient	SFD & MFD	MFD & COM	SFD	SFD & MFD	SFD, MFD	SFD, MFD & COM
Container Served	Carts	Bins & Carts	Carts	On-Call Bulky Items & Container Delivery	On-Call Bulky Items & Container Delivery	Debris Boxes & Compactors
Commodity	MSW, Recycle & Organics	MSW, Recycle & Organics	MSW & Recycle & Organics (excluding Canyonlands)	Bulky On-call Clean Up	Bulky On-call Clean Up/ Holiday Trees	C&D, MSW & Recycle
Chassis	Peterbilt 520	Peterbilt 520	Peterbilt with right hand drive	Peterbilt	Peterbilt	Peterbilt 520
Body	Labrie Automizer	Heil	Labrie MiniMax	Flat Bed	McNeilus	Galbreadth
Additional Equipment	Dual-sided tipping (arm & tipper)	Cart grabber on fork arm	Dual-sided tipping (arm & tipper)	Grapple & Automatic lift-gate	n/a	Cable & automatic tarping system
	GPS & 2-way radios	GPS & 2-way radios	GPS & 2-way radios	GPS & 2-way radios	GPS & 2-way radios	GPS & 2-way radios
	4 cameras: backup, hopper, curbside & drivecam	4 cameras: backup, hopper, alleycam & drivecam	4 cameras: backup, hopper, curbside & drivecam	Drivecam	2 cameras: backup, drivecam	Drivecam
Fuel Type	CNG	CNG	Diesel	Diesel	CNG	CNG
Crew Size	1	1	1	1	1	1
Staffing Contingency	Labor assumptions include substitute driver pool.					
Age	New					

**Collection Containers Overview**

Details on container specifications are described in the table below. Container manufacturer's brochures are provided upon request.

- ✓ Carts - In keeping with the terms of the agreement, existing collection carts will be used. We will be responsible for replacement and repair of the existing carts.
- ✓ Front-loader bins - will be new and available in many sizes to effectively service commercial and MFD customers with space constraints.
- ✓ Debris Boxes & Compactors – available in types and sizes consistent with requirements of the service area.

**Collection Containers Overview Table**

Type	Wheeled Carts	Front Loader Bins	Debris Boxes	Kitchen Pails
Service Recipient	SFD, MFD & COM	MFD & COM	SFD, MFD & COM	SFD & MFD
Commodities	Garbage Recyclables Organics  Existing carts owned by CVSan	Garbage Recyclables Organics  New	Varies, depending on commodity  New	Food Scraps  New
Sizes Available	20 gallon 32 gallon 64 gallon 96 gallon	1 cubic yard 2 cubic yards 3 cubic yards 4 cubic yards 6 cubic yards 7 cubic yards	7 yard (for dirt/rock) 10 yard 15 yard 20 yard 30 yard 40 yard	2 gallons

**Collection Methodologies and Activities Based on the Vehicle Type**

**AUTOMATED SIDE LOADER**

- Vehicle approaches household.
- Driver aligns and engages the arm mechanism to grab container at curb and unloads it into the hopper.
- Empty container is returned to its original location at the curb.
- Driver proceeds to the next residence.



### **FRONT LOADER**

- Driver arrives at the premises and checks for notes on the customer's account.
- Driver exits the vehicle to prepare the bin and inspect for hazardous/exempt wastes.
- Driver positions the truck or pushes/pulls the bin into alignment, leaving ample overhead clearance to lift and empty the bin.
- Driver drives slowly forward to "stab" the container with the forks on the truck.
- Container is emptied into the hopper and returned to its previous position.
- As the material empties into the hopper, the driver watches in-cab camera to ensure all materials are acceptable and unloaded.
- Driver picks up and disposes of any material that might have fallen during collection - *If a collection point has consistent overflow, driver notifies dispatch to contact the customer to request authorization for an extra dump or to suggest a change in service levels and/or frequency.*
- Driver continues to the next stop on route.



### **HARD TO SERVICE VEHICLE**

- Vehicle approaches household.
- Driver aligns and engages the arm mechanism to grab container at curb and unloads it into the hopper (Driver will exit vehicle on passenger side if necessary to position cart for servicing.).
- Empty container is returned to its original location at the curb.
- Driver proceeds to the next residence.

### **REAR END LOADER**

- **Bulky Item/ Clean Up Collection** - Driver will collect up to 7 cubic yards of loose materials for single-family residential customers and up to 2-cubic yards of loose materials for multi-family residential customers.
- **Holiday Tree Collection** - Driver will collect holiday trees placed curbside during the time required by the agreement.

### **FLAT BED WITH LIFT GATE**

- **Cart/Bin Delivery** - Containers will be loaded and unloaded utilizing the flat bed lift gate. Driver ensures that all containers are properly loaded, unloaded and stored in a safe and efficient manner.
- **Bulky Item Collection** - Driver will collect bulky items, u-waste and e-waste items utilizing the lift gate to safely load materials.



### **ROLL-OFF**

- Driver arrives at the service address and checks the work order for notes and location for safe delivery/ removal.

- All debris boxes/compactors placed in a location that reduces risk of property damage or personal injury.
- Driver backs up to the debris box or compactor and engages the mechanism to secure the box to the cable.
- Driver covers the load, if not already covered, with the truck's automatic tarp.
- Driver will clean up any litter or debris that may have spilled during delivery or collection of the container.
- Driver signs off on the work order and files it with the scale ticket in clipboard.
- Driver repeats the process for the next work order. At the end of each day, all paperwork is turned in and input into the customer service software system.



#### A. Collection

##### **SOLID WASTE COLLECTION SERVICES – as stated in RFP**

ACI will transport garbage collected in the District directly from the collection route to the Davis Street Transfer Station in the collection vehicles. ACI's facilities which includes collection vehicle parking, fueling and maintenance facility is conveniently located 3.2 miles from the Davis Street Transfer Station. Tonnage allocation, if necessary, will be accomplished using subscription volume as the basis.

##### **Single-Family Residential Solid Waste Collection**

- ✓ weekly basis
- ✓ wheeled carts (20, 32, 64 and 96-gallon)
- ✓ utilizing automated collection vehicles

##### **Multi-Family Dwelling (MFD) Solid Waste Collection**

- ✓ up to six times per week - minimum of once per week
- ✓ combination of carts and bins (64, or 96-gallon carts & 1-7 cubic yard bins).
- ✓ on-premise service, shared carts, centralized/shared service location
- ✓ utilizing automated and/or front loader collection vehicles

##### **Commercial Solid Waste Collection**

- ✓ up to six times per week - minimum of once per week
- ✓ combination of carts and bins (20, 32, 64, or 96-gallon carts & 1-7 cubic yard bins)
- ✓ utilizing automated and/or front loader collection vehicles

##### **RECYCLABLE MATERIALS COLLECTION SERVICES - as stated in RFP**

Recyclable Materials are brought directly to the ACI Materials Recovery Facility (MRF) for processing. Tonnage allocation, if necessary, will be accomplished using subscription volume as the basis.

##### **Single-Family Residential Recyclables Collection**

- ✓ weekly basis
- ✓ wheeled carts (64 and 96-gallon)
- ✓ utilizing automated collection vehicles
- ✓ Used motor oil, cooking oil (alternative service) and motor oil filters (in accepted)

containers provided in Oil/Filter Recovery Kit)

- Residents can call to request the Oil/Filter Recovery Kit.
- Kit will be provided on next scheduled collection day.
- Instructions provided. Residents to place the properly contained Oil/Filters next to their recyclables container on the curb (not in the gutter) on their collection day.

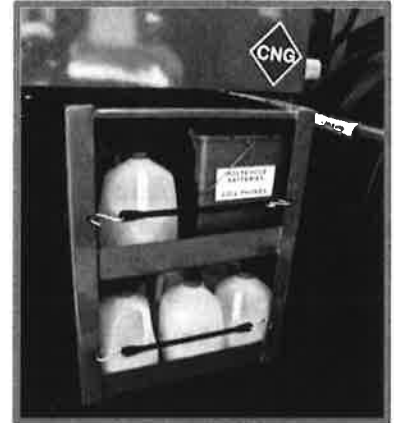
- ✓ household batteries (in a clear zipper-lock style plastic bag placed on top of the recyclables container).

#### **Multi-Family Dwelling (MFD) Recyclables Collection**

- ✓ up to six times per week - minimum of once per week
- ✓ combination of carts and bins (64, or 96-gallon carts & 1-7 cubic yard bins)
- ✓ on-premise service, shared carts, centralized/shared service location
- ✓ utilizing automated and/or front loader collection vehicles

#### **Commercial Recyclables Collection - as stated in RFP**

- ✓ up to six times per week - minimum of once per week
- ✓ combination of carts and bins (64, or 96-gallon carts & 1-7 cubic yard bins)
- ✓ utilizing automated and/or front loader collection vehicles



*This compartment on the residential automated collection vehicles provides sufficient space to safely transport used motor oil, cooking oil, filters and household batteries.*

#### **ORGANIC MATERIALS COLLECTION SERVICES - as stated in RFP**

Collected Organic materials are brought to ACI where a direct vehicle-to-vehicle transfer takes place. Organics are then transported to processing facility. Tonnage allocation, if necessary, will be accomplished using subscription volume as the basis.

#### **Single-Family Residential Organic Materials Collection**

- ✓ weekly basis
- ✓ wheeled carts (64 and 96-gallon)
- ✓ utilizing automated collection vehicles
- ✓ Holiday trees residential curbside collection:
  - collection performed by bulky item collection equipment and staff during the two weeks following Christmas.
  - residents instructed to remove all decorations and the tree stand.

#### **Multi-Family Dwelling (MFD) Organic Materials Collection**

- ✓ up to six times per week - minimum of once per week
- ✓ combination of carts and bins (32, 64, or 96-gallon carts & 1-4 cubic yard bins)
- ✓ paper bags for extra organic materials available by request
- ✓ on-premise service, shared carts, centralized/shared service location
- ✓ utilizing automated and/or front loader collection vehicles

#### **Commercial Organic Materials Collection**

- ✓ up to six times per week - minimum of once per week
- ✓ combination of carts and bins (32, 64, or 96-gallon carts & 1-4 cubic yard bins)
- ✓ utilizing automated and/or front loader collection vehicles

#### **BULKY ITEM COLLECTION SERVICES – As stated in RFP**

- ✓ Utilize both a rear end loader vehicle and a flat bed truck.

- ✓ These two collection vehicles will each be staffed by one (1) driver and they will travel to the customer collection sites together.
- ✓ The two (2) drivers will work together as a crew to load materials set out by the customer.

### **HOUSEHOLD HAZARDOUS WASTE COLLECTION EVENT AND SPECIAL COLLECTION EVENT – As stated in RFP**

ACI will follow the same event procedures that are currently in place for these events utilizing a third party contractor for staffing.

### **ADDITIONAL COLLECTION OPERATIONS**

- Safety Training Program
- Driver Training
- Behavior Data Software
- Driver Appearance & Conduct
- Employee Work Performance
- Alcohol & Drug Testing per the DOT's Testing Procedures
- Hazardous Waste Screening Protocol
- Spill Response
- Fire Reporting & Response Plan
- Disaster Relief Assistance Services

### **B. Recyclable Materials Processing**

Recyclable materials will be collected and delivered to ACI's Material Recovery Facility (MRF) and Transfer Station (TS); herein referred to as the ACI Facility, located in San Leandro. ACI continuously strives to produce quality end products for sustainable marketability. Operation Green Fence and National Sword are focused on significantly reducing residual contamination in materials acceptable for processing in China. ACI has been taking steps during the past several years to mitigate these restrictions. Starting in early 2015, ACI staff with the assistance of a reputable MRF equipment vendor planned and implemented significant changes to the ACI facility. ACI invested over two million dollars in facility infrastructure and equipment improvements to enhance material quality and processing efficiency. These improvements were completed in September 2017 and included automated sorting equipment, baling equipment, residual handling equipment, expanded tipping floor storage and improved employee facilities. Additionally, ACI is planning and engineering a second phase of facility infrastructure and equipment improvements estimated to cost of over four million dollars that will improve facility through-put and material output quality through the use of optic sorters and other technologies.

### **Processing Site Information**

Owner and Operator: Alameda County Industries  
Owner and Operator are same as the proposing entity  
Site Location: 610 Aladdin Avenue, San Leandro, CA 94577  
Site Manager: Chris Valbusa, 510-346-8147

Processing methods: commingled single stream processing using a combination of automated sorting equipment and manual sorting.

Tracking: inbound and outbound via trucks scale certified by Alameda County Office of Weights and Measures

Residual: 17.2% (12-month average through June 2017)

ACI currently owns and operates the 3-acre ACI Facility, which is conveniently located at 610 Aladdin Avenue in San Leandro, approximately 6.4 miles from the CVSan District Office.

- Administration Building - 3,000 square feet of office space that houses administrative functions (customer service, outreach, billing, accounting, compliance, MRF/TS operations).
- Maintenance Building - 5,000 square feet used for vehicle maintenance.
- Material Recovery Facility (MRF) - 27,950 square feet recently upgraded to include additional recycling equipment to increase efficiencies and diversion.
- Transfer Station (TS) – 22,000 square feet with 6 bays for transfer trailers.

### **Permits & Regulatory Compliance**

The ACI Facility is currently permitted through Solid Waste Facility Permit (SWFP No. 01-AA-0290) by the California Department of Resources, Recycling, and Recovery (referred to as CalRecycle) to accept up to 412 tons per day (tpd); 280 tons maximum from the operation at the Transfer Station.

Regulatory Agency and Contact:

Arthur Surdilla, Sr. REHS  
Alameda County Dept. of Environmental Health  
Office of Solid/Medical Waste  
510.567.6868

ACI is currently in the process of revising its solid waste facility permit to incorporate the following changes:

- ✓ Expand permitted receipt and processing hours of operation to 24 hours per day / 7 days per week
- ✓ Increase permitted tonnage to 620 tons per day with no restriction on transfer station tonnage
- ✓ Increase material holding times to 48 hours

The following timeline for the ACI SWFP revision is as follows:

1. CEQA Environmental Review Document (Initial Study): Completed
2. Conditional Use Permit (CUP) Amendment: Completed October 2017
3. Solid Waste Facility Permit Revision: Anticipated Completion Date: May 2018

A SWFP revision application package has been submitted to the Alameda County Department of Environmental Health Local Enforcement Agency (LEA). The LEA is reviewing the application package to deem it complete and will conduct a public hearing. After the public hearing, the LEA will submit the application package to CalRecycle, who will have 150 days to review, hold a public meeting and approve the permit revision.



### **Available Processing Capacity**

ACI guarantees the CVSan District recyclables processing capacity for the term of the new Franchise Agreement. The proposed permit modifications are expected to be completed well before the commencement of post-collection services and will provide sufficient capacity for all of Castro Valley's recyclables.

### **Import Restrictions or Fees**

The only regulatory fee we have is the MRF Permit Fee for recycling. The current fee is \$1.1348 per ton for Recycling and Yard waste material coming into the MRF. The fee is adjusted every July based upon the prior calendar year average. Fee calculated upon the following: CPI-All Urban Consumers, Series Id: CUURA422SA0 Not Seasonally Adjusted Series, Title: All items in San Francisco-Oakland-San Jose, CA, all urban consumers

### **Transfer Method**

Recyclables are processed on site and are not transferred.

### **C. Organic Materials Processing**

Organic materials will be collected and delivered to ACI's Transfer Station (TS) located at 610 Aladdin Avenue in San Leandro, approximately 6.4 miles from the CVSan District Office.

### **Transfer Site Information**

Transfer Station Owner and Operator: Alameda County Industries

Owner and Operator are same as the proposing entity

Site Location: 610 Aladdin Avenue, San Leandro, CA 94577

Site Manager: Chris Valbusa, 510-346-8147

Transfer method: direct vehicle-to-vehicle transfer

Tracking: inbound and outbound via trucks scale certified by Alameda County Office of Weights and Measures

ACI's three (3) acre site consists of:

- Administration Building - 3,000 square feet of office space that houses administrative functions (customer service, outreach, billing, accounting, compliance, MRF/TS operations).
- Maintenance Building - 5,000 square feet used for vehicle maintenance.
- Material Recovery Facility (MRF) - 27,950 square feet recently upgraded to include additional recycling equipment to increase efficiencies and diversion.
- Transfer Station (TS) – 22,000 square feet with 6 bays for transfer trailers.

### **Permits & Regulatory Compliance**

The ACI Facility is currently permitted through Solid Waste Facility Permit (SWFP No. 01-AA-0290) by the California Department of Resources, Recycling, and Recovery (referred to as CalRecycle) to accept up to 412 tons per day (tpd); 280 tons maximum from the operation at the Transfer Station.

Permits and regulatory compliance LEA:

Arthur Surdilla, Sr. REHS  
Alameda County Dept. of Environmental Health  
Office of Solid/Medical Waste  
510.567.6868

**Transfer Method**

Direct truck-to-truck transfer. ACI will add the number of drivers, transfer trucks and trailers proportionate to the volume of organic material received from CVSan, to haul CVSan organics from ACI's transfer station to Blossom Valley Organics processing facility. ACI's transfer facility is sufficient in design capacity to receive all of CVSan's organic material stream. ACI is currently working with the LEA on a Solid Waste Facility Permit (SWFP) revision to increase the permitted daily tonnage at the facility from 412 tons per day to 620 tons per day. ACI received an average of 377 tons per day in August 2017. ACI anticipates that the SWFP revision process will be completed May 2018. ACI obtained a conditional use permit modification from the City of San Leandro in October 2017, a significant step in the SWFP revision process.

**Import Restrictions or Fees**

The only regulatory fee we have is the MRF Permit Fee for recycling. The current fee is \$1.1348 per ton for Recycling and Yard waste material coming into the MRF. The fee is adjusted every July based upon the prior calendar year average. Fee calculated upon the following: CPI-All Urban Consumers, Series Id: CUURA422SA0 Not Seasonally Adjusted Series, Title: All items in San Francisco-Oakland-San Jose, CA, all urban consumers

**Processing Site Information**

Processing Site Owner and Operator: Napa Valley Recycling & Composting  
Site Location: 820 Levitin Way, American Canyon  
Site Manager: Greg Kelley, 707-603-1181  
Tracking: inbound and outbound via trucks scale certified by Napa County Office of Weights and Measures

**Available Processing Capacity**

ACI guarantees the CVSan District processing capacity (on a daily and annual basis) for the term of the new Franchise Agreement. Written commitment guaranteeing capacity is provided in ATTACHMENT B.

**5.5.4 Garbage Transport**

Garbage will be collected and delivered directly to the Davis Street Transfer Station.

**D. Residential On-Call Bulky Item Clean-Up and Other Clean-Up Events**

Due to the district's requirement to allow residents to place up to 7 cubic yards of a variety of materials for removal, ACI believes the only efficient collection method is to utilize both a rear end loader vehicle and a flat bed truck. Unfortunately this method limits the reuse of collected materials. ACI will deliver materials collected from this

processing site to attain diversion. In addition, ACI will utilize a flat bed vehicle to transport appliances, E-waste, U-waste and bulky items that may be reusable. Items collected by the flat bed truck will be brought back to ACI's facility for processing. Items that qualify, will be set aside for donation to charitable organizations. These two collection vehicles will each be staffed by one (1) driver and will travel to the customer sites together. The two (2) drivers will work together as a crew to load materials set out by the customer.

**CASTRO VALLEY SINGLE FAMILY RESIDENTIAL ON-CALL BULKY ITEM CLEAN-UP:** Each Single-Family property will be provided one on-call bulky item clean-up of up to 7 cubic yards of material (loose material, large bulky items, u-waste or e-waste items) per year at no charge. Additional on-call bulky item clean up collections will be charged the "Additional Bulky Item Clean Up" approved rate.

- ✓ Single Family customer contacts ACI to request a clean-up.
- ✓ CSRs will schedule the clean-up using a standard script to ensure each resident knows:
  - Accepted type and amount of materials.
  - How/where to place items out for proper collection.
  - The costs and arrange for pre-payment if applicable.
- ✓ Detailed instructions are provided on a brochure that is mailed (electronically or hardcopy) to the customer.
- ✓ The CSR creates a work order request.
- ✓ Customer places materials out for collection totaling up to seven (7) cubic yards.
- ✓ Materials are collected on the scheduled day by the crew. Single large bulky items, u-waste or e-waste items are collected at the same time by the crew.

**CASTRO VALLEY MULTI-FAMILY RESIDENTIAL ON-CALL BULKY ITEM CLEAN-UP:** Each Multi-Family property will be provided one on-call bulky item clean-ups of up to 2 cubic yards of material (loose material, large bulky items, u-waste or e-waste items) per year at no charge. Additional on-call bulky item clean up collections will be charged the "Additional Bulky Item Clean Up" approved rate.

- ✓ Multi-Family customer or property owner/manager contacts ACI to request a clean-up.
- ✓ CSRs will schedule the clean-up using a standard script to ensure each resident knows:
  - Accepted type and amount of materials.
  - How/where to place items out for proper collection.
  - The costs and arrange for pre-payment if applicable.
- ✓ Detailed instructions are provided on a brochure that is mailed (electronically or hardcopy) to the customer.
- ✓ The CSR will ask for detailed description of collection location and will add location to the work order that is created.
- ✓ Customer places materials totaling two (2) cubic yards (loose material, large bulky items, u-waste or e-waste items) out at designated collection site.
- ✓ Materials are collected on the scheduled day by the crew. Single large bulky items, u-waste or e-waste items are collected at the same time by the crew.

### **ON-CALL BULKY ITEM CLEAN UP POST COLLECTION PROTOCOL:**

- ✓ The crew will document the amount and type of bulky items collected on work orders.
- ✓ Any hazardous materials, other unacceptable materials, and overages that are not accepted in the program will be tagged and left.
- ✓ After leaving a tag, the crew will notify dispatch, who will direct a CSR to telephone the customer or complex manager to notify them of the appropriate corrective action to take to properly recycle/dispose of the items.
- ✓ CSR enters the information into customer service software system to track participation.

### **HHW/ E-WASTE/ U-WASTE/ OR OTHER MATERIAL COLLECTION EVENTS**

ACI will maintain and manage the current community collection events (CVSan Recycles Day) offered to the residents of the Castro Valley Sanitary District by:

- ✓ Utilizing the same location currently used for the events.
- ✓ Advertising events via electronic and print applications to maintain and increase participant volume.
- ✓ Hiring properly-trained experienced subcontractors to manage:
  - Traffic flow.
  - Proper handling and disposal of items.
- ✓ Tracking and record keeping for data reporting.

### **E. Construction & Demolition Debris Services**

We will provide customers with containers for source separated, mixed, or recyclable construction and demolition material in a variety of sizes. Materials will be transferred to an approved C&D processing facility.

- ✓ up to six times per month but no less than once a month
- ✓ drop boxes (7, 10, 20, 30 and 40-cubic yard)
- ✓ diversion guidelines provided with each new debris box application
- ✓ placed curbside or other approved service location at construction site or point of generation
- ✓ utilizing roll-off collection vehicles

### **F. Public Education & Outreach**

Our Public Education and Outreach efforts are created as an effective collaborative effort between the community, City staff, our outreach, customer service, and operations team. We shall provide the annual funding to the CVSan District outlined in Section 7.3 of the Agreement.

We are dedicated to providing commercial businesses and MFDs with the tools needed to achieve compliance with California's Mandatory Commercial Recycling Ordinance - AB 341, the Mandatory Commercial Organics Recycling Ordinance - AB 1826, and take a

proactive approach in meeting the requirements of SB 1383.

Throughout the term of the Agreement, we will assess, review, modify, and adapt our outreach to keep it fresh and current, and to have it complement the outreach efforts of the CVSan District, StopWaste, and Alameda County.

Our outreach will reflect:

- ✓ the evolving needs and capabilities of all customers.
- ✓ the continually evolving State legislation and goals.
- ✓ advancements made in collection and processing systems.
- ✓ instruction on how to effectively participate in our collection programs.
- ✓ recommendations for maximizing diversion.
- ✓ how to integrate program goals into ongoing operations and infrastructure improvements.
- ✓ how to affect behavioral change and exceed the City's diversion and sustainability goals.

As a support to the CVSan District's Outreach and Public Education Plan, our Outreach will follow the requirements of Exhibit C and contain these key elements:

#### **Initial Multi Media Campaign**

Series of city-approved messaging to announce new service provider and collection program via a variety of methods that might include: cart or door hangers, direct mail, public service announcements, newspaper advertisements, radio and television spots, internet marketing (via websites, e-mail, social media), and more. Messages will feature a call to action to encourage customers to visit our website and to watch their mail for more information.

#### **Website**

A user-friendly, Castro Valley-specific website with up-to-date service menus, rates, online forms, event calendar, outreach publications created by the District and contractor, links to additional resources, diversion statistics, and our contact information will be created and online before commencement of services. The website will be mobile responsive across multiple platforms, translatable into over 100 languages, easy to navigate, and frequently updated.

#### **Press Releases & Seasonal Advertising**

Information tied to specific events, programs, and collection scheduling will be distributed to local media outlets, as required.

#### **Social Media**

Appropriate/relevant social media applications will be used to complement our outreach efforts.

#### **Container & Vehicle Labeling**

Consistent color-coding and terminology will be used to help customers learn what

materials belong in each container. Container color-coding and vehicle labeling will be consistent throughout the City.

### **Customer Based Program Information**

Consistent color-coding, program offerings for each customer type, and lists of what materials belong in each container will be created in conjunction with District outreach. The materials will be distributed with containers at program start, provided at District offices, and available upon request via electronic format or hardcopy.

### **Bill Inserts**

Bill inserts will be used as needed to convey information. Customers subscribing to paperless billing will receive an electronic copy or a link to the information on our website.

### **School & Community Presentations**

Presentations about our services and directly related topics will be provided as needed/requested.

### **Special Events**

An information booth will be provided and staffed at all appropriate events. Collection service and monetary support may also be provided as required. A guide listing the requirements of AB 2176 and providing direction on how to comply will be developed and provided to event organizers.

### **Compost Giveaway**

We will provide an annual compost giveaway event to distribute compost to residents.

### **Tours**

We will facilitate the scheduling of tours at the ACI Materials Recovery Facility (MRF). Visitors will learn how the materials are processed and diverted from the landfill.

### **Corrective Action Notices**

We will develop and use a series of Non-Collection, Hazardous Waste, and Courtesy Notices for informational, compliance, and tracking purposes.

### **Technical Assistance**

Comprehensive recycling technical assistance will be provided to multi-family and commercial customers following the requirements of Exhibit C and as requested by CVSan District.

### **Service Level Changes**

We will keep collection containers in stock and maintain a delivery route to ensure service level changes are completed in a timely manner as site audits/right sizing determinations are made.

### **Monitoring Customer Setouts & Contamination**

Our drivers and route supervisors will regularly look for container contamination, improperly disposed hazardous materials and incorrect set outs and follow the contamination protocol outlined in Exhibit B2.

### **Budget**

Our initial start-up expenses and annual ongoing budgets are included in the **Cost Proposal Forms in Section 6** and are summarized below.

- ✓ Funding for the District per section 7.3 of the Agreement.
- ✓ Start-up Expenses for website development, printing and distribution of initial outreach, production of container labels and event displays, and the purchase of supplies and equipment.
- ✓ The annual budget covers expenses associated with providing support services and materials to the CVSan District as described in Exhibit C.

### **Active Participation in the Community**

ACI and affiliate company staff actively participate in and support a variety of service clubs and business associations and are active community citizens in the cities they service.

### **G. Customer Service**

Our company service philosophy reinforces that we are in the service industry. We ask all supervisors, staff, and drivers to think like customers and provide a service level they would like to receive.

### **CUSTOMER SERVICE CALL CENTER LOCATION**

Our Customer Service Call Center will be located at ACI Administrative Office located at 610 Aladdin Avenue in San Leandro. Our CSR Call Center environment encourages communication between our CSRs, operations staff, customers, and the City's Contract Manager.

### **CUSTOMER SERVICE REPRESENTATIVE (CSR) STAFFING**

- ✓ We are proposing to utilize three (3) full-time CSRs who will be knowledgeable of the service area, services, rates and operations for the City of Castro Valley.
- ✓ CSRs will be available from 7:00am to 6:00pm Monday to Friday to communicate with the public.
- ✓ The CSR Manager will oversee the CSRs and provide backup during breaks or high call volume.
- ✓ We will respond to customer inquiries, compliments or complaints within twenty-four (24) hours, excluding weekends and holidays.
- ✓ We will maintain a local/toll-free telephone number that will be publicized and an answering machine or voicemail service will record customer calls and voice messages left between 6:00pm and 7:00am.
- ✓ In the case of an emergency pertaining to equipment and services, a twenty-four (24) hour emergency contact line where the City Contract Manager can reach

management will be established

- We have determined that a ratio of approximately one (1) CSR per 5,500 customers is proper to ensure adequate coverage.
- We will reach a target call volume ratio of approximately sixty (60) calls per day per CSR.
- We anticipate approximately seven and a half (7.5) minutes per call to ensure that CSR's have enough time to appropriately listen to a customer, analyze the customer's issue, propose a solution and provide a response while fully documenting the details of the call.

## **CSR TRAINING**

CSR training is conducted by our Management Team and builds on the basis for each CSR to understand not only **HOW** we make a business decision, but also **WHY** we make a business decision. The **CSR Training Schedule Table** that follows lists the required 6 training modules each CSR has completed. Training provides comprehension of our Customer Service operations and collection services, rates and other pertinent information specific to the CVSan District.

## **CSR TRAINING SCHEDULE**

### **Module 1**

- Company Welcome, Overview & Tour
- Company Expectations & Core Values
- Department and Position Overview
- Training Overview & Forms Completion
- Distribution of TOWER Resource Manual

### **Module 2**

- Review of Company Policies & Procedures
- Records Check
- Distribution of CSR Training Materials & Employee Handbook

### **Module 3**

- Review | TOWER Resource Manual (Self Study)
- Inter-Department Relations & Communication
- Review | Key Policies & Procedures

### **Module 4**

- Operations Logistics | Generator & Service Types
- Contract Compliance Overview
- TOWER Lab I: Hands-On Training

### **Module 5**

- Day One | Step-by-Step Discussion
- Recap | Customer Service Training
- TOWER Lab II: Hands-On Training



## **Module 6**

- Review | Key Policies & Procedures
- Customer Service Situational Roll-Playing
- Superior Customer Service Recap

### **CSR CALL CENTER OPERATIONS**

- ✓ Upon receipt of a call, the CSR opens the conversation with a friendly introduction and greeting.
- ✓ CSRs are trained to fully listen to the customer's request, ask clarifying questions, and then repeat the details back to the customer.
- ✓ Once the CSR has verified that they understand the nature of the call, they propose a solution.
- ✓ Once the issue has been resolved to the customer's satisfaction, the CSR then inputs all appropriate details into the customer service software system (TOWER).

In order for us to handle the multiple types of comments, concerns, and driver's feedback received on a daily basis, we have set up a standardized method to input all operational data into TOWER.

- ✓ As each driver returns to the yard, they bring back either their notes from their route sheets and/or a section of the Non-Collection Notices (NCNs) that lists the comments, service issue, or concern from the route.
- ✓ The NCN and other route information is then input into TOWER by the CSRs.
- ✓ We are then able to query our database by code and generate reports, allowing us to quickly obtain data and run reports listing concerns and outcomes for a certain issue within a certain timeframe and by route.

### **ADDITIONAL FEATURES OF OUR CSR CALL CENTER OPERATIONS:**

- ✓ **Multilingual Assistance:** Our CSR Call Center currently has bilingual capabilities (English and Spanish) to communicate efficiently with residents and businesses in the CVSan District. As needed, we will utilize a vendor (Language Line or similar company) that provides interpreter services for more than 150 languages. Additional Information about Language Line is available online at [www.language.com](http://www.language.com).
- ✓ **Staggered Shifts:** In order to accommodate breaks and enhance CSR coverage throughout the day, we stagger CSR start and end times, some CSRs begin at 7:00am and others begin at 9:00am.
- ✓ **Call Log:** Our integrated database and phone system records and imports data from calls: date, time, duration, name of caller, reason for call, and action taken. CSRs will be trained to use the proper database codes to facilitate the tracking and reporting of useful and required information.

## **WEBSITE**

Website data will be included in regular reports to the City. As mentioned previously, our mobile-friendly website will provide customers with the following features:

- ✓ Ability to schedule services: on-call bulky item collections, extra/overage collections, service level changes, debris box service, and service terminations.
- ✓ Set up online bill payments.
- ✓ Translatable into over 100 languages.
- ✓ Answers to Frequently Asked Questions.
- ✓ View current rates and service guidelines.
- ✓ View current and past outreach.
- ✓ Access to current and past outreach materials.
- ✓ Contact Us Form to reach CSRs via email (and receive a response within 24 hours – weekends and holidays excluded) to ask questions and request information.

ACI customers can use of the online application (a subprogram to the TOWER software system) to:

- ✓ view and pay invoices online.
- ✓ request a change in service.
- ✓ view their service history.
- ✓ start, stop, or modify service.
- ✓ view documents such as employment applications, move in/out forms, credit applications, service request forms, service change request forms, recycling guidelines, and bill payment option forms.

The website will track and record:

- ✓ visitor logs.
- ✓ page visitation counts.
- ✓ number of web-based bill payments per month.
- ✓ number of website-submitted complaints per month.
- ✓ a summary of customer complaints and resolution reporting.

## **CITY ACCESS TO CSR DATABASE**

Our CSR software system allows the CVSan District read-only access to view:

- ✓ real-time work orders.
- ✓ current account data.
- ✓ service levels.
- ✓ notes.
- ✓ number and type of complaints/compliments received.
- ✓ collection days.

## **H. Billing**

All Customers will be billed at rates not to exceed Maximum Approved Rates set by the CVSan District in accordance with **Article 8 of the Franchise Agreement**.

### **INITIAL CUSTOMER SERVICE & BILLING DATABASE DEVELOPMENT**

We will begin building our initial billing database and billing procedures by:

- ✓ integrating available customer service and billing data from the previous hauler.
- ✓ using City and County records and site visits/audits to determine and verify customer information.

Prior to the start of service every customer will receive a service confirmation notice stating the service level we plan to provide with a variety of response methods (phone, website, email, standard mail) for requesting a change in service levels. All customers will be encouraged to make the most of the recycling and organics programs we offer during each interaction with the customer. We also request that customers contact us directly with any desired changes immediately to ensure there is no disruption in service or a billing dispute.

### **CURRENT BILLING SERVICES**

ACI and its affiliate companies have decades of experience in managing billing activities for numerous jurisdictions. The following information describes how ACI and our affiliates currently manage billing for the jurisdictions they serve:

#### **ALAMEDA COUNTY INDUSTRIES**

##### **City of Alameda**

Maria DiMegilo, Program Specialist, 510.747.7958

##### **Billing Cycle:**

Residential: Quarterly staggered: 1<sup>st</sup> month in advance, 2<sup>nd</sup> month mid-cycle, 3<sup>rd</sup> month end of cycle.

Commercial/Multi-Family: Monthly in arrears. Multi-Family carts: Quarterly

##### **City of San Leandro**

Jennifer Auletta, Deputy Public Works Director, 510.577.6026

##### **Billing Cycle:**

Residential: Quarterly staggered: 1<sup>st</sup> month in advance, 2<sup>nd</sup> month mid-cycle, 3<sup>rd</sup> month end of cycle.

Commercial/Multi-Family: Monthly in arrears. Multi-Family carts: Quarterly

#### **PENINSULA SANITARY SERVICE INC.**

##### **Stanford University**

Mike Rohrs, Operations Manager, 650.736.7215

##### **Billing Cycle:**

Residents: Quarterly, 2 months in advance.

Contractors: In arrears.

University Sites: Billed to University, Individual Sites/Accounts Notated.

#### **MISSION TRAIL WASTE SYSTEMS**

##### **City of Santa Clara**

Dave Staub, Assistant Director of Streets & Services, 408.615.3086

**Billing Cycle:** Commercial/Multi-Family: Monthly.

##### **City of Los Altos**

Chris Lamm, Engineering Services Manager, 650.947.2624

**Billing Cycle:**

Residential: Quarterly, 2 months in advance.

Commercial/Multi-Family: Monthly in arrears.

**MILPITAS SANITATION**

**City of Milpitas**

Leslie Stobbe, Public Information Officer, 408.586.3352

**Billing Cycle:**

Residential: Quarterly staggered: 1<sup>st</sup> month in advance, 2<sup>nd</sup> month mid-cycle, 3<sup>rd</sup> month end of cycle.

Commercial/Multi-Family: Monthly in arrears. Multi-Family carts: Quarterly

**LIVERMORE SANITATION**

**City of Livermore**

Judy Erlandson, Public Works Manager, 925.960.8002

**Billing Cycle:**

Residential: Quarterly, staggered as in the case of ACI, above. 2<sup>nd</sup> month of quarter mid-stream; 3<sup>rd</sup> month in arrears.

Commercial/Multi-Family: Monthly in arrears.

**SOUTH SAN FRANCISCO SCAVENGER COMPANY SSFSC**

**Brisbane**

Clay Holstine, City Manager, 415.508.2110

**Billing Cycle:**

Residential: Quarterly, staggered: 1<sup>st</sup> and 2<sup>nd</sup> months in arrears; 3<sup>rd</sup> month advanced.

Commercial/Multi-Family: Monthly in arrears.

**Millbrae**

Marcia Raines, City Manager, 650.259.2334

**Billing Cycle:**

Residential: Quarterly, staggered: 1<sup>st</sup> and 2<sup>nd</sup> months in arrears; 3<sup>rd</sup> month advanced.

Commercial/Multi-Family: Monthly in arrears.

**South San Francisco**

Mike Futrell, City Manager, 650.877.8500

**Billing Cycle:**

Residential: Quarterly, in two portions of the City: section 1 – billed in advance; section 2 – 1 month in arrears and 2 months in advance.

Commercial/Multi-Family: Monthly in arrears.

**San Francisco International Airport**

Art Lee, 650.821.5921

**Billing Cycle:**

Airport: Monthly, Lump Sum

Vendors: Monthly in arrears.

*NOTE: The City of San José is responsible for billing the collection services provided by Garden City Sanitation.*

Sample customer billing statements are included in ATTACHMENT C.

## BILLING & PAYMENT PROCEDURES

For all billing services in the CVSan District, residential invoices will be staggered billing and sent out in three “waves” to help flatten call volume and payment intake. MFD and commercial invoices will be sent out monthly in arrears and billing will be performed on the basis of services rendered. All billing operations will be integrated into current functions that are managed by Kent Kenney and Deanna Halleck Ventura at ACI's administrative facility in San Leandro. We anticipate hiring two (2) additional billing/accounting clerks to assist with billing operations in the CVSan District. ACI's billing department staff manages all aspects of billing for ACI, LS, MS, MTWS and PSSI.

### Electronic Billing Options

By utilizing the TOWER software system, we are able to utilize the on-line portal which has the ability to accept payments by electronic check or credit card. In addition, customers can set up an account to:

- create recurring automatic payments.
- pay their bills.
- request changes in service.
- schedule additional pick-ups.
- sign-up for paperless billing.
- Customers with multiple locations (like property managers) will be able to create an account that handles all of their properties at once.

**aci**  
ALAMEDA COUNTY INDUSTRIES

Welcome | Make a payment | View Service History | AR History | Service Request | Manage Account | Sign out

Account 024204 - ACI - ALAMEDA - 100 MAIN ST SAN LEANDRO, CA 94577

Current	1 - 30	31 - 60	61 - 90	Over 90	Total Due
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Last 5 Transactions

12/2/2016	Payment - Credit Card PAYMENT	(\$1.00)
12/2/2016	Payment - Credit Card PAYMENT/DHV	(\$1.00)
12/2/2016	Refund 616451766	\$1.00
12/2/2016	Refund 616460240	\$1.00
4/30/2013	Payment - Credit Card	(\$1.00)

Make A Payment | Update Automatic Payment (Currently: None) | Paperless Invoice Options (Currently: Email PDF, dhalleck@alamedacountyindustries.com)

Location 001 - ACI - ALAMEDA - 610 ALADDIN AVE SAN LEANDRO, CA 94577

ALAMEDA - 2307 Blanding Avenue, Suite B, Alameda, CA 94501  
voice 510-483-1400 fax 510-814-7314  
www.AlamedaCountyIndustries.com Office Hours: Monday - Friday, 7am - 6pm

*TOWER software system screenshot.*

**In-person Billing Options**

Customers can visit our San Leandro office between the hours of 7:00am to 5:00pm Monday through Friday to pay bills by cash, check, money order, and credit card. Office hours will conform to CVSan's requirements should ACI be awarded this contract.

**Customer Billing Inquiries**

Ensuring customers are satisfied with our services helps minimize customer complaints. Our goal is to provide superior service that is best achieved by discussing directly with customers how we may increase customer satisfaction. This proactive customer service often translates into enhanced program participation, as customers are willing and able to provide feedback. CSRs are trained to handle most customer inquiries regarding billing. In the event that an account is grossly past due or there is an exceptionally difficult billing issue, our Billing Manager or their staff at ACI will assist to alleviate any issue or dispute.

**Accounts Receivable**

The ability of collections staff to manage outstanding accounts receivable while updating all customer interactions is critical. Using TOWER, our billing staff can query customers based upon the number of outstanding receivables, the length of time accounts are outstanding, and the status of account, among many other items. There are numerous safeguards in place within TOWER, including the ability to automatically check for duplicate accounts and to track all changes to an account. By auditing the data prior to processing, then having a secondary process in place to reconcile billings batched, we will keep billing errors to a minimum.

**Late Fees**

Any account that becomes more than forty-five (45) days past due shall be subject to a monthly late fee equal to \$15 (for monthly accounts) and \$20 (for quarterly accounts) until paid in full.

**Past Due Accounts & "Bad Debt"**

Delinquent accounts will first be issued a collection letter explaining payments have not yet been received and are due immediately.

- After 30 days (from receipt of initial invoice) of non-payment, the Company sends a second invoice reflecting past due amount and assessed late fee.
- Following the late payment notice, accounting staff will make telephone requests for payment.
- After 60 days (from receipt of initial invoice) of non-payment and/or after second invoice reflecting past due balance with a late fee, the Company sends a "10 Day" letter to the property owner and tenant (if not the same).
- If the Company does not receive a response to the above letter within ten (10) days, garbage service for a SFD residential customer is reduced to a 32-gallon container, serviced one time per week and recyclables and organics containers are removed. MFD and commercial customer garbage service remains the same; however, all recyclables and organics containers are removed.

- If payment is still delinquent, we will then turn the account over to a collection agency.
- If the customer pays and wishes to re-start service, or change the level of garbage service, we will impose a re-start fee and may require a deposit in advance equal to two (2) months of service.

Copies of billings and receipts of payment will be maintained in chronological order for the term of the Agreement and will be available for inspection and verification by the District.

**I. Implementation Plan**

ACI and our affiliate companies are highly experienced in new service initiations. Our main objective is to provide excellent 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 with input from the CVSan District and focuses on the following areas:

**A collaborative process** between involved parties assures a smooth transition. Regular communication is essential, and we recommend regular coordination meetings begin immediately following the contract award.

**Thoughtful & fluid planning** to utilize the following draft Implementation Plan. The Implementation Team will continually define and/or adjust tasks as we move closer toward the collection start date, as is necessary or optimal.

**Expert execution** by our team of seasoned industry professionals, all personally experienced in new contract initiations and new program roll-outs, will ensure that each task is completed within the specified timeframe.

The draft implementation schedule that follows includes a description of major components, tasks, anticipated completion dates and estimated duration, the key personnel who are assigned to the tasks, and additional comments.

**DRAFT Implementation Schedule - CVSan District**

*New Services Commence: May 1, 2019*

Task	Timeline	Personnel	Comments
<b>Contract Negotiations</b>			
Contract Negotiations	April 2018	L. Pellegrini D. Button K. Kenney C. Valbusa	We will negotiate in good faith with the District to finalize the Agreement.
Contract Coordinating & Planning	2 weeks following approval	CVSan & ACI	Once contract is finalized, we will work to develop an approved implementation plan that includes coordination meeting schedules, and an approved implementation progress reporting format.
Estimated Duration: 2 months			

<b>Management Refresher Training</b>		
Management Refresher Training	L. Pellegrini D. Button C. Valbusa T. McKery D. Halleck-Ventura A. Styles K. Pellegrini Internal & Outside Risk Consultants	Training Content includes, but is not limited to, the following topics: <i>*Company policy and procedures</i> <i>*Inspiring superior performance</i> <i>*Reporting lines and communication</i> <i>*Effective daily operations and administration</i> <i>*Municipal and community relationships</i> <i>*Risk management and safety</i>
Estimated Duration: 3 months		
<b>Driver Hiring &amp; Training</b>		
-Coordination with Labor Force / Union -Conduct Information Job Fair(s) -Extend/Finalize Job Offers to Drivers, Lottery Process -Bargaining Unit   Recruitment, Additional Drivers	C. Valbusa	Our comprehensive approach to driver recruitment and training is based on several large-scale service initiation experiences, such as in Los Altos, Livermore and San José. We will take every reasonable step in order to ease driver anxiety over the transition through thorough, consistent communication and ample time for questions at each event/training session.
Notification to All Drivers: Update and Schedule Training	T. McKery	The purpose of the Driver Update is to help drivers feel encouraged about upcoming challenges and provide contact information to report circumstantial changes to the Company.
Driver Training Program Development	C. Valbusa Safety Consultant	Coordination with internal and external risk management, safety, and human resources personnel will be conducted to make final preparations for training.
Driving Training	C. Valbusa Safety Consultant	Paid-trainings will be conducted on Saturdays.
Estimated Duration: 4 months		



<b>Customer Service Representatives Hiring &amp; Training</b>			
Conduct Information Job Fair(s)		T. McKery A. Styles	Our comprehensive approach to CSR recruitment and training is based on several large-scale service initiation experiences. We will take every reasonable step in order to ease CSR anxiety regarding the transition through thorough, consistent communication and training. Refer to <i>Section 2.G   Customer Service</i> for details on our extensive CSR training program.
Extend/Finalize Job Offers to CSRs		T. McKery A. Styles	We are an equal opportunity provider and will work to find the best employees, who are motivated, friendly and best suited to the job.
CSR Training		A. Styles	Provide necessary training.
Estimated Duration: 3 months			
<b>Systems Development/Customer Service Database Management</b>			
Additional Call Center Equipment Procurement, Installation & Testing Refine Database, as needed		K. Kenney D. Halleck-Ventura A. Button Vendors	We will work with equipment vendors to acquire essential hardware, load software and database, and test and refine database based on incoming new information/audits. The accuracy of the existing Customer Service database will determine the timeframe.
Estimated Duration: 3 months			
<b>Systems Development/Routing &amp; Mapping</b>			
Development of Routes & Detailed Maps	Aug-18 Oct-18	C. Valbusa A. Button D. Ventura Vendors	We will work with equipment vendors to acquire new hardware/updated software and database. We will also generate geocoding and maps with assistance from vendors and create, test, and refine routes, which can be provided to the City for review.
Estimated Duration: 3 months			
<b>Diversion Coordinator Hiring &amp; Training</b>			
Diversion/Recycling Coordinator Hiring & Training	Oct-18	T. McKery C. Valbusa K. Pellegrini	Conduct hiring process for Coordinator position. Provide necessary training.
Estimated Duration: 1 month			

<b>Public Education &amp; Outreach</b>			
Public Education and Outreach Plan	First plan finalized by November 1, 2018	K. Pellegrini	Work with City staff to develop, review and update on an ongoing basis.
Website Development	April-18 Aug-18	K. Pellegrini Vendor	Develop company website with "how-to" information, resource links, current rates, etc. along with designated sections for each customer segment, calendars, etc.
Multi-Media Campaign	Aug-18 April-19	K. Pellegrini Diversion/Recycling Coordinator	Introduce new company and new services using print ads, press releases, radio & television spots, internet and social media. All efforts to be coordinated with City staff.
AB 341 & AB 1826 Compliance & Technical Assistance Outreach	Ongoing	Diversion/Recycling Coordinator	Provide annual assistance to each multi-family and commercial customer meeting the AB 341 threshold and those commercial customers who meet the AB 1826 threshold. Database refinements will be made as assessment results come in.
Estimated Duration: 7 months			
<b>Site Related Activities at ACI Yard</b>			
Leasehold Improvements	June-18 March-19	C. Valbusa Vendors	Order, install and construct employee and supervisory staff lockers, restrooms, etc.
CNG Fueling Station Expansion	June-18 Jan-19	C. Valbusa Vendors	Work with Clean Energy to design and expand current CNG fueling station at ACI to accommodate our fleet of additional vehicles.
Parking Lot Striping	January-19	C. Valbusa Vendors	Stripe parking lot for collection vehicle parking and storage.
Estimated Duration: 3 months			
<b>Container Operations</b>			
Coordination with Current Hauler for Container Removal & Delivery of New Containers	TBD	C. Valbusa Route Supervisor Vendors	We will discuss and negotiate with the Current Contractor the removal of existing containers and placement of new containers.
Initial Projections & Production Capacity Reservation	May 18 Jun-18	C. Valbusa Vendors	Updates/Communication with Vendors to confirm pricing and discuss delivery schedules.
Container Procurement	October-18	C. Valbusa Route Supervisor Vendors	Containers are staged at our corporation yard and inspected prior to delivery.
Container Delivery to Customers	April-19	C. Valbusa Route Supervisor Vendors	ContainerPros will be hired to deliver containers.
Estimated Duration: 10 to 11 months			

<b>Vehicle Procurement</b>			
Vehicle Procurement	May-18 Jun-18	K. Kenney C. Valbusa R. Pollard	Vehicle Procurement is central to every service initiation contract; it is also very complex. Vehicles will be procured in the order the contracts begin. A collection vehicle procurement schedule will be developed and updated regularly and provided to the City regularly.
Vehicle Delivery, Installation of Equipment & Testing	March-19	Maintenance Dept. Route Supervisor	Cameras and additional ancillary equipment will be installed and tested on vehicles as they arrive at our yard.
Estimated Duration: 9 to 10 months			

<b>General Business</b>			
CPCFA Funding Application	Immediately following award Until complete	L. Pellegrini K. Kenney	See Financing Plan in <i>Section 1.G</i> for more information.
Potential Grant Application	Until complete	D. Button	Applicable grants will be sought out and applied for.
Banking Credit Commitments		K. Kenney	Develop a finance package and gather banking resources to complement CPCFA funding.
Insurance		Broker K. Kenney	All insurance will be in compliance with the Agreement: General Liability, Workers' Compensation & Employer's Liability, Automotive Liability, Employee Fidelity Bond
Business License Applications		C. Valbusa	Applicable documents will be filled out and filed with the City.
Miscellaneous Permits			Discovery during early start-up will determine process.
Estimated Duration: tbd			

## J. Mandatory Recycling Implementation & Monitoring Plan

### **Multi-Family and Commercial Recycling and Organics Plan**

ACI, as well as affiliate companies, is an active participant in local and State regulatory and legislative groups that stay abreast of new and emerging regulations and laws affecting the solid waste and sustainability fields. By sustaining an active and energetic membership in the California Refuse Recycling Council (CRRC) we have been on the forefront of various California mandates and statutes. We can assure our jurisdictions we are aware of the compliance requirements of current and future laws and regulations:



- ✓ California's Integrated Waste Management Act (AB 939)
- ✓ California's Global Warming Solutions Act (AB 32)
- ✓ Sustainable Communities Strategies (SB 375)
- ✓ California's Mandatory Commercial Recycling Regulation (AB 341)
- ✓ AB 1594 – bans the use of organics as Alternative Daily Cover (ADC) at landfills
- ✓ California's Mandatory Organics Recycling Regulation (AB 1826)

### **AB 341 - Mandatory Commercial Recycling Rule (MCR)**

We will assist the CVSan District by providing the program elements required by State regulations and the Alameda County Waste Management Authority ACWMA (StopWaste) to work towards AB 341 compliance.

- ✓ Collection services
- ✓ Recycling education and outreach program
- ✓ Monitoring and reporting



### **AB 1826 - Mandatory Commercial Organics Recycling Rule (MCOR)**

We will offer outreach and organics collection programs to commercial and MFD customers to assist the CVSan District with AB 1826 compliance. We will follow the implementation schedule as shown in the following chart.

# AB 1826

## Mandatory Organics Recycling

By the numbers. For **BUSINESSES** and **MULTI-FAMILY RESIDENCES WITH 5 OR MORE UNITS**:

JANUARY 1, 2016



APRIL 1, 2016



JANUARY 1, 2017



JANUARY 1, 2019



SUMMER/FALL 2021



\*This law requires that on and after January 1, 2016, local jurisdictions across the state implement an organic waste recycling program to divert organic waste generated by businesses, including multi-family residential dwellings with five or more units.

### Implementing AB 341 and AB 1826 Programs

Our goal is to provide a comprehensive program that ensures each customer has the correct information, tools, resources and support to reach their best level of diversion potential that is practical and best suits their needs by:

- ✓ Utilizing an advanced automated collection service program.
- ✓ Maintaining “state-of-the-art” material processing systems.
- ✓ Coordinating education and outreach with CVSan staff.
- ✓ Ensuring adequate and appropriate service levels.
- ✓ Monitoring and tracking program effectiveness.
- ✓ Providing reporting results as required.

### Our Experience

We have worked closely with our existing jurisdictions to fulfill the compliance requirements of AB 341 and 1826.

- ✓ In all our jurisdictions, our recycling services are offered to a wide range of businesses, regardless if they fall below what the mandated collection requirements.
- ✓ We continually track, evaluate, personally reach out and connect to businesses in an effort to keep recycling programs an integral part of their day-to-day operations.
- ✓ We provide all Commercial and MFD customers education materials that provide details on AB 341, AB 1826 as well as the Alameda County Waste Management Authority’s MCR Ordinance.

## **K. Subcontractors**

ACI will follow the procedures and requirements set forth in the franchise agreement regarding the use of subcontractors. We anticipate using subcontractors for:

- Procurement and delivery of collection containers and collection vehicles at contract start.
- U-waste and E-waste processing.
- Compost processing.
- HHW and special recycling collection events.

## **L. Management and Customer Service Systems**

**All daily collection operations and billing functions are managed through TOWER.** TOWER integrates all aspects of our collection, routing and billing operations to seamlessly and efficiently provide excellent customer service. We have utilized TOWER (formally PC Scale Tower) for decades in similar municipal contract situations. It offers a multitude of benefits, including:

- ✓ Optimized performance for the waste industry.
- ✓ Ease of use while containing multiple and dynamic features.
- ✓ Hierarchical data structures that add security and the ability for read only access.
- ✓ Customization based on our specifications and City preferences.
- ✓ 24/7 technical support.

Manufacturer's information on the TOWER database and customer service software system is available upon request. Utilizing TOWER, we can collect data that allows us to itemize specific issues for our operations team so they can monitor issues and ensure that any operational issues are handled and remedied quickly. A few examples of the issues and resolutions that we experience and specifically track include the three most common, described below:

### **Missed pickups**

Our goal is to have zero missed pickups; however, this is not always realistic. In accordance with the District's Franchise Agreement, we will return to service the customer the same day for all missed service reports received by 12:00 pm.

### **Noise Complaints**

Noise complaints tend to occur when we have an intersection of commercial routes near residential areas. We have found by working with the businesses, residents, and jurisdictions, we are usually able to re-route services to prevent noise complaints. We make every effort to service all commercial businesses abutted by residential areas later in the day. Now that most of our fleets run on CNG, noise complaints are rare. In fact, some residents forget to put their carts out on their service day because they no longer hear the truck approaching!

**Non-Collection Notices (NCNs)**

NCNs for cause include contamination, improper set out or other action that would prevent collection. Drivers are sent out with NCNs that have two corresponding parts: one that is left with the customer and another that is submitted to dispatch. Communicating in a written manner and annotating all communication in the TOWER system allows us to make sure we are informing our customers of any issues in a timely manner.



*A NCN that is utilized by our affiliate company, Livermore Sanitation.*

**Jurisdiction Accessibility**

CSR database accessibility for off-site users is managed through terminal services. Network access is granted and users of the system are assigned access rights, which are limited based on department and position. Appropriate staff will be assigned an TOWER user ID with access rights to view real-time work orders, current account data, service levels, notes, numbers and types of complaints and/or compliments, and collection days. The District requests read-only access to the customer database and this is easily provided by ACI.

**Customer Service Call Center**

Our Customer Service Call Center is located at our Administrative Office at 610 Aladdin Avenue in San Leandro, approximately 6.7 miles from the CVSan District Office. Our local, centralized Customer Service Call Center is specifically designed to suit all customer service functions, creating an environment where there is ease of communication between our CSRs, our staff, drivers, customers, and the jurisdictions we serve. We prefer to operate individual Call Centers staffed by local residents who understand the challenges and unique qualities of the regions being served. The following table lists ACI and its affiliate companies' Centralized Call Centers and website information.

## ACI & Affiliate Company's Call Centers & Websites

Referenced Company Call Center Location	Centralized Call Center	Jurisdictions Served Telephone Numbers Web Addresses
Alameda County Industries 610 Aladdin Avenue San Leandro, CA 94577	Yes	Alameda   510.814.7314 San Leandro   510.357.7282 <a href="http://www.AlamedaCountyIndustries.com">www.AlamedaCountyIndustries.com</a> Rates Posted on Website
Garden City Sanitation 1080 Walsh Avenue Santa Clara, CA 95050	Yes	San José   408.988.4500 <a href="http://www.GardenCitySanitation.com">www.GardenCitySanitation.com</a> Rates Not Posted on Website
Milpitas Sanitation 1080 Walsh Avenue Santa Clara, CA 95050	Yes	Milpitas   408.988.4500 <a href="http://www.MilpitasSanitation.com">www.MilpitasSanitation.com</a> Rates Posted on Website
Livermore Sanitation 7000 National Drive Livermore, CA 94550	Yes	Livermore   510.449.7300 <a href="http://www.LivermoreSanitation.com">www.LivermoreSanitation.com</a> Rates Posted on Website
Mission Trail Waste Systems 1060 Richard Avenue Santa Clara, CA 95050	Yes   Los Altos Only	Santa Clara   408.737.5365 Los Altos   650.473.1400 <a href="http://www.MissionTrail.com">www.MissionTrail.com</a> Los Altos Rates Posted on Website
Peninsula Sanitary Service 339 Bonair Siding Road Stanford, CA 94305	Yes	Stanford University   650.321.4236 <a href="http://recycling.stanford.edu">http://recycling.stanford.edu</a> Rates Not Posted on Website
South San Francisco Scavenger Company 500 E. Jamie Court South San Francisco, CA 94080	Yes	Brisbane, Millbrae, San Francisco International Airport, & South San Francisco   650.589.4020 For All <a href="http://www.ssfscavenger.com">www.ssfscavenger.com</a> Rates Posted on Website

### Database Categorization

Each jurisdiction that ACI serves has its own city code within the TOWER database. ACI assigns unique city codes in TOWER in order to track and maintain jurisdictional specific activity.

### System Interfaces

ACI utilizes geocoding and mapping software systems (ArcView and AirTrak) to monitor collection vehicles in real-time, as well as perform accurate routing and mapping. When coupled with TOWER, the result is complete customer service and accountability. The graphic on the following page depicts how the numerous systems interface between the trucks on the route and our dispatch and customer service software program.





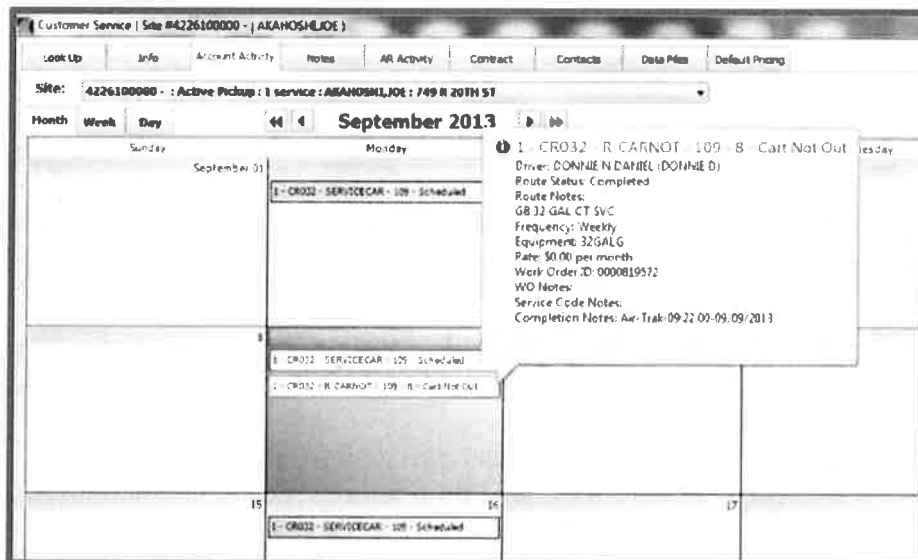
- When the driver encounters an address where the container is not out, a button is pushed that transmits and records that the container was not out at that exact moment, along with the longitude and latitude. This data is assigned to the customer's account in real-time.
- If the driver gets to a property and the container is not serviceable, due to blockage or excessive contamination, there is a second button that the driver presses, which again transmits a signal stating that the container was not serviceable and a yellow triangle appears on the Air-Trak screen at the exact time.
- Route Supervisors monitor all "breadcrumb" trails from each route via a laptop or tablet. They can view:
  - the entire fleet.
  - services that are provided.
  - customer calls/inquiries.
  - timeframes.
- When a driver calls to "clear their route" at the end of the day, Supervisor checks the breadcrumb trail to verify the route is complete. In the example that follows the route is indicated by green color-coded parcels. The following scenario would take place when the driver called to clear their route.
  - Supervisor would look over the route check for service at each location.
  - If the route was not finished (street is void of orange and yellow triangles) the Supervisor would inform driver and request that they go back and complete it.



- Each parcel that has service has been geocoded for our CSRs.
  - When any event is triggered by the GPS (arm lift, not out button, not serviceable button), the longitude and latitude of the event are compared to the database of geocoded customers. The closest address is assigned to that event with a time stamp. (*The following screenshot displays that at 749 North 18<sup>th</sup> Street, the driver hit the not out button at 9:22am, as depicted by the yellow triangle*).



- If this customer was to call our CSRs and state that they weren't serviced that morning, the CSR would look up the address through TOWER, (as shown in the screenshot below), and tell the customer that the cart was not out when the driver was outside the location at 9:22am.



- The CSR can then inform the customer that the driver will go back as a courtesy today and service the cart, but in the future please have carts out before collection begins.
- We also use Air-Trak as locating device to let our maintenance staff know the location of a vehicle that is out of service. A mechanic is sent directly to the truck in a timely manner to service it.

### System Efficiencies

- Use of this system has kept call volumes to a minimum and our actual cart misses have been significantly reduced.
- Supervisors can replay any route from the first day of collection through the current date, which is extremely helpful for accident or damage claims.
- Photographs are incorporated into TOWER as additional proof of service and/or assistance in determining accidents and investigations.
- Quick access to customer information such as: special service limitations, damages to equipment, proof of signature, customer warnings, NCNs issued, and other pertinent information, as shown in the graphic below.
- Drivers appreciate the ease of simply pressing a button when a cart is not out, as well as the security of knowing that most of the accident claims received are resolved using TOWER and other safety mechanisms and tools in place.

### Routing

The following details are included on the route sheets that are created using TOWER:

View File	Filename	Description	Work Order
View	construction at intersection.png	construction in front of service location entry_062208	
View	0001420003 sign.png	proof of signature	
View	overfilled container.png	customer warning issued 090209	
View	damaged container.png	container damaged in fire 021710	

- New Starts, Reschedules & Vacation Reports are printed and distributed to drivers daily, alerting them to route changes, vacation holds and other details.
- Residential Route Sheets include information such as driver name, date, route, in/out times, load information, special instructions, on-premises services are provided daily to the drivers.
- Commercial Route Sheets are printed daily and include information like

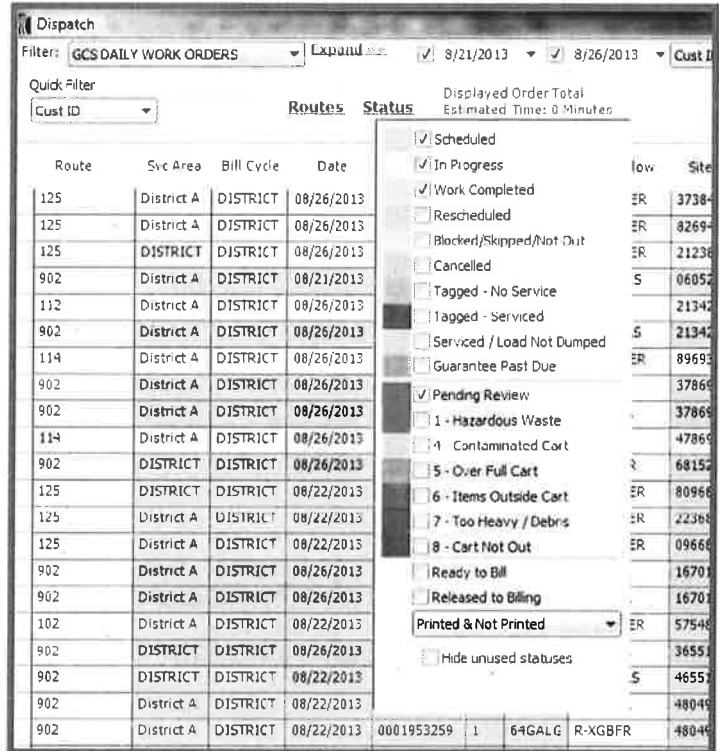
driver name, date, route, in/out times, load information, total number of stops, total containers, and other route statistics such as service levels, service notes and gate codes, etc.

- Roll-Off Schedules are managed through a work order system; these documents provide relevant information on all of the driver’s stops for the day.

### Dispatch

The dispatch function in TOWER is a useful tool for monitoring open items and moving a work order through the cycle from creation, completion, review, and billing, as necessary.

- Each department has a role in the cycle of each work order and each step of the process is tracked through TOWER.
- The key element of the dispatch screen is the status settings; all users can see each update to a work order.
- The dispatcher uses this screen to capture daily work orders for printing.
- Once a work order is printed, the status is updated to “in progress” and “printed.” All users are then able to see this status change and also identify which user printed it and when.
- As completed work orders are returned by drivers at the end of the day, the status is then updated to one of the following: “complete,” “blocked,” “skipped,” “not out,” “tagged-serviced,” “tagged-no service.”
- Customized statuses can also be created and are currently in use by our affiliate companies to fulfill contractual requirements for jurisdictional-specific service reports.



### Internal Performance Standards

ACI uses experience and tools to detect, resolve, and prevent performance lapses with the management and customer service systems described throughout this Section. Safety training is critical to ensure serious performance lapses do not occur as well as impart an overall comprehension by all employees on contract requirements. We believe that success is rooted in proactive and preventative behaviors. **Do it right the first time!**

The **ACI Performance Measures Table** that follows includes the typical performance targets that can be used to measure our performance and compliance with the Franchise Agreement as well as the effectiveness and responsiveness of our CSRs.

<b>ACI Performance Measures Table</b>		
<b>Non-Performance Event</b>	<b>Tracking Mechanism(s)</b>	<b>Management Measures</b>
<b>COLLECTION QUALITY</b>		
<b>Unauthorized Hours of Operation</b>	Integrated time clock information to approved report format.	<ul style="list-style-type: none"> <li>* Use of sophisticated time tracking system.</li> <li>* Operations Manager present at start times.</li> <li>* Dispatcher present prior to start times.</li> <li>* Event tracking to record start time.</li> <li>* Use of progressive employee discipline.</li> </ul>
<b>Inadequate Care of or Damage to Private Property</b>	GPS/route management system and field observations.	<ul style="list-style-type: none"> <li>* Use of GPS/route/customer management systems.</li> <li>* Supervisors in field each day.</li> <li>* Safety meetings discussion topic and reminders.</li> <li>* Use of progressive employee discipline.</li> </ul>
<b>Failure to Resolve Property Damage Claims</b>	Administrative file kept and risk manager software tracking to report.	<ul style="list-style-type: none"> <li>* Use of claims reporting software (Omnis Tools) provided by insurance carrier.</li> <li>* Internal tracking and reporting by administrative personnel; GM ensures prompt claims closure.</li> <li>* Assertive property damage claims reduction through excellent safety program.</li> </ul>
<b>Improper Container Placement Complaints</b>	TOWER system to report.	<ul style="list-style-type: none"> <li>* All customer concerns and complaints are tracked in TOWER as standard procedure.</li> <li>* Service standards provided in all route books.</li> <li>* Drivers trained on proper placement of containers.</li> <li>* Field observations and discussion topic at safety meetings.</li> <li>* Use of progressive employee discipline.</li> </ul>
<b>Failure to Perform Non-Collection Noticing</b>	TOWER system to report & NCNs provided to Town.	<ul style="list-style-type: none"> <li>* On-board computing system interfaces with TOWER to track corrective action notice distribution.</li> <li>* Supervisor observation and periodic setout checks; discussion topic at safety meetings.</li> <li>* Use of progressive employee discipline.</li> </ul>
<b>Missed Pick-up Events: Initial Complaints</b>	TOWER system to report.	<ul style="list-style-type: none"> <li>* All customer missed pick-up complaints are tracked in TOWER as standard procedure.</li> <li>* Drivers trained and reminded to use on-board computing system to track no setouts and other reasons for non-collection.</li> <li>* Field observations and discussion topic at safety meetings.</li> <li>* Use of progressive employee discipline.</li> </ul>
<b>Missed Pick-up Events: Failure to Collect</b>	TOWER system to report.	<ul style="list-style-type: none"> <li>* All customer concerns and complaints are tracked in TOWER as standard procedure.</li> <li>* Use of progressive discipline upon discovery of no collection if driver was informed to go back before 3:00pm.</li> <li>* Field observations and discussion topic at safety meetings.</li> <li>* Use of progressive employee discipline.</li> </ul>

<b>Excessive Noise Complaints</b>	TOWER system to report.	<ul style="list-style-type: none"> <li>▪ All customer concerns and complaints are tracked in TOWER as standard procedure.</li> <li>▪ Service standards provided in all route books.</li> <li>▪ Drivers trained on noise reduction policies.</li> <li>▪ Selection of collection equipment based on noise reduction as a decision factor.</li> <li>▪ Field observations; discussion topic at safety meetings.</li> <li>▪ Use of progressive employee discipline.</li> </ul>
<b>Unacceptable Employee Behavior</b>	TOWER system to report. Personnel file notation to report (privacy laws abided by).	<ul style="list-style-type: none"> <li>▪ All customer concerns and complaints are tracked in TOWER as standard procedure.</li> <li>▪ Field observations; discussion topic at safety meetings.</li> <li>▪ Use of progressive employee discipline.</li> <li>▪ GM Intervention: Zero Tolerance Policy for Unacceptable Employee Behavior.</li> </ul>
<b>Spills of Discarded Materials: Failure to Clean Up</b>	Internal incident tracking and reporting. TOWER system to report.	<ul style="list-style-type: none"> <li>▪ All customer concerns and complaints are tracked in TOWER.</li> <li>▪ Field observations; discussion topic at safety meetings.</li> <li>▪ Use of progressive employee discipline.</li> <li>▪ Standard procedure is to clean up spilled materials as soon as they are noticed or reported.</li> </ul>
<b>Spills of Vehicle Fluids</b>	Internal incident tracking and reporting. TOWER system to report.	<ul style="list-style-type: none"> <li>▪ All customer concerns and complaints are tracked in TOWER.</li> <li>▪ New, reliable equipment and our rigorous maintenance program will ensure minimization of fluid leaks.</li> <li>▪ Immediate response is standard protocol.</li> </ul>
<b>CUSTOMER SERVICE QUALITY</b>		
<b>Failure to Achieve Avg. Phone Times: Answer Times &amp; Dropped Calls</b>	MiTel MiContact Center system. ACI to submit electronic report per franchise requirement.	<ul style="list-style-type: none"> <li>▪ Use of MiTel MiContact Center.</li> <li>▪ Use of progressive discipline upon discovery of continuous incidents of customer waiting longer than specified in the Agreement.</li> <li>▪ Discussion topic at meetings.</li> </ul>
<b>Untimely Response &amp; Resolution to Complaints &amp; Inquires</b>	TOWER system to report. ACI to submit electronic report per franchise requirement.	<ul style="list-style-type: none"> <li>▪ All customer concerns and complaints are tracked in TOWER as standard procedure.</li> <li>▪ Use of progressive discipline upon discovery of untimely responses/resolutions.</li> <li>▪ Discussion topic at meetings.</li> </ul>
<b>Failure to Initiate New Service or Service Changes</b>	TOWER system to report. ACI to submit electronic report annually.	<ul style="list-style-type: none"> <li>▪ Use of TOWER system; work orders must be closed out by response time indicated in contract.</li> <li>▪ Driver paperwork check-in procedure at the end of each route.</li> <li>▪ Use of progressive employee discipline.</li> </ul>

## Reporting Requirements

All Reporting and Recordkeeping will include required data and information as described in **Article 6 and Exhibit D of the Franchise Agreement** and will be provided in a mutually-agreed upon format. We currently generate quarterly and annual reports as required by the various Franchise Agreements with ACI and our affiliate companies. Reports generally include:

- ✓ Tonnage
- ✓ Customer account data
- ✓ Summary of public education and outreach activities
- ✓ Billing data and/or discrepancies
- ✓ Complaint logs
- ✓ Missed pickups and more

Sample ACI quarterly and annual reports are available upon request.

## M. Corporation Yard & Maintenance Facilities

Upon contract award, ACI expand collection vehicle parking, fueling, container storage, employee parking, vehicle maintenance and facilities at its current location: 601-610 Aladdin Avenue, San Leandro. (See map below) The site has sufficient space to accommodate operations for CVSan District. We have already informed our leasor of our interest in the additional space and the space will be available to ACI as needed.



## Vehicle & Container Parking/Storage

Immediately following contract award, we will integrate CVSan District maintenance, dispatch, administrative, payroll, and customer service operations into our current operational infrastructure. We will work with vendors to design, order and install all necessary equipment to expand employee and maintenance facilities, parking and the necessary expansion to our CNG fueling station.

## Maintenance Facilities

Our current maintenance facility will expand to maintain and service all collection vehicles and containers required for our operations in CVSan. We will ensure that our facility is clean and organized to help minimize the potential for accidents and to ensure all mechanics work in a safe environment.



### **Vehicle Maintenance Program**

- Our preventive maintenance program complies with regulatory standards and manufacturer specifications.
- In maintaining new equipment, only re-refined motor oil and re-refined hydraulic fluid will be used in vehicles.
- Best Management Practices (BMPs) as relative to heavy-duty vehicle maintenance facilities will be standard procedure.
- Staff will conduct routine inspections of the maintenance facility and any deviation from BMPs will be corrected by the end of that business day.
- Preventive maintenance program includes:
  - Daily completion of the vehicle inspection report completed by the driver.
  - Shop personnel review the report and check any items marked by the driver as being questionable.
  - Mechanics then make any needed repairs before the vehicle goes back onto the route.
  - Each vehicle undergoes a routine Department of Transportation (DOT) inspection by shop personnel to ensure the vehicle is in safe operating condition.

### **Container Maintenance Program**

- Containers that require repairs or maintenance will be delivered to our yard and repaired in our container maintenance area:
  - Lid repair/replacement
  - Wheel repair/replacement
  - Welding of dent/rust spots
  - Labeling, if necessary
- An outside company will be utilized to paint containers. We have determined this is a more cost efficient alternative due to the regulations that govern this service.

### **Administrative Office**

- Administrative facilities that house payroll and human resources, customer service, dispatch and some accounting functions will be located at our current office at 610 Aladdin Avenue in San Leandro.
- Additional office furniture, telephones, supplies and additional resources will be installed to accommodate the space to ensure the comfort, safety and productivity of employees.
- We will solicit local vendors when purchasing equipment and supplies for our office and will purchase supplies and equipment as much as possible using standard Environmental Purchasing and Procurement Policies.

### **Development Timeline**

The draft Implementation Plan in *Section 2 on Page 64* includes the anticipated start and end dates for activities that will be performed prior to the commencement of services, including expanding our current office and setting up facilities at ACI.

### **Contingency Facilities**

Based on our decades of experience, we have determined and allocated sufficient time and resources to ensure that all necessary improvements are complete well before May 1, 2019.

#### **N. Zero Waste Requirements**

ACI acknowledges the Zero Waste plan multi-faceted diversion target established by the CVSan District. We will work with the CVSan District to:

- ✓ Encourage customers to downsize garbage service levels by increasing recyclables and organics service levels.
- ✓ Create incentives for source separation and waste reduction by creating a lower rate structure for recyclables and organics.
- ✓ Propose a food scraps separation and collection program to increase diversion.
- ✓ Follow the existing 90% diversion of asphalt and concrete.
- ✓ Increase the current C&D diversion from 50% to 65%.

### 3. TECHNICAL PROPOSAL FOR ALTERNATIVE SERVICES

#### A. Cart Replacement for RFID Attachment (Required)

Manage a cart “swap” program, wherein each cart would be removed from service in order for the lid to be replaced with a new lid containing an RFID chip, and displaying updated in-mold graphics (optional RFID decal can be utilized in place of a lid swap. ACI is willing to discuss this option if desired by CVSan). ***Costs included in Cost Proposal for Alternative Services.***

- The type and number of customers that would be targeted
  - CVSan SFD customers with garbage collection services.
- Basis for estimated tonnage levels and customer participation levels
  - CVSan Less-Than-Weekly Garbage Collection Pilot
- Proposer’s experience with comparable programs in other communities
  - ACI affiliate company Garden City Sanitation recently researched RFID pros and cons for the City of San José.
- Collection methodology, including discussion of special methods for collecting in hard-to-service areas such as narrow streets, winding roads, long driveways, private roads, courts, and alleys
  - Cart swap program would be developed and implementation would occur within twelve months of program acceptance. ACI would strive for cart swaps to occur within three months.
  - New lids with approved graphics would be designed, manufactured and delivered to staging facility.
  - A supply of new retrofitted carts would be acquired to supplement the first carts removed for retrofitting.
  - Delivery/swap schedule would be developed based on geographical area.
  - Carts would be swapped: old carts would be collected, washed, markings removed and retrofitted with new lids. New retrofitted carts would be delivered.
  - Outreach/education materials explaining the retrofit program would be provided in advance of implementation and also included with the retrofitted carts if desired by the District.
- Equipment to be utilized
  - A third party container company would be contracted for performing the cart removals, cleanings, lid change and delivery
  - Flatbed or enclosed trucks would be utilized to collect old carts to be retrofitted and to deliver new retrofitted carts.
- The benefits of the proposed service, and potential challenges related to the service and strategies for managing such challenges.
  - Technology would assist the CVSan District in revising the customer billing format.
  - It is expensive.
  - Poor track record of programs currently in place.

## **B. Single-Family Garbage Pay-per-Set out (Required)**

District-wide implementation of a less-than-weekly single-family garbage program, wherein customers would only be billed when they set-out their garbage cart. **Costs included in Cost Proposal for Alternative Services.**

- The type and number of customers that would be targeted
  - CVSan SFD customers with garbage collection services.
- Basis for estimated tonnage levels and customer participation levels
  - Tonnages based on a 2x per month pick up for Garbage is equal to: 100% of the weekly set-out rate.
- Proposer's experience with comparable programs in other communities
  - none
- Collection methodology
  - Retrofitted RFID cart swap would occur.
  - Rate schedule for "Garbage Pay-per-Set out" would be established.
  - Customers would pay a quarterly minimal "base rate" for recycling and organics collection service.
  - Customers would then be charged for any additional garbage collections over the base rate based on RFID data. The actual rate for each Garbage Set-out would be negotiated with the District.
  - Secondary tracking program for drivers would be established for RFID tag non-function/damage.
  - Outreach/education materials explaining the "Garbage Pay-per-Set-out" program would be provided on program start and available via electronically or hard copy upon request.
- Equipment to be utilized
  - RFID chips in carts and readers/trackers in collection vehicles. Hand held tracking mechanisms for drivers. Tracking mechanisms incorporated into current TOWER tracking protocols.
- The benefits of the proposed service, and potential challenges related to the service and strategies for managing such challenges.
  - Benefits may include reduced disposed waste, however based on the District's actual pilot findings, this benefit is not assured.
  - Potentially lower carbon footprint from reduced collection vehicle run-time, however based on the District's actual pilot findings, this benefit is not assured.
  - Customers would only have to pay per garbage set out. Rates would be established to ensure that ACI is revenue neutral.
  - Functionality issues of RFID technology. Would need secondary program in place.
  - Extra personnel needed for tracking and RFID maintenance.
  - Restrictions put in place for collection frequency to avoid public health issues. Contamination monitoring of recycling and organics carts may be required.

### **C. Single-Family Used Cooking Oil Collection (Required)**

Add used cooking oil to the existing used motor oil collection and recycling program for single family customers. Costs included in Cost Proposal for Alternative Services.

- The type and number of customers that would be targeted
  - CVSan SFD customers with curbside collection services.
- Basis for estimated tonnage levels and customer participation levels
  - ACI anticipates an equivalent number of participants in the Used Cooking Oil Collection program as the Used Motor Oil program.
- Proposer's experience with comparable programs in other communities
  - ACI affiliate, Milpitas Sanitation will be rolling out a "Used Cooking Oil Collection" program for Single-Family customers on December 1, 2017.
- Collection methodology
  - One-gallon Oil Jugs would be purchased.
  - Labels and outreach materials would be designed and printed and affixed.
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
  - Drivers would be educated on new program.
  - Customers would receive "Do's and Don'ts" information about the new program.
  - Drivers would use existing "Used Motor Oil" collection protocol for "Used Cooking Oil" program. Jug would be collected and stored on special racks on collection vehicles.
- Equipment to be utilized
  - Oil Jugs.
  - Labels and outreach/education materials.
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
  - Drivers would use existing collection racks on collection vehicles.
- The benefits of the proposed service, and potential challenges related to the service and strategies for managing such challenges.
  - Added value services for customers.
  - Possible reduction of cooking oil from the solid waste stream.
  - Education/Outreach increased for successful program.
  - Extra personnel needed for tracking, materials and infrastructure.
  - Routing would need to be reviewed in anticipation of lower driver productivity.

### **D. Single-Family Curbside Textile Collection (Required)**

Incorporation of curbside source-separated textile collection and diversion into Single-Family curbside collection program. Costs included in Cost Proposal for Alternative Services.

- The type and number of customers that would be targeted
  - CVSan SFD customers with curbside collection services.
- Basis for estimated tonnage levels and customer participation levels
  - Livermore Sanitation reports participation levels of 29 bags collected over

an 8-year period.

- Proposer's experience with comparable programs in other communities
  - ACI affiliate, Livermore Sanitation collects bagged clothing once a quarter. The materials are donated to a variety of local organizations for their use.
- Collection methodology
  - Outreach materials would be designed and printed.
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
  - Drivers would be educated on new program.
  - Customers would receive "Do's and Don'ts" information about the new program.
  - Drivers would collect properly bagged materials for donation.
- Equipment to be utilized
  - Outreach/education materials.
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
- The benefits of the proposed service, and potential challenges related to the service and strategies for managing such challenges.
  - Added value services for customers.
  - Education/Outreach increased for successful program.
  - Extra personnel needed for tracking, materials and infrastructure.
  - Routing would need to be reviewed in anticipation of lower driver productivity.

#### **E. Single-Family Organic Materials Collection to Canyonlands Residents (Required)**

Expansion of the existing single-family organic materials collection service to the approximately 400 single-family customer accounts located in the Canyonlands. Costs included in Cost Proposal for Alternative Services.

- The type and number of customers that would be targeted
  - CVSan SFD customers residing in the Canyonlands with collection services.
- Basis for estimated tonnage levels and customer participation levels
  - ACI estimates that one free 96-gallon of Organic material will be collected per household per week.
- Proposer's experience with comparable programs in other communities
  - ACI affiliate, Livermore Sanitation collects organic materials from its "Densely Populated County" customers.
- Collection methodology
  - Routing and program restrictions would be established.
  - Special collection vehicles, if required in hard-to-service areas, would be ordered.
  - Number of Organics collection carts would be determined and ordered.
  - Outreach materials would be designed and printed.
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
  - Drivers would be educated on new program.

- Customers would receive “Do’s and Don’ts” information about the new program.
- Drivers would collect materials.
- Equipment to be utilized
  - Special collection vehicles
  - New organics collection carts
  - Outreach/education materials.
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
- The benefits of the proposed service, and potential challenges related to the service and strategies for managing such challenges.
  - Reduction of disposed waste
  - Added value services for customers.
  - Education/Outreach increased for successful program.
  - Extra personnel needed for tracking, materials and infrastructure.
  - Routing would need to be reviewed in anticipation of lower driver productivity.

**F. Single-Family Bulky Item Collection to Canyonlands Residents (Required)**

Expansion of the existing single-family on-call bulky item collection service to the approximately 400 customer accounts located in the Canyonlands. Costs included in Cost Proposal for Alternative Services.

- The type and number of customers that would be targeted
  - CVSan SFD customers residing in the Canyonlands with collection services.
- Basis for estimated tonnage levels and customer participation levels
  - ACI estimates that up to 7 cubic yards of Bulky/Clean Up Materials will be collected per household per week.
- Proposer’s experience with comparable programs in other communities
  - ACI currently offers an On-Call/Bulky Item clean-up program to Single-Family residential customers in the cities of Alameda and San Leandro. It has implemented a pay-per-service/item program for its Multi-Family customers in the City of Alameda.
- Collection methodology
  - Routing and program parameters similar to the current program offered to Single-Family residents would be established.
  - Special collection vehicles, if required in hard-to-service areas, would be ordered.
  - Number of bulky item bags would be determined and ordered.
  - Outreach materials would be designed and printed.
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
  - Drivers would be educated on new program.
  - Customers would receive “Do’s and Don’ts” information about the new program.
  - Drivers would collect materials.

- Materials brought back to ACI to be unloaded.
- Materials transferred to processing facility.
- Equipment to be utilized
  - Special collection vehicles.
  - Outreach/education materials.
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
- The benefits of the proposed service, and potential challenges related to the service and strategies for managing such challenges.
  - Added value services for customers.
  - Education/Outreach increased for successful program.
  - Extra personnel needed for tracking, materials and infrastructure.
- Service area challenges
  - Routing would need to be reviewed in anticipation of lower driver productivity.

**G. Mixed Waste Processing for Public Litter (Required)**

Collect and process all materials collected from approximately 100 public litter containers as “mixed waste” in order to recover recyclable materials. Costs included in Cost Proposal for Alternative Services.

- The type and number of customers that would be targeted
  - CVSsan public litter containers.
- Basis for estimated tonnage levels and customer participation levels
  - Based on collection data of current program, ACI anticipates the same volume of materials would be collected.
- Proposer’s experience with comparable programs in other communities
  - ACI currently services over 100 public litter containers in the City of Alameda and over 75 public litter containers in the City of San Leandro.
- Collection methodology
  - Routing and program parameters would be established.
  - Data coding and tracking mechanisms would be created to use in current TOWER program.
  - Drivers educated on new program.
  - Drivers would collect materials as recyclables.
  - Materials brought back to ACI to be unloaded.
  - Materials run through ACI MRF processing facility.
- Equipment to be utilized
  - Program parameters, data coding and tracking mechanisms would be created to use in current TOWER program.
- The benefits of the proposed service, and potential challenges related to the service and strategies for managing such challenges.
  - Public litter containers will be processed for diversion.
  - Increased costs for Recyclables processing due to contamination created by introducing commingled garbage/recycle stream into MRF.
  - Extra personnel needed for tracking, sorting and infrastructure.



- Routing would need to be reviewed in anticipation of lower driver productivity.

#### H. Alternative Fuel Vehicles (Optional)

Per the requirements of the Franchise agreement, ACI will bid new alternative fuel vehicles in its base proposal. ("Each proposer shall develop its base proposal reflecting its plan to purchase new collection vehicles, bins, and drop boxes, and its plan to repair and maintain the existing carts as needed.")

ACI has the opportunity to purchase used alternative fuel vehicles at a fraction of the cost of new vehicles. Costs included in Cost Proposal for Alternative Services.

- The type and number of customers that would be targeted
  - CVSan District residents.
- Basis for estimated tonnage levels and customer participation levels
  - n/a
- Proposer's experience with comparable programs in other communities
  - ACI affiliate Garden City Sanitation retrofitted its existing diesel-fueled collection fleet to a CNG-fueled collection fleet. The cost of the retrofit was substantially lower than purchasing new vehicles. The diesel components were sold and reused.
- Collection methodology
  - Same as base proposal.
- Equipment to be utilized
  - Used CNG-fueled collection vehicles.
- The benefits of the proposed service, and potential challenges related to the service and strategies for managing such challenges.
  - Cost savings.
  - Trucks will last the length of the contract.

#### I. Other Service Enhancements & Innovations (Optional)

##### 1. Source separated food scraps collection utilizing garbage/food scraps split carts and split body collection vehicles for single family residents and dedicated food scraps collection carts for multi-family and commercial customers.

- ✓ On average, 30-40% of the current waste stream is comprised of food scraps and food-soiled paper. By separating food scraps, a larger segment of the current waste stream can be diverted.
- ✓ ACI affiliates Peninsula Sanitary Service, Inc., Garden City Sanitation, Mission Trail Waste Systems, Milpitas Sanitation and South San Francisco Scavenger Company have experience collecting and processing commercial, multi-family and single-family source-separated food scraps.
- ✓ The collected food scraps are:
  - processed into an ingredient used in animal feed
  - used as digestible feedstock for AD Facility/ Biogenic CNG Fueling Station
  - used as feedstock for a publicly owned treatment works such as EBMUD
- ✓ A source-separated food scraps program requires extensive investments in collection infrastructure.

- ACI believes that in order for CVSan to reach its diversion goals, a source-separated food scraps collection program is essential.
- ACI would be happy to discuss a source-separated food scraps collection program in more detail upon award of the contract.

**2. 15-year term on base services.**

- A longer initial base contract term to spread costs over an extended period to keep customer rates low.

**4. ENVIRONMENTAL CONSIDERATIONS (optional)**

We make all reasonable business efforts to employ green practices both in the development of our corporation yard and facilities, as well as in our daily operations.

Some ways we accomplish this:

- Setting strategic diversion goals for our jurisdictions.
- Engaging with our Cities and Counties to discuss Sustainability Programs.
- Providing guidance, advice, data and analysis as needed to set targets.
- Progressively reducing our own GHG emissions as a benefit to the jurisdictions we serve.

The following chart shows the Environmental Initiatives, Programs and Goals of ACI and its affiliates.

<b>Environmental Initiatives, Programs &amp; Goals</b>	
<b>Alameda County Industries ACI</b>	In addition to retiring their aging fleet of diesel trucks and converting to CNG vehicles, ACI has installed a state-of-the-art storm water treatment system that treats all storm water onsite prior to discharge. All office supplies are purchased with recycled content and an office recycling policy (including food waste) is in effect. Native, drought-tolerant plants are incorporated into the landscaped areas and low-flow drip irrigation systems with timers adjust watering seasonally to reduce water consumption.
<b>Garden City Sanitation GCS</b>	GCS received certification with the County of Santa Clara’s Green Business Program in 2013. As a part of becoming a certified Green Business, GCS successfully demonstrated environmental stewardship in the following categories: general, waste, energy, water, pollution, and wastewater. The GCS facility was constructed in a manner that complied with most of the requirements of the Green Business Program and minimal changes were necessary in order to become certified. GCS also voluntarily upgraded all warehouse, shop and yard lights with brighter and more energy efficient lighting and fixtures, which reduces our facility-wide energy consumption.
<b>Livermore Sanitation LS</b>	In addition to investing in an all CNG fleet and the fueling station, LS planted native plants and has natural storm water treatment systems at their corporation yard. All office supplies purchased have recycled content and an office recycling policy is in effect.
<b>Mission Trail Waste Systems MTWS</b>	In addition to retiring their aging fleet of diesel trucks and converting to CNG vehicles, MTWS assists the businesses in Santa Clara and Los Altos in obtaining Green Business certification along with compliance with AB 341. All office supplies purchased have recycled content and an office recycling policy is in effect.
<b>Peninsula Sanitation Service Inc. PSSI</b>	The Stanford Campus hauler has received numerous awards, including, but not limited to, Clean Bay Business, National Recycling Coalition's Outstanding School Program, AF&PA College and University Recycling Award for outstanding paper recycling program, Waste Audit Program, Food Waste and Compostable Material Collection Program and recognition for Campus-wide recycling and composting. Internal operations at the PSSI facility include recycling programs (food waste too!), energy consumption reduction through the use of day lighting and energy efficient equipment.
<b>South San Francisco Scavenger Company SSFSC</b>	A part of SSFSC’s company-wide sustainability commitments include reducing both electricity and natural gas use, generating renewable energy from onsite solar generation, reducing GHG emissions from fleets by converting to Biogenic CNG, reducing overall water usage at the facility, achieving LEED certification of the office building, and achieving high waste diversion rates for the communities they serve. Like SSWR, they are also members of the TCR and voluntarily report and third-party verify their GHG emissions, which are available online at <a href="http://www.theclimateregistry.org">www.theclimateregistry.org</a> .

## **5. ACCEPTANCE OF RFP & FRANCHISE AGREEMENT**

Included in this Section is a hard copy, redline and strikeout version of the Franchise Agreement and Exhibits with our proposed alternative language and completed information that is tailored to our proposal. ACI has clearly presented the changes to these documents by way of strikeouts, suggested language and notations where applicable.

An electronic version of the Franchise Agreement and Exhibits with our proposed changes made using MS Word redline and strikeout functions is included with our proposal package.

**7. OTHER PROPOSAL FORMS**

**A. Secretary's Certificate**

Immediately following is the Secretary's Certificate, documenting the designated representative authorized to bind Alameda County Industries, Inc.

**ATTACHMENT 6  
SECRETARY'S CERTIFICATION**

I, DOUG BUTTOW, certify that I am the Secretary of the corporation named herein; that  
Name

LOUIE BELLEWIN who signed this Proposal on behalf of the corporation, was then  
Name

VICE PRESIDENT of said corporation; that said Proposal is within the scope of its  
Title

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

ACTION BY WRITTEN CONSENT OF THE BOARD OF DIRECTORS.  
Name of Corporate Document

By: 

Name: Douglas Buttow

Title: Secretary

Date: 11-28-17

**ACTION BY UNANIMOUS WRITTEN  
CONSENT OF THE DIRECTORS OF  
ALAMEDA COUNTY INDUSTRIES, INC.**

The undersigned, constituting all the Directors of Alameda County Industries, Inc., a California corporation (the "Company"), acting pursuant to the authority of the California Corporations Code and the Company's Bylaws, hereby adopt and approve the following recitals and resolutions by unanimous written consent (this "Action") effective as of November 30, 2017.

AUTHORIZATION TO PROCEED WITH PROPOSAL

WHEREAS, the Company intends to submit a proposal in response to the Castro Valley Sanitary District request for proposals to provide solid waste collection services (the "Proposal");

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Proposal, in the form attached to this Action, be, and it is hereby approved.

RESOLVED, FURTHER, that the officers of the Company are hereby authorized and directed to execute and deliver the Proposal for and on behalf of the Company, including any revisions or amendments thereto as such officers deem necessary or appropriate but within the purposes and intent of these resolutions.

RESOLVED, FURTHER, that any and all actions heretofore or hereafter taken by the officers of the Company within the terms of any of the foregoing resolutions are hereby ratified and confirmed as the acts and deeds of the Company.

RESOLVED, FURTHER, that each of the officers of the Company is hereby authorized, directed and empowered to execute any and all documents, agreements, certificates and other papers and to take such other actions as such officer deems necessary or advisable to carry out and perform the purposes and intent of the foregoing resolutions.

[SIGNATURE PAGE FOLLOWS]

  
Robert J. Melmaro  
  
Louis Pellegrini

  
Douglas H. Bulton

**ACTION BY WRITTEN CONSENT – SIGNATURE PAGE**

**B. Anti-Collusion Affidavit**

ACI's designated representative authorized to bind ACI, as documented in Secretary's Certificate, has signed the Anti-Collusion Affidavit included in this Section.

**ATTACHMENT 7  
NON-COLLUSION AFFIDAVIT**

**NON-COLLUSION DECLARATION TO BE EXECUTED BY  
BIDDER AND SUBMITTED WITH BID**

The undersigned declares:

I am the VICE PRESIDENT of ALBERTA COUNTY INDUSTRIES, INC., the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed

By [Signature] [name],

On 11-28-2017 [date],

At Livermore [city], California [state].

C. Iran Contracting Certification

Also included in this Section is ACI's Iran Contracting Act Certification.

**ATTACHMENT 8  
IRAN CONTRACTING ACT CERTIFICATION**

**CONTRACTOR'S IRAN CONTRACTING ACT 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 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.

ALAUDA COUNTY INDUSTRIES, INC. (Company Name)

By: [Signature] (Signature)

Name: Louise Pellegrino (Printed Name)

Title: V-Pres

Date: Nov 28 2017



# 8. ATTACHMENTS

## ATTACHMENT A - Biennial Inspection of Terminal (BIT) Report

STATE OF CALIFORNIA  
DEPARTMENT OF CALIFORNIA HIGHWAY PATROL  
**CARRIER INSPECTION**  
CHP 343D (Rev. 2-99) OPI 062

This report contains CONFIDENTIAL pages. Pages 1 of 1

CARRIER NAME <b>Alameda County Industries SLD Inc.</b>	CA NUMBER <b>196414</b>	LOC CODE <b>346</b>	SUBAREA <b>4577</b>
STREET ADDRESS, CITY, STATE, ZIP CODE <b>610 Aladdin Ave. San Leandro, CA 94577</b>	PHONE NUMBER <b>(510) 357-7282</b>	DATE <b>12/09/14</b>	
CARRIER REPRESENTATIVE <b>Rob Pollard</b>	TITLE <b>Manager</b>	TIME IN <b>14:00</b>	TIME OUT <b>15:00</b>
INSPECTION LOCATION (IF OTHER THAN THE CARRIER'S PRINCIPAL PLACE OF BUSINESS)	U.S. DOT NUMBER	MC NUMBER	

On this date, the above named motor carrier was inspected by the California Highway Patrol. The inspection evaluated the carrier's compliance with the following requirements:

- CONTROLLED SUBSTANCE AND ALCOHOL TESTING PROGRAM [VC 34520 & 49 CFR 382]
- OTHER: \_\_\_\_\_

REMARKS

**Carrier is enrolled with:**

**Preferred Alliance Inc.**  
**16960 S Harlan Rd. Bldg. 2 Suite 2-D**  
**Lathrop, CA 95330**  
**(877) 272-5227**


**Confirmed Enrolment and Status**

As a result of the inspection noted above, this carrier was assigned a compliance rating of SATISFACTORY. This rating applies only to carrier requirements - Terminals are rated separately.

RATING HISTORY <b>1 S 2 S 3 S 4 S</b>	NUMBER OF RECORDS INSPECTED <b>16</b>	NUMBER OF VIOLATIONS <b>0</b>	CHP 346 ISSUED <input type="checkbox"/>	SUSPENSE DATE <input checked="" type="checkbox"/> Auto <input type="checkbox"/> None	CHP 1000 COLUMN NO <b>5</b>
INSPECTED BY (NAME) <b>Simon DeCasas</b>	ID NUMBER <b>A12020</b>	CARRIER TYPE <input checked="" type="checkbox"/> Truck <input type="checkbox"/> Bus			

**MOTOR CARRIER CERTIFICATION**

I hereby certify that all violations recorded hereon and on the attached pages 2 through 1 will be corrected in accordance with applicable provisions of the California Vehicle Code and the California Code of Regulations. I understand that I may request a review of an unsatisfactory rating by contacting the Golden Gate Division Motor Carrier Safety Unit Supervisor at **(707) 648-4180** within 5 calendar days of the rating.

CARRIER REPRESENTATIVE'S PRINTED NAME <b>Rob Pollard</b>	TITLE <b>Manager</b>	DRIVER LICENSE NUMBER AND STATE
CARRIER REPRESENTATIVE'S SIGNATURE 	CURRENT CARRIER RATING <b>SATISFACTORY</b>	DATE <b>12/09/14</b>

Destroy previous editions

CHP-D 10-99 JLB

**ATTACHMENT B - Available Processing Capacity Letter (Organics)**



**Napa Recycling & Waste Services**  
**P.O. Box 239**  
**Napa, CA 94559**  
**(707) 256-3500 Phone**  
**(707) 256-3565 Fax**

December 5, 2017

Chris Valbusa, General Manager  
Alameda County Industries  
610 Aladdin ave, San Leandro, CA 94577

Napa Recycling & Waste Services, LLC  
820 Levittin way, Napa, Ca. 94558  
Greg Kelley, Facility Operator and onsite contact

Napa Recycling & Waste Services facility would process the inbound material from Castro Valley Sanitary District by grinding, putting it in an aerated static pile, composting and screening it. The finished product will be 3/8" certified organic compost.

All inbound material is weighed through our certified public scale. Material will be weighed and tracked separately under Castro Valley Sanitary Districts own account. We will be able to track the tonnage from reports ran by the scale. All inbound material is processed over a sorting line where the material travels across disc screens to remove fines. The material is then sorted for contamination and fed into a stationary grinder for size reduction. It is then moved out to active composting.

Attached is a copy of the facilities Solid Waste Facility Permit and contact information.

Currently the facility is processing 100,000 tons of organic material per year. The facility permit allows a total of 180,000 tons per year, so we have the capacity to receive 80,000 more tons on an annual basis.

Napa Recycling contractually can commit to receiving the 10,000 plus tons of organic collected material from Castro Valley Sanitary District and would be willing to sign a 10 year commitment. In the contractual commit all fees and annual CPI increases will be identified. We are proposing a starting tipping fee of \$50 per ton at the start of May 2019.

Please feel free to contact me at 707-287-1961 if you have any additional requirements.

Thank you,

A handwritten signature in black ink, appearing to read 'Greg Kelley', is written over a horizontal line.

Greg Kelley  
General Manager

ATTACHMENT C - Billing Samples  
 ACI - City of Alameda Multi-Family statement sample.



**INVOICE  
& STATEMENT**

Customer Service  
 M - F, 7am - 6pm

2307 Blanding Ave. Ste. B  
 Alameda, CA 94501

510.483.1400 *main*  
 510.357.7329 *fax*  
 www.alamedacountyindustries.com

ACCT. NO.	ACCOUNT NAME	INV. DATE	INV. NO.	SERVICE PERIOD
025295	ALAMEDA APIS LLP	08/31/2012	0000626423	08/01/12-08/31/12

Service Date	Description	Quantity	Rate	Amount
	PAYMENT - #1944			341.73
	PAYMENT - #1954			373.81
<b>[REDACTED]</b>				
08/01/12-08/31/12	2 YD GARBAGE	1.00	251.56	251.56
08/01/12-08/31/12	ORGANICS MULTI-FAMILY MONTHLY	15.00	2.86	42.90
08/01/12-08/31/12	RECYCLING MULTI-FAMILY MONTHLY	15.00	4.29	64.35
	<b>Subtotal:</b>			<b>358.81</b>

**Total New Charges: 358.81**

We offer paperless invoicing - see back of remittance stub for more information.  
 We also offer autopay - see our website or call our office for more information.

BALANCE FWD	PAYMENTS	ADJUSTMENTS	NEW CHARGES	ACCOUNT BALANCE
\$715.54	(\$715.54)	\$0.00	\$358.81	\$358.81

PLEASE RETURN BOTTOM PORTION WITH PAYMENT



P.O. Box 1629  
 San Leandro, CA 94577-0389

INVOICE #: 0000626423

<b>ACCT. #:</b>	025295
<b>AMT. DUE:</b>	\$358.81
<b>AMT. PAID:</b>	



ALAMEDA COUNTY INDUSTRIES  
 610 ALADDIN AVE  
 SAN LEANDRO CA 94577-4302



**INVOICE  
& STATEMENT**

Customer Service  
M - F, 7am - 6pm

2307 Blanding Ave. Ste. B  
Alameda, CA 94501

510.483.1400 *main*  
510.357.7329 *fax*  
www.alamedacountyindustries.com

ACCT. NO.	ACCOUNT NAME	INV. DATE	INV. NO.	SERVICE PERIOD
014414	REUTER, REYNETTE & GREG	08-25-2012	0000622886	07-01-12-09-30-12

Service Date	Description	Quantity	Rate	Amount
	PAYMENT #1211			-94.35
07-01-12-09-30-12	32 GAL IWM SERVICE	1.00	99.07	99.07
			<b>Subtotal:</b>	99.07
			<b>Total New Charges:</b>	99.07

We offer paperless invoicing - see back of remittance stub for more information.  
We also offer autopay - see our website or call our office for more information.

BALANCE FWD	PAYMENTS	ADJUSTMENTS	NEW CHARGES	ACCOUNT BALANCE
\$94.35	(\$94.35)	\$0.00	\$99.07	\$99.07

PLEASE RETURN BOTTOM PORTION WITH PAYMENT



P.O. Box 1629  
San Leandro, CA 94577-0389

INVOICE #: 0000622886

<b>ACCT. #:</b>	014414
<b>AMT. DUE:</b>	\$99.07
<b>AMT. PAID:</b>	



ALAMEDA COUNTY INDUSTRIES  
P.O. BOX 1629  
SAN LEANDRO CA 94577-0389



**INVOICE  
& STATEMENT**

2307 Blanding Ave. Ste. B  
Alameda, CA 94501

Customer Service  
M - F, 7am - 6pm

510.483.1400 main  
510.357.7329 fax

www.alamedacountyindustries.com

ACCT. NO.	ACCOUNT NAME	INV. DATE	INV. NO.	SERVICE PERIOD
027911	453000 EDWARD JONES	08/31/2012	0000626065	08-01-12-08-31-12

Service Date	Description	Quantity	Rate	Amount
	PAYMENT - #3802549			-23.05

08/01/12-08/31/12	96 GAL. COMMINGLED REC'N/C	1.00	0.00	0.00
08/01/12-08/31/12	32 GAL. COMMERCIAL GARBAGE	1.00	23.05	23.05
			<b>Subtotal:</b>	23.05
			<b>Total New Charges:</b>	23.05

We offer paperless invoicing - see back of remittance stub for more information.  
We also offer autopay - see our website or call our office for more information.

BALANCE FWD	PAYMENTS	ADJUSTMENTS	NEW CHARGES	ACCOUNT BALANCE
\$23.05	(\$23.05)	\$0.00	\$23.05	\$23.05

PLEASE RETURN BOTTOM PORTION WITH PAYMENT



P.O. Box 1629  
San Leandro, CA 94577-0389

INVOICE #: 0000626065

<b>ACCT. #:</b>	027911
<b>AMT. DUE:</b>	\$23.05
<b>AMT. PAID:</b>	



ALAMEDA COUNTY INDUSTRIES  
610 ALADDIN AVE  
SAN LEANDRO CA 94577-4302

Printed on recycled paper. Please recycle again!



610 Aladdin Avenue  
San Leandro, CA 94577

**INVOICE  
& STATEMENT**

Customer Service  
M - F, 7am - 5pm

510.357.7282 *main*  
510.357.7329 *fax*

www.alamedacountyindustries.com

ACCT. NO.	ACCOUNT NAME	INV. DATE	INV. NO.	SERVICE PERIOD
021995	ADAMS ADAMS & MORRIS, INC	08/31/2012	0000508847	08.01.12-08.31.12
Service Date	Description	Quantity	Rate	Amount
	PAYMENT #84206			-905.16

08/01/12-08/31/12	2 YD COMMINGLED RECYCLING - MF	1.00	0.00	0.00
08/01/12-08/31/12	3 YD GARBAGE MULTI-FAMILY	1.00	558.04	558.04
08/01/12-08/31/12	MULTI-FAMILY RECYCLING	29.00	8.35	242.15
08/01/12-08/31/12	PUSH CHARGE 141-160 FT	1.00	104.97	104.97
<b>Subtotal:</b>				905.16
<b>Total New Charges:</b>				905.16

We offer paperless invoicing - see back of remittance stub for more information  
We also offer autopay - see our website or call our office for more information.

BALANCE FWD	PAYMENTS	ADJUSTMENTS	NEW CHARGES	ACCOUNT BALANCE
\$905.16	(\$905.16)	\$0.00	\$905.16	\$905.16

PLEASE RETURN BOTTOM PORTION WITH PAYMENT



610 Aladdin Avenue  
San Leandro, CA 94577

INVOICE #: 0000508847

ACCT. #:  
021995

AMT. DUE:  
\$905.16

AMT. PAID:



ALAMEDA COUNTY INDUSTRIES  
610 ALADDIN AVE  
SAN LEANDRO CA 94577-4302



**INVOICE  
& STATEMENT**

610 Aladdin Avenue  
San Leandro, CA 94577

Customer Service  
M - F, 7am - 5pm

510.357.7282 *main*  
510.357.7329 *fax*  
www.alamedacountyindustries.com

ACCT. NO.	ACCOUNT NAME	INV. DATE	INV. NO.	SERVICE PERIOD
010108	SANCHEZ, PETER	08/25/2012	0000505263	07/01/12-09/30/12

Service Date	Description	Quantity	Rate	Amount
	PAYMENT - #325			-56.53
07/01/12-09/30/12	20 GAL. GARBAGE RESIDENTIAL	1.00	59.64	59.64
<b>Subtotal:</b>				59.64
<b>Total New Charges:</b>				<b>59.64</b>

We offer paperless invoicing - see back of remittance stub for more information.  
We also offer autopay - see our website or call our office for more information.

BALANCE FWD	PAYMENTS	ADJUSTMENTS	NEW CHARGES	ACCOUNT BALANCE
\$56.53	(\$56.53)	\$0.00	\$59.64	\$59.64

PLEASE RETURN BOTTOM PORTION WITH PAYMENT



P.O. Box 2137  
San Leandro, CA 94577-2137

INVOICE #: 0000505263

<b>ACCT. #:</b>	010108
<b>AMT. DUE:</b>	\$59.64
<b>AMT. PAID:</b>	



ALAMEDA COUNTY INDUSTRIES  
P.O. BOX 2137  
SAN LEANDRO CA 94577-0213



610 Aladdin Avenue  
San Leandro, CA 94577

**INVOICE  
& STATEMENT**

Customer Service  
M - F, 7am - 5pm

510.357.7282 *main*  
510.357.7329 *fax*  
www.alamedacountyindustries.com

ACCT. NO.	ACCOUNT NAME	INV. DATE	INV. NO.	SERVICE PERIOD
022605	ACCENT BUILDING RESTORATION	08/31/2012	0000508622	08/01/12-08/31/12
Service Date	Description	Quantity	Rate	Amount
07/13/12-08/31/12	1 YD GARBAGE	1.00	108.60	175.16
07/13/12-08/31/12	64 GAL COMMINGLED REC N/C	1.00	0.00	0.00
<b>Subtotal:</b>				175.16
<b>Total New Charges:</b>				175.16

We offer paperless Invoicing – see back of remittance stub for more information.  
We also offer autopay – see our website or call our office for more information.

BALANCE FWD	PAYMENTS	ADJUSTMENTS	NEW CHARGES	ACCOUNT BALANCE
\$0.00	\$0.00	\$0.00	\$175.16	\$175.16

PLEASE RETURN BOTTOM PORTION WITH PAYMENT



610 Aladdin Avenue  
San Leandro, CA 94577

INVOICE #: 0000508622

ACCT. #:  
022605

AMT. DUE:  
\$175.16

AMT. PAID:



ALAMEDA COUNTY INDUSTRIES  
610 ALADDIN AVE  
SAN LEANDRO CA 94577-4302

Printed on recycled paper. Please recycle again!



**ATTACHMENT D - Labor Agreements**

**ACI Local 70 CBA**

**ACI Warehouse Union Local No. 6 ILWU CBA**

**Machinists Automotive Trade District, Lodge No. 190 CBA**

AGREEMENT BETWEEN  
TEAMSTERS LOCAL 70



AND



July 1, 2017 through June 30, 2022

Contents

ARTICLE 1 EMPLOYMENT OF UNION MEMBERS ..... 8

    Section 1.1 Recognition:..... 8

    Section 1.2 Union Security: ..... 8

ARTICLE 2 HIRING PROCEDURE ..... 9

    Section 2.1 Hiring Hall Standards:..... 9

ARTICLE 3 SHOP STEWARDS ..... 10

ARTICLE 4 PROTECTION OF RIGHTS..... 11

    Section 4.1 Prohibition of Strikes and Lockouts:..... 11

    Section 4.2 Picket Line:..... 11

ARTICLE 5 SENIORITY AND LAYOFFS ..... 12

    Section 5.1 Establishing Seniority ..... 12

    Section 5.2 Seniority Lists..... 12

    Section 5.3 Application of Seniority ..... 12

    Section 5.4 Notice of Lay-Off..... 13

    Section 5.5 Rules for Voluntary Layoff..... 13

    Section 5.6 Rehire Procedure..... 13

    Section 5.7 Filling All Positions..... 13

    Section 5.8 Bidding..... 14

    Section 5.9 Job Seniority in Reassignment..... 16

    Section 5.10 Route Disputes ..... 17

    Section 5.11 Temporary Vacancies ..... 17

    Section 5.12 Casual Pool Employees..... 18

    Section 5.13 Franchise Agreement..... 18

    Section 5.14 Integrated Seniority..... 19

    Section 5.15 Collection Route Structure: ..... 19

ARTICLE 6 MINIMUM DAILY RATES ..... 20

    Section 6.1 Classifications and Rates of Pay..... 20

    Section 6.2 General Provisions Applicable to Wages..... 21

    Section 6.3 Shift Premium ..... 21

    Section 6.4 Job Descriptions..... 21

    Section 6.5 Hours of Work and Starting Times: (All Employees except Transfer Truck Drivers, Utility and Operators) ..... 23

Section 6.6	Meal and Rest Breaks .....	24
Section 6.7	Starting Times, Shifts and Meal Periods for Transfer Truck Drivers, Operators, and Utility Employees: .....	25
Section 6.8	Inability to Report to Work (All Employees).....	26
Section 6.9	Overtime:.....	27
Section 6.10	Special or Emergency Work:.....	29
Section 6.11	.....	29
Section 6.12	.....	29
ARTICLE 7	COST OF LIVING ADJUSTMENT.....	30
ARTICLE 8	WORK JURISDICTION.....	31
Section 8.1	Jurisdiction.....	31
Section 8.2	Work Premises.....	31
Section 8.3	Work Preservation.....	31
Section 8.4	Materials.....	31
Section 8.5	New Methods.....	32
Section 8.6	Geographical.....	32
Section. 8.7	Restriction .....	32
Section 8.8	Exclusive Jurisdiction .....	32
ARTICLE 9	VACATIONS.....	32
Section 9.1	Vacations .....	32
Section 9.2	Pro-rated Vacations:.....	33
Section 9.3	Payment.....	33
Section 9.4	Formula.....	33
Section 9.5	Usage Requirement.....	33
Section 9.6	Rescheduling.....	34
Section 9.7	Military Clause .....	34
Section 9.8	Posting .....	34
Section 9.9	Single Day Increments .....	34
Section 9.10	F.E.L. Provision.....	34
Section 9.11	Effect of Leaves on Vacation and Holidays.....	34
ARTICLE 10	HOLIDAYS.....	34
Section 10.1	Payment.....	35
Section10.2	Designation.....	35
Section 10.3	Eligibility .....	36

ARTICLE 11	HEALTH AND WELFARE .....	36
Section 11.1	Plan .....	36
Section 11.2	Payment .....	36
Section 11.3	Posting Notice .....	36
Section 11.4	Eligibility .....	36
Section 11.5	Injury or Illness .....	37
Section 11.6	Maintenance of Benefits .....	37
Section 11.7	Extended Eligibility for Dependents upon Death .....	37
ARTICLE 12	PENSIONS .....	38
Section 12.1	Employer Contributions .....	38
Section 12.2	Payments during Period of Absence .....	39
Section 12.3	Definition of Regular Employee .....	40
Section 12.4	Delinquent Contributions .....	40
Section 12.5	Posting Notice .....	40
ARTICLE 13	HEALTH AND WELFARE, PENSION, PAYROLL AND DUES DELINQUENCIES 40	
ARTICLE 14	GRIEVANCE PROCEDURE .....	41
Section 14.1	Conciliation .....	41
Section 14.2	Handling of Discharges or Suspensions .....	42
Section 14.3	Selection of an Arbitrator .....	43
Section 14.4	Limitations of Arbitrator's Authority .....	44
Section 14.5	The Compensation of the Arbitrator .....	44
Section 14.6	Agreement .....	44
ARTICLE 15	SICK/PERSONAL LEAVE .....	44
Section 15.1	Effective .....	44
Section 15.2	Anniversary .....	44
Section 15.3	New Hires .....	44
Section 15.4	P.T.O. .....	45
Section 15.5	Integration .....	45
Section 15.6	Payment .....	45
Section 15.7	Injury .....	45
Section 15.8	Bank .....	45
Section 15.9	Cash-Out .....	45
ARTICLE 16	ABSENCE AND TARDINESS PROGRAM .....	45

Section 16.1	Program .....	45
ARTICLE 17	LEAVE OF ABSENCE .....	47
Section 17.1	Approved Leave .....	47
Section 17.2	Effect on Vacation and Holidays .....	48
Section 17.3	Health and Welfare When On Leave .....	48
ARTICLE 18	TRANSITIONAL WORK PROGRAM .....	48
Section 18.1	Physician Designation .....	49
Section 18.2	Secondary Treater's .....	49
Section 18.3	Physician Designation Requirement .....	49
Section 18.4	Emergency .....	49
Section 18.5	AME or QME .....	49
Section 18.6	Medical Restrictions Compliance .....	49
Section 18.7	Bargaining Unit Work Restriction .....	50
Section 18.8	Employer Code of Ethics .....	50
Section 18.9	Employee Disqualification .....	50
Section 18.10	Employee Refuses T2R .....	50
Section 18.11	Time Limits .....	50
ARTICLE 19	JURY DUTY AND COMPANY WITNESS .....	51
Section 19.1	Scheduling .....	51
Section 19.2	Payment .....	51
Section 19.3	Company Witness .....	51
ARTICLE 20	BEREAVEMENT/FUNERAL LEAVE .....	51
ARTICLE 21	GENERAL PROVISIONS .....	51
Section 21.1	Equipment—Upkeep—Cleaning .....	51
Section 21.2	Time Clock .....	52
Section 21.3	Company Meetings .....	52
Section 21.4	Leasing and Independent Contractors .....	52
Section 21.5	Pay Period .....	52
Section 21.6	Money Receipt .....	52
Section 21.7	Maintenance of Sanitary Facilities .....	53
Section 21.8	Telephone Calls .....	53
Section 21.9	Inspection Privileges .....	53
Section 21.10	Physical Examination .....	53

Section 21.11	Bulletin Board .....	53
Section 21.12	Payroll Check Stubs.....	53
Section 21.13	Transportation.....	53
Section 21.14	Heavy Lifting .....	54
Section 21.15	Change of Address.....	54
Section 21.16	Profane Language .....	54
Section 21.17	GPS Evidence .....	54
Section 21.18	Missed Pick Ups .....	54
Section 21.19	Industrial Injury .....	54
Section 21.20	Discipline for Mixing Material .....	55
<b>ARTICLE 22</b>	<b>SAFETY REGULATIONS .....</b>	<b>55</b>
Section 22.1	Requirements .....	55
Section 22.2	Purpose and Corrective Penalties .....	55
Section 22.3	Incidents .....	57
<b>ARTICLE 23</b>	<b>COMMERCIAL DRIVER'S LICENSE.....</b>	<b>57</b>
Section 23.1	License Requirements .....	57
<b>ARTICLE 24</b>	<b>DISCRIMINATION.....</b>	<b>58</b>
Section 24.1	Union Activities.....	58
Section 24.2	Non-Disabling Handicap .....	58
Section 24.3	Blacklisting.....	58
Section 24.4	Fair Employment .....	58
Section 24.5	Harassment.....	58
<b>ARTICLE 25</b>	<b>MAINTENANCE OF STANDARDS.....</b>	<b>58</b>
Section 25.1	Commitment.....	58
Section 25.2	Extra Contract Agreements .....	59
Section 25.3	New Equipment.....	59
<b>ARTICLE 26</b>	<b>MANAGEMENT RIGHTS.....</b>	<b>59</b>
<b>ARTICLE 27</b>	<b>TRANSFER OF COMPANY TITLE OR INTEREST .....</b>	<b>59</b>
Section 27.1	Obligations.....	59
Section 27.2	Liability .....	59
<b>ARTICLE 28</b>	<b>DUES CHECK OFF.....</b>	<b>60</b>
Section 28.1	DRIVE .....	60
<b>ARTICLE 29</b>	<b>DRUG AND ALCOHOL TESTING .....</b>	<b>61</b>
Section 29.1	Preamble .....	61

Section 29.2	Employees Who Must Be Tested.....	62
Section 29.3	Medical Review Officer.....	62
Section 29.4	Substance to Be Tested .....	63
Section 29.5	Types of Testing Required .....	64
Section 29.6	Random Testing.....	66
Section 29.7	Positive Test Results from Random Testing .....	66
Section 29.8	Rehabilitation and Testing After Returning to Duty.....	68
Section 29.9	Preparation for Urine Drug Testing .....	68
ARTICLE 30	GENERAL SAVINGS CLAUSE.....	71
Section 30.1	Unlawful Provision.....	71
Section 30.2	Legislation Regulation Act .....	71
ARTICLE 31	TERM OF AGREEMENT .....	72
APPENDIX A	– Wage Equalization.....	73
APPENDIX B	- Vacation Scheduling.....	75
MEMORANDUM OF UNDERSTANDING	.....	76
MEMORANDUM OF UNDERSTANDING	.....	77



AGREEMENT BETWEEN  
TEAMSTERS LOCAL 70  
AND  
ALAMEDA COUNTY INDUSTRIES, INC.  
OF ALAMEDA COUNTY

Preamble

THIS AGREEMENT, covering the period July 1, 2017 through June 30, 2022, by and between ALAMEDA COUNTY INDUSTRIES, INC. OF ALAMEDA COUNTY, INC. and all divisions thereof; and applicable sub-companies thereof, party of the first part hereafter referred to as the "Employer" (except for such work as is excluded by law), and THE BROTHERHOOD OF THE TEAMSTERS LOCAL NO. 70, hereinafter referred to as the "Union."

It is acknowledged that the Employer is a wholly-owned subsidiary of Alameda County Industries, Inc., which in turn owns and/or controls other business operations within its corporate structure. In the event the business operations covered by this Agreement are assigned to any such affiliate, the appropriate name will be substituted as the "Employer," but the provisions of this Agreement shall continue to be applicable to the work covered by this Agreement. It is understood and agreed that this Collective Bargaining Agreement is applicable only to those operations and employees of the Employer which are covered hereunder and which are located within Alameda County, California.

The separate Recycling Agreement previously in effect between the Employer and the Union has been incorporated into this Agreement. The rights of the recycling employees and their employment terms and conditions shall be as defined in this Agreement.

ARTICLE 1           EMPLOYMENT OF UNION MEMBERS

Section 1.1           Recognition:

The Employer recognizes the Union as the exclusive bargaining representative for all employees covered by this Agreement.

Section 1.2           Union Security:

It shall be a condition of employment that any employee covered by this Agreement shall apply for union membership on or by the completion of his thirtieth (30th) day of employment. Such employee shall then be eligible for membership in the Union and shall maintain his membership in good standing as a condition of continued employment.

All employees covered by this Agreement must maintain their membership in the Union in good standing as a condition of continued employment. The Employer shall notify the union of all new hires within one (1) week of the new hire's start date and the Employer shall discharge any employee covered by this Agreement within seven (7) days after receipt of written notice from the

Union that said employee has not become or remained a member in good standing. This section will be administered in a manner conforming to all legal requirements.

## ARTICLE 2      HIRING PROCEDURE

### Section 2.1      Hiring Hall Standards:

Alameda County Industries, Inc. Alameda County Industries, Inc. and the Union recognize the necessity of having available at all times a supply of competent employees with experience in the scavenger industry in the geographical area.

- A. There shall be a Pool of casuals established to cover absentees. This Pool shall consist of not more than 9% of the workforce excluding casuals. The purpose of the Casual Pool is to break in on garbage and recycling collection routes, and shall be used in filling unscheduled vacancies and/or vacation relief for residential recycling before notifying the Union or its lifting Hall. The list of Pool casuals will be mutually agreed to between the Company and the Union.

Casual pool employees will be required to pay the current Hiring Hall fee for any month in which they work. The Union will provide signed authorizations for each employee in connection with. Article 28.

Except in case of emergency, the Company shall advise the Union three (3) working days in advance of the name of any person that the Company intends to add to or delete from the casual pool list. Except upon objection by the Union for good cause shown, the Company shall be free to make such additions or depletions upon completion of the three (3) working day period.

- B. Whenever the Employer requires pool or regular workers, he shall notify the Union or its Hiring Hall, stating the location, the type of Work to be performed and the number of workers required.
- C. The Union or its Hiring Hall will refer applicants to the Employer by written referral slip. Such referral shall be on a non-discriminatory basis and shall not be influenced or affected by considerations of union membership, bylaws, rules, regulations, constitutional provisions, or any other aspect of union policies or requirements. The Hiring Hall will comply with the following procedures in making such referrals.
1. The Union or its Hiring Hall shall maintain a single list of applicants for jobs, which shall be in the order of sign-ups.
  2. Referrals shall be made in the order of sign-ups on the foregoing list.
  3. The Union and its Hiring Hall shall have forty-eight (48) hours after notice from the Employer to nominate and refer applicants for pool or regular positions.

4. The Employer shall not have the right to reject any applicant except for reasonable and non-discriminatory grounds, but the Employer can be made to justify its action.
  5. If the Employer calls the Union or its Hiring Hall for a particular worker by name who has previously been employed by the Employer and such worker is available for employment, he shall be dispatched to the Employer regardless of his position on the list.
  6. In the event that the Union or its Hiring Hall is unable to furnish applicants, the Employer shall then have the right to obtain employees from any other available source providing that such employees, prior to employment, must obtain a proper written referral from the Union.
- D. The foregoing procedures shall be exclusively followed in hiring. Violations of the above article shall afford the Brotherhood of Teamsters, Local 70, the right to take appropriate action under the grievance procedure or to take economic action, notwithstanding any other provisions in this Agreement.

### ARTICLE 3 SHOP STEWARDS

The Employer recognizes the right of the Local Union to appoint or to elect job stewards and alternates from the Employer's seniority lists. The authority of job stewards and alternates so designated by the Local Union shall be limited to and shall not exceed, the following duties and activities:

- A. The investigation and presentation of grievances with his Employer or the designated company representative in accordance with the provisions of the collective bargaining agreement.
- B. Shall be authorized to check the dues books or cards of other employees and the referral slips of all new employees.
- C. The transmission of such messages and information, which shall originate with, and are authorized by the Local Union, or its officers, provided such messages and information:
  1. Have been reduced to writing, or;
  2. If not reduced to writing, are of a routine nature and do not involve work stoppages, slow-downs, refusal to handle goods or any other interference with the Employer's business.

Job Stewards and alternates have no authority to take strike action, or any other action interrupting the Employer's business except as authorized by official action of the Local Union. The Employer recognizes these limitations upon the authority

of job stewards and their alternates and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the shop steward has taken unauthorized strike action, slow down or work stoppage in violation of this Agreement.

Stewards shall be permitted reasonable time to investigate, present and process grievances on the company property without loss of time or pay during his regular working hours; and where mutually agreed to by the Union and the Employer, off the property or other than during his regular schedule without loss of time or pay.

In addition to the foregoing stewards and alternate, or Assistant Stewards, there shall be one Company-wide Chief Steward to be elected by the Union. He shall be called in on all grievances and/or disputes that are not settled or resolved by the regular Stewards; and if not resolved at that point, he will also be present with the appropriate Union Officials in the further resolving of the dispute or grievances and shall participate in all negotiations.

There shall be no form of discrimination or unfair treatment of any Shop Steward for upholding Union principles or conditions of this Agreement.

#### ARTICLE 4 PROTECTION OF RIGHTS

##### Section 4.1 Prohibition of Strikes and Lockouts:

There shall be no strikes or lockouts, during the term of this Agreement except as expressly permitted by Article 13 and Article 14, Section 14.3 of this Agreement. Nothing in this provision shall be interpreted or applied to affect or otherwise diminish the exercise of the rights provided in Article 4 of this Agreement. However, the Union shall not institute a strike or other work stoppage at a Company facility in Alameda County in support of a union or that union's position in the absence of a primary, sanctioned picket line arising out of the union's dispute with the Company.

##### Section 4.2 Picket Line:

The parties recognize that the Employer is contractually obligated to collect and dispose of all garbage and other waste materials produced within the communities which it serves. The contractual obligations involve the public health and safety.

The parties also recognize the right of employees to decide for themselves whether to go through or work behind a picket line,

It is therefore agreed that it shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action or permanent replacement in the event an employee refuses to enter upon any property involved in a labor dispute or refuses to go through or work behind any primary picket line, including the primary picket line of Union party to this Agreement, and including primary picket lines at the Employer's places of business that are sanctioned by Teamsters Joint Council No. 7.

## ARTICLE 5 SENIORITY AND LAYOFFS

### Section 5.1 Establishing Seniority

Seniority shall be attained following the third (3rd) calendar month after the completion of training, defined as when the employee performs work on route without a trainer. Training shall not exceed seven (7) weeks. Upon obtaining seniority, his seniority date shall be his first day of employment and the individual shall be considered a regular employee.

### Section 5.2 Seniority Lists

The Employer shall maintain a Master Seniority List of all employees covered by this Agreement and such list shall be numbered in numerical order commencing with the most senior employee. Correct copies shall be posted at each division and mailed to the union annually at the start of each calendar year or upon request of the Union. Copies shall be delivered to the Union on an alternating basis, first an alphabetical list, and second a seniority order list, which includes name, address, telephone number, hire date, birth date and the last four (4) digits of the social security number.

Benefit entitlement of all employees for the purpose of vacation accruals under this Agreement shall be determined by the employee's original date of hire with the Employer.

For purposes of exercising seniority on positions under this Agreement, employees hired or working under the Recycling Agreement prior to July 1, 1993 shall have an established date of July 1, 1993. Their original date of hire shall determine seniority rights of recycling employees in relation to other recycling employees.

Recycling employees with a seniority date of July 1, 1993 may not be displaced/bumped by Solid Waste employees, likewise Solid Waste employees with seniority date prior July 1, 1993 may not be displaced/bumped by Recycling employees.

The merged garbage collection and Recycling seniority roster shall identify an employee's established bidding rights date as well as their seniority date.

### Section 5.3 Application of Seniority

In the reduction of forces due on the slackness of work, the last employee hired shall be the first employee laid off, and in re-hiring, the last employee laid off shall be the first employee re-hired until the list of former employees is exhausted. Seniority shall be considered broken by:

1. Discharge for just cause;
2. Resignation—any resignation under this Agreement must be made in the presence of a business agent or shop steward;
3. Thirty-six (36) consecutive months of unemployment;

4. Failure to report without just cause to a recall lay-off or unauthorized absence within three (3) days excluding Saturdays; Sundays and holidays. Authorized leaves of absence or temporary lay-offs shall not interrupt the continuity of seniority.

1. The Employer shall follow the notification procedures for unauthorized absence in Appendix B.

#### Section 5.4 Notice of Lay-Off

The Employer shall not layoff any seniority employees without proper justification and shall give one week prior notification of such lay-off to the Union. All seniority employees are to be given written notice and notice posted on a bulletin board of impending lay-offs, not later than one week prior to the effective date of the commencement of such lay-offs.

#### Section 5.5 Rules for Voluntary Layoff

During any periods during which seniority employees are on layoff full-time, seniority employees will be granted voluntary layoffs in one (1) week increments. The Union shall establish a system for distribution of voluntary layoff when the applicants exceed the II-ember of weeks available.

An employee requesting a voluntary layoff must make such request at least two (2) weeks in advance. Before a request can be granted, there must be a trained and qualified laid off employee who is available to work in place of the employee wishing to take a voluntary layoff Any employee granted a voluntary layoff must be available for immediate recall if needed, provided he is not out of town. This provision for voluntary layoffs may be eliminated altogether if the Company demonstrates significant operational problems.

#### Section 5.6 Rehire Procedure

In the event of a lay-off, an employee so laid off shall be restored to duty according to seniority provided he reports to the call of the Employer which shall be communicated to the employee at his last known address (as filed with the Employer) by telephone and certified mail, and to the Local Union by telephone and certified mail, and reports for duty within seventy-two (72) hours exclusive of Saturdays, Sundays or holidays from the time of the dispatch of said call. The giving of said call shall fulfill the obligation of the Employer under the provisions of this Agreement. If at the time the employee is laid off he is notified in writing of the time and place to return to work the Employer need not make the telephone call or send the certified mail to the employee.

Laid off garbage employees shall be entitled to casual daily work before casual pool employees can be used. The Company will make work available by seniority and by telephone notification as soon as the need arises. They will be paid the rate provided for in Article 6, Section 6.1. All benefits for any classification worked by laid off garbage men will be at the higher garbage level. Laid off regular employees will also be used for scheduled absences. Laid off employees may elect to be on lay off, however, they will retain all seniority rights including bidding rights.

#### Section 5.7 Filling All Positions

Seniority shall be adhered to in filling positions under this Agreement. Employees working other classifications under the jurisdiction of this Agreement shall be given reasonable trial on the basis

of seniority to qualify for such positions. During such trial period, the employee will be compensated at the highest classification actually worked.

Section 5.8 Bidding

- A. **Bidding:** All jobs and classifications will be subject to a direct bid. Wherever a permanent vacancy occurs, it shall be posted at each barn on a mutually acceptable form for a period of five (5) working days by 8:00 a.m. Wednesday and conclude at 8:00 a.m. the following Wednesday (except in cases where Wednesday is a non-working Holiday and then posting shall start at 8:00 a.m. Tuesday and conclude at 5:00 p.m. the following Tuesday). At the conclusion of the posting period, the Employer shall award the position to the qualified bidder with the greatest seniority. License requirements must be met prior to the conclusion of the bidding period. The position vacated by the successful bidder shall be posted in the same manner.
- B. **Bidding Procedure:** Bid forms are to be in triplicate form and must be filled out completely by the bidder. The bidder must place the white copy in the Companywide bid box and the pink copy in the Local Steward's box. The bidder may retain the yellow copy.

It is the responsibility of the bidder to obtain all information related to position(s) and rate(s) of pay for position(s) prior to bidding on the position(s).

A person may bid while on vacation. If the person is out of town on vacation, the person may bid by contacting the Chief Steward or responsible Company official or Local Steward to request that a bid be submitted for that person. To be effective this must be done prior to the collection of bids, and in the presence of the Chief Steward or Local Steward and a Company official.

Bidders who are off work due to illness or injury must provide a doctor's note within seven (7) days of the close of the bidding period that indicates the bidder will be released to full duty within thirty (30) days to be awarded the bid and provides the date of return. An employee awarded a bid under this provision must be released to full duty without restrictions. Failure to comply with these requirements will result in the employee being reassigned to the pool.

Bid cancellation forms must be obtained from a manager, be signed by the employee, and placed in the bid box prior to the expiration of the bid.

The Chief Steward shall be responsible for collecting all Company-wide bids from each location every Monday, and processing bids with the designated Company official to determine successful bidder(s). The designated Company official shall be responsible for posting all bid notices and awards on bulletin boards.

- C. **Determining Seniority in Tiebreaker Situations:** In the event of a tie in seniority between employees with seniority dates prior to June 30, 2003, bidding for the same position, the tie shall be broken alphabetically by last name. In the event of a tie between employees with seniority dates of June 30, 2003, or later, bidding for the same

position, the tie shall be broken by drawing lots. When bidding for the same position, the 1993 recycle employees shall use their original date of hire in relation to each other to determine the person with the greatest seniority.

- D. Seniority In Assignment Of Commercial Work In Drop Box/Roll Off Work: The parties are in agreement in principle that seniority rights should, prevail in the assignment of commercial work in drop box/roll off work. The parties will negotiate appropriate rules and practices to implement this principle, recognizing that there are practical problems to resolve to ensure that the work will be handled efficiently. Negotiations for this purpose will, from time to time, be instituted upon thirty (30) days written notice from the Union. If mutually acceptable procedures are not in place within sixty (60) days after such negotiations begin, the Matter shall be referred to Article 14, Grievance Procedure.
- E. Drop Box Vacation Relief Drivers: Drop box vacation relief drivers shall be obtained from the commercial pool.
- F. Disqualifications: The Employer will not disqualify an employee from holding down a higher paid classification except for just cause.
- G. The Employer will reject the bid of any employee who has successfully bid, within the previous eight (8) month period, except when the Employer opens a new classification or operation, openings for premium jobs such as Drop Box and Transfer, or and in the application of Article 5, Section 5.8(1).
- H. There is no eight (8) month limitation or any limitation for the purpose of bidding into premium positions such as Transfer/Drop Box driving positions. However, there is an eight (8) month limitation for bidding from a premium position to any classification other than a premium position.
- I. The eight (8) month limitation in this Agreement shall be waived regarding changes in operation similar to the 1996 Oakland change. Application of seniority in these situations will be determined by the Union.
- J. Incapacitated Driver or Helper: Any employee who through no fault of his own is no longer able to perform his work with the company shall be permitted to bid pursuant to Article 5, Section 5.8 without completing the eight (8) month waiting period.
- K. Any employee displaced from his division shall have the first right of return to that division' subject to the application of seniority among those affected employees. If a displaced employee bids to a permanent bid, he forfeits his right to return to the prior district.
- L. Employees holding down bid jobs or permanent assignments may relinquish their jobs, subject to mutual agreement between the Company and the Union, but in so doing will be placed in the workers' Pool, provided a vacancy exists.



**M. Casual Pool/Probationary Employee Bidding:**

1. Non-seniority employees are prohibited from bidding on Company-wide bids.
2. Company-wide bids with no successful bidders shall be re-posted waiving the eight (8) month limitation. In the event there is no successful bidder, the bid will be offered to probationary employees. All probationary employees shall be called together by the Company and the Union for an explanation of procedures and options available to them for such vacancies. In the event there are no probationary employees, the most junior casual pool employee will be assigned the bid.
3. Where two or more people have the same date of hire, seniority order will be determined by drawing lots. The seniority order that results from the drawing of lots shall determine the seniority order for all future competitive bidding.
4. For the purposes of acquiring seniority, when a probationary employee accepts a position offered to them pursuant Article 5, Section 5.8(M)(2) their effective seniority date shall be set as of the date he or she assumes that position. No person shall lose seniority because of delay. This shall not impact the probationary period set forth in Article 5, Section 5.1.
5. If a person accepts a position, he or she may not relinquish that position voluntarily for a period of eight (8) months. If he or she relinquishes the position, he or she will lose his or her advanced seniority.
6. When a bidder occupies the position, he or she will receive the full effective rate of pay.

**Section 5.9 Job Seniority in Reassignment**

Twenty (20) working days in a thirty (30) day period will establish seniority in a classification except for temporary or seasonal jobs, vacation relief, covering temporary leaves of absence, or covering absences in the Head Route Driver classification. Employees awarded a bid under this provision shall be paid at the higher rate of pay for their recently awarded bid as of the date they physically occupy the new bid and begin performing the work assigned the newly awarded bid. If an employee may be delayed by the Company in assuming a recently awarded bid for more than three (3) weeks, the Company shall notify the person awarded the bid, the Business Agent and Chief Steward.

An employee does not gain seniority in a classification except on a permanent bid.

Once an employee has established seniority in a classification and is reassigned to a lower paid classification, he shall continue to be compensated at the higher wage scale. However, when an employee at his own request is placed in a lower paid classification, he shall be paid at the rate of the lower classification. If the re-assignment is as a result of a layoff and through the displacement process the junior employee's final assignment is to work recycling, that employee may elect to be laid off they will be paid the rate provided for in Article 6, Section 6.1. These reassignments wage

applications do not apply to the everyday operation of the business. Regardless of which job the reassigned garbage employee works, he will maintain the higher garbage benefits.

Section 5.10 Route Disputes

Serious complaints pertaining to personal disputes or accusations of deliberate malingering and causing a hardship to fellow employees on any given route will be submitted to a grievance panel comprised of an equal number of Management and Union officials and attended by both the division shop steward and chief steward. Upon majority- vote of the panel, an employee may be taken off his bid, relocated or placed in the "Pool"

Section 5.11 Temporary Vacancies

A.

1. All temporary vacancies on garbage collection routes shall be covered by assignment from the pool within the division wherein the vacancy occurs. If no one accepts, it shall be assigned to the most junior qualified employee. Pool employees are expected to accept assigned work in conformity with their seniority.
2. Employees must complete their assignment to temporary vacancies unless they bid on to a permanent job.
3. When the temporary vacancy has been fulfilled, the employee shall be returned to the Pool in the Division from which he came. If another employee has been assigned to that Pool to fill his place, that person shall return to the Pool in the Division from which he came.

B. Each division can establish one residential and one commercial pool.

Each person in the commercial pool will be given primary responsibility to back up specific routes, and shall be assigned first to fill vacancies on those routes. If more than one back up route is available, the person may exercise his seniority to choose between routes. Otherwise vacancies shall be offered according to seniority. Backup drivers will work in the division residential pool if not needed for backup positions.

- C. Employees not on bid jobs and covering various assignments will be recognized as "Pool" employees.
- D. Vacation relief vacancies will be awarded by seniority choice from among the "Pool" employees of the terminal or location wherein such vacancy occurs except for drop box drivers and front end loader drivers.
- E. Seniority will be adhered to in classification assignments within the "pool" in each division or terminal, subject to driver's license restrictions and availability. Choice of assignments from the pool will be made at the starting times as provided for in Article 6, Section 6.5(D) and employees arriving after that time will take any work that remains as they appear.

- F. Seniority will be adhered to in the reassignment of employees to other terminals provided they are qualified and have been provided appropriate training. Training slots will be based on seniority.

Section 5.12 Casual Pool Employees

Casual Pool employees that gain seniority shall not be guaranteed five (5) days of employment a week but they shall be given employment preference over non-seniority casual pool employees.

Assignments of casual pool employees within a Division will be by seniority for employees who have attained seniority.

- A. The entry level position shall be the casual pool.
- B. Casual Pool employees shall be paid and receive benefits as provided for in this Agreement. All seniority pool employees will be paid the rate provided for in Article 6, Section 6.1 for all paid time off, such as paid vacation and paid sick leave.

Section 5.13 Franchise Agreement

- A. In the event the Employer is awarded a franchise or contract by any government entity located within Alameda County for the performance of work that would be covered by this Agreement if performed by the Employer, said work shall be covered by this Agreement upon its acquisition by the Employer. If such work was performed immediately prior to the award by employees represented by the Union, the following shall be applicable:
  - 1. The Employer will accept and hire the workforce previously performing the work to the extent required, and in accordance with seniority.
  - 2. Pre-existing seniority of said employees will be recognized by the Employer.
  - 3. Seniority employees who are disadvantaged because of the franchise or contract award shall be for a period of thirty-six (36) months after the actual implementation date of such work shall be entitled to exercise their seniority to obtain higher paid, full time or bid positions.
  - 4. The provisions stated above shall also be applicable to any franchises or contract awarded to any company affiliated with the Employer through common ownership and/or control at either the corporate or management level.
  - 5. Provided such other employer has adopted this language at its first Collective Bargaining Agreement opening following ratification of this agreement.
- B. In the event the Employer or any City or other governmental entity with which the Employer has a franchise agreement exercises a right under the franchise agreement that affects or may affect the job security of employees covered by this agreement, or the terms and conditions of employment of such employees, the Employer shall promptly give

written notice thereof to the Union. The Employer agrees to provide the Union with all relevant information relating to the issues between the Employer and the governmental entity involved. Nothing in the franchise agreement, however, nor in any modification or amendment thereto shall diminish or excuse the obligations of the Employer under this Agreement.

The provisions and procedures stated in this Section shall also apply to any review proceeding instituted by a governmental entity under a franchise agreement inquiring into the performance of the Employer under the franchise agreement, and/or the quality of the Employer's work under such agreement.

Section 5.14 Integrated Seniority

In the event of the sale, transfer or merger of companies, one or both of which are parties to this Agreement, the employees of the company or companies party to this Agreement will establish seniority in the new operation by integration based upon the original date of hire recognized by the last Employer. Such integration is to apply where the company operations or terminals involved in the sale, transfer or merger are entirely within the territorial jurisdiction of one Local Union covered by this Agreement.

Section 5.15 Collection Route Structure:

- A. Except when modified, as provided for in Article 5, Section 5.15C, the Employer will maintain the manning levels on existing garbage collection routes and supplement them when needed.
- B. Short Handed or Unmanned Trucks: Trucks/routes are not to be worked shorthanded. In the event a truck/route is short-handed or there is an open assignment, the existing practices shall apply. The parties will develop written guidance as soon as practicable after the signing of the Agreement. If a route truck is shorthanded, the driver in charge shall call the division office. The first two route trucks in that division to finish their routes shall be assigned to help the shorthanded truck, and they shall immediately go with their full crew to assist the shorthanded truck. The same two trucks (or workers) within a group and classification shall not be sent a second time until all other trucks (or workers) within that group and classification have had a turn helping shorthanded trucks. Any employee who fails to respond to such an assignment shall be subject to disciplinary action. No member of the crew shall be relieved of duty until the employee in charge has called in that his route has been completed. Employees who complete their bid and/or regular assignment and are then reassigned to perform any other available work, including short-handed or unmanned trucks, shall be paid the overtime rate for such work. Employees are required to proceed to their designated disposal site and reassignment shall begin as of the time the employee checks in at the disposal site or when otherwise directed to reassignment duties.
- C. The Employer further agrees that he will not substantially increase the workload of any employee, substantially alter its operation, or cause a reduction forces without prior discussion with the employees who are directly affected and written notification to the Union, with reasons for the manpower adjustment, and all pertinent information related to

such change on an ongoing basis until the change is complete. Such notification shall be given at least thirty (30) days in advance of the anticipated change. Should the notification be of a reduction in a work crew on a given route which would necessitate a route restructure, the Union will designate a route restructure committee consisting of not more than six (6) employees. The committee will meet with company designees within seven (7) days to discuss the planned adjustments. Such meetings shall take place at the beginning of the shift or upon completion of the route. The company may there under implement any changes or adjustments within the stated time limits. The combined route restructure committee will also be utilized to correct any overly heavy routes. Should there be a disagreement on the route restructure including a claim of overly heavy routes such dispute may be grieved.

- D. The Employer shall not adjust the number of employees permanently assigned to a route as a result of bidding the "Head Route Driver" classification, without prior consultation and explanation to the affected employees and the Union, establishing reasonable justification for the manpower adjustment.  
Such consultation and notification shall be at least thirty (30) days prior to the anticipated change. Replacements will be provided to cover all temporary absences so as not to cause temporary reductions in the number of employees on established garbage collection routes.
- E. Supplemental or special request work of more than four (4) cubic yards will be referred to the Employer and handled by job trucks. Violation of the above will not be permitted even if the violation is condoned by all employees on the route.
- F. "Forgots"— The Company shall use its best efforts to ensure that no employee is needlessly required to pick up forgots or alleged forgots after the employee has left the area of his route, provided the employee has called in upon the completion of his route,

**ARTICLE 6            MINIMUM DAILY RATES**

Employees will be paid at the highest paid classification worked on that day.

**Section 6.1            Classifications and Rates of Pay**

Effective July 1, 2017, the wage rates for each classification shall be as follows:

	<b>Hourly Rate</b>	<b>Overtime Rate</b>	<b>Daily Rate</b>
All Classifications except Casual/New Hire	\$36.47	\$54.70	\$291.76

Effective July 1, 2017 through June 30, 2022 wage rates- refer to Appendix A.

The following is applicable to all calculations referenced herein:

- A. Effective July 1, 2017, the rate shall be as follows:

First day of employment to end of probation period:	75% of the then current All Classification rate
After probation ends:	80% of the then current All Classification rate
13 months after probation ends:	90% of the then current All Classification rate
25 months after probation and thereafter:	100% of the then current All Classification rate

B. Existing Red Circled Head Route Drivers shall receive 6% above the All Classification rate.

C. From July 1, 2008, through July 1, 2011, all of the above charts are calculated at a CPI rate of 3.4%. If the consumer price index provided for in the agreement exceeds 3.4%, then the rates referenced herein shall be increased accordingly. Beginning July 1, 2012 through July 1, 2016, the applicable CPI rate will be 2.7%. If the consumer price index provided for in the agreement exceeds 2.7%, then the rates referenced herein shall be increased accordingly. Beginning July 1, 2017 through July 1, 2021, the applicable CPI rate will be 2.7%. If the consumer price index provided for in the agreement exceeds 2.7%, then the rates referenced herein shall be increased accordingly.

The Casual/New Hire rate does not apply once the employee begins his or her twenty-fifth month of employment after completion of probationary period.

#### Section 6.2 General Provisions Applicable to Wages

- A. Employees will be paid at the highest paid classification worked on that day.
- B. Any employee employed pursuant to the Garbage Agreement hired on or before the ratification date of the 1995 Extension Agreement shall be "red-circled" for the duration of his employment with the Company in the hourly rate applicable to his classification prior to the 1995 Extension Agreement. This red-circled rate shall be the hourly rate applicable to his/her classification as subsequently increased pursuant to the hourly wage increases effective November 20, 1995, and thereafter and by the COLA adjustments described below.

#### Section 6.3 Shift Premium

Ten percent (10%) over the basic hourly wage rate shall be paid for all work performed by employees assigned to night shifts. For all intents and purposes, such premium shall apply to all periods of time paid for but not worked (for example: vacations, holidays, sick leave, jury duty, funeral leave) that would have occurred during an employee's period of night shift employment.

#### Section 6.4 Job Descriptions

- A. Collection Route Driver—Drives, loads and unloads semi-automated trucks on curbside residential routes.
- B. Automated Trucks—Drives, loads, and unloads automated curbside residential truck or garbage and recycling or green waste in combination on curbside residential collection routes.

- C. Head Route Driver—Shuttles garbage collection truck from house to house on multi-man route and collects garbage and refuse; responsible for truck and route; collects money on special jobs and transmits payment for regular services when offered by customers; supervises crew daily on route; drives truck to and from landfill or transfer station; and washes out inside of truck box.
- D. Helper--Collects garbage and refuse and shuttles truck from house to house.
- E. Single-Man Truck Driver—Drives drop box, front end loader, bin truck, cherry picker, or works as combination driver.
- F. Driver—Drives garbage, green waste or recycling truck on non-established route (e.g., job trucks, etc.); collects garbage and refuse and hauls to and from dump, transfer station, recycling, depot, or other destinations.
- G. Commercial/Industrial Recycle Driver—Drives, loads and unloads recycle truck on assigned routes established for commercial and/or industrial recycling.
- H. Multi-Family--Drives, loads and unloads truck on collection routes consisting primarily, although not exclusively, of multi-family units.
- I. Green Waste Driver—Drives, loads and unloads truck on assigned collection routes established for collection of green waste/yard waste.
- J. Curbside Residential Recycle Driver—Drives, loads and unloads residential recycle truck on assigned routes established for curbside residential recycling.
- K. Medical Waste Driver—Drives, picks up and delivers, loads and unloads, medical waste products and shuttles medical waste products to disposal processing areas and/or plants.
- L. Bin or Toter Delivery—Drives, loads and unloads totes and/or bins, does incidental repair and maintenance as part of toter and/or bin service. A driver's day is complete when the deliveries and pickup are finished. Repair and maintenance are not to be imposed when a driver's daily work is complete.
- M. Transfer Truck Driver—Drives garbage, green waste or recycling truck between Transfer Station and Disposal or Recycling site and operates trucks in or related to Transfer Station as directed.
- N. Semi Driver—Drives tractor trailer, truck and trailer between Company facilities, landfills or other locations or as directed.
- O. Hostler—Moves trucks in Transfer Station or other site, or may be required on an emergency basis to drive garbage trucks between Transfer Station and Disposal or recycle site.

All loading and unloading of the bargaining unit equipment and responsibilities of maintaining the pit.

Has first right to all overtime which pertains to his position. Once his work is completed for the day, he is entitled to reassignment as all employees by availability, seniority and qualification.

Weekend and Holiday overtime is first by the employees (in this case the hostler position) performing the jobs wherein the overtime occurs. Then by the master overall seniority overtime rotation list as stated in section.

- P. Operator—Operates tractor, Barko Crane and Loaders used for cleaning the tipping floor pursuant to his bid. Works in Transfer Station and performs emergency work as required on the Davis Street Landfill.
- Q. Utility "A"—primarily assigned to work inside the main Transfer Station building and adjacent areas. Directs traffic at the site, does salvage and general maintenance of the site, operates power sweeper and other power equipment used for the purpose of cleaning (including use of loader to clean tipping floor.) Will be trained to operate as a temporary backup, equipment used by the operator.
- R. Utility "B"—Combination job of Utility "A" and Operator.
- S. Utility—General utility work. Drives power sweeper. Dumps bins at Transfer Station Site. Cleans loading bays and wash rack. General cleanup inside and outside Transfer Station Site. Relieves Utility "A."

Section 6.5 Hours of Work and Starting Times: (All Employees except Transfer Truck Drivers, Utility and Operators)

- A. Eight (8) hours of work shall constitute the regular straight time working day. These hours shall be worked consecutively and shall include a paid meal period of not less than one-half (1/2) hour as set forth in Section 6.6 below. Regular employees working any part of a day shall receive a full day's pay. Such daily guarantee shall, apply to any day worked including Saturdays, Sundays or Holidays.
- B.
  - 1. For all intents and purposes covered in this Agreement, the normal work week shall be Monday through Friday, and the Employer does so guarantee all regular employees five (5) days of employment exclusive of Saturdays, Sundays or holidays during each week of employment. Time paid for but not worked shall satisfy the five (5) day guarantee work week.
  - 2. There shall be one Utility "B" employee. His work week shall be Thursday through Monday. The Utility "B" job is a combination Operator and Utility "A." On Saturday and Sunday he is an Operator. On Monday, Thursday, and Friday he is a Utility "A" employee. But his Operator duties take precedence over Utility "A." The



rate of pay is Operator. If there is work on Saturday, Sunday or a holiday, employees will be assigned the same as the Monday through Friday schedule.

- C. Each employee's work day shall commence at the time he clocks in. Starting schedules for each shift shall be fixed by the Employer at 3:00 a.m., 3:30 a.m., 4:00 a.m., 4:30 a.m., 5:00 a.m., 5:30 a.m., 6:00 a.m., 6:30 a.m., and 7:00 a.m. Second shift will be 11:00 a.m., 11:30 a.m., 12:00 p.m., 12:30 p.m., 1:00 p.m., 1:30 p.m. and 2:00 p.m., except that the Employer may start Drop Box Drivers at 4:00 p.m. to cover specials on Drop Box loads. Third shift starting time for Drop Box Drivers shall be 9:00 p.m. or such time as mutually agreed upon. A 10% premium shall be applicable to any night shift for Drop Box Drivers, and the number of such drivers shall be no more than 20% of the drivers in this classification. The starting time for Cannery drivers shall be 5:00 a.m., for the day shift of eight (8) straight time hours and 5:00 p.m. for the night shift of eight straight time hours,

Upon thirty (30) days written notice by either party to the other, the starting times set forth in this Section may be reviewed and changed by mutual agreement.

The scheduled shift shall not be changed except upon at least seven (7) days' notice. No employee shall start at different hours during the same work week. No employee shall be permitted to start or perform work prior to this scheduled starting time.

- D. The starting time for employees who are regularly assigned to the pool will be consistent with their bid, which shall correspond with the starting time of the classification for which the pool is established unless they are directed to report to work at a different time because of an emergency situation without seven (7) days prior notice.
- E. All employees shall be allowed two fifteen (15) minute rest periods as set forth in Section 6.6 below.
- F. Drivers with or without Helpers may take their meal and rest periods at any reasonable point to or from their route or between their route and an unloading site.

#### Section 6.6 Meal and Rest Breaks

The parties recognize and agree that meal and rest breaks are important to promote safety and a productive, rewarding work environment. At the same time, the Company and the Union recognize that employees' desire and require a certain degree- of flexibility in scheduling, and that this level of flexibility also promotes safety and a productive, rewarding work environment.

Employees whose work assignment is more than five (5) hours in a day must take a paid thirty (30) minute meal period within the first six (6) hours of work. Employees whose work assignment is more than ten (10) hours per day must take a second thirty (30) minute paid meal period. Where a second meal period is required, it should be taken to the extent practicable near the tenth hour of work, but no later than the twelfth hour. Employees are relieved of all work duties during meal breaks.

An employee and the Employer may not agree to a waiver of any meal or rest periods except that an employee may request to waive his second meal period if (1) he has completed his work day after more than ten hours but fewer than twelve hours and (2) has not been required to work mandatory overtime. The employee may not leave work without taking the second meal period unless he records the waiver on whatever document workers are required to daily record their activities. An employee cannot waive his second meal period unless he has taken his first. If waived, the meal period is unpaid.

Employees shall be authorized, and must take, a paid rest period of at least fifteen (15) minutes for every four (4) hours worked or a fraction thereof. For example, where a work assignment takes more than ten (10) hours and up to twelve (12) hours or longer, the employee will be entitled to three (3) fifteen (15) minute rest period. The employees are relieved of all work duties during rest periods. Rest periods should be taken in the middle of each work week segment to the extent practical. An employee may not combine rest periods with his or her thirty minute meal break.

Because meal and rest periods are important in promoting safety and productivity, it is important that employees follow the meal and rest period policy. Any employee who believes that he or she will not be able to take a meal or rest period herein must notify their manager as soon as possible prior to the time the meal or rest period should begin so arrangements can be made for the employee to take the meal or rest period. Any complaint arising in connection with the application or interpretation of the meal and rest break provisions of this Agreement, including but not limited to statutory claims regarding alleged missed meal and rest periods, shall be subject to grievance and final and binding arbitration under Article 14 as the sole and exclusive remedy for violation. Arbitrators shall apply appropriate law in rendering decisions based on such claims.

Violations of the meal and rest period policy will subject an employee to discipline under the terms outlined in this Article.

Discipline for violation of the meal and rest period policy shall be on a rolling nine (9) month basis with occurrences being removed from an employees' record when they are nine (9) months old. This program shall not become part of any other disciplinary proceedings, but will be subject to Article 14 Grievance Procedure. Discipline may be as follows:

- At 3 occurrences - verbal warning
- At 4 occurrences - written warning
- At 5 occurrences - one day suspension
- At 7 occurrences - discharge

All benefits shall continue during suspensions under this Article.

Section 6.7 Starting Times, Shifts and Meal Periods for Transfer Truck Drivers, Operators, and Utility Employees:

- A. Eight (8) hours of work shall constitute the regular straight time work day. These hours shall be worked consecutively and shall include a paid meal period of not less than one-half (1/2) hour and two fifteen (15) minute paid rest periods.

- B. All rest periods and meal period for transfer truck drivers will be taken, pursuant to Section 6.6, where the employer shall provide proper facilities. The Employer may change the practice subject to mutual agreement by the Union. No stops will be made other than those outlined above except for what will be required at the Landfill for tipping of loads or in case of an emergency breakdown.
- C. Starting time for the day shift for each Transfer Truck, shall be fixed by Employer, at various time intervals between 3:30 a.m. and not later than 8:00 a.m. Transfer Truck Drivers will be assigned their starting time on the basis of seniority choice beginning with the earliest starting time on each shift. Starting time for the Second Shift shall be between 1:30 p.m. and 4:30 p.m. The Employer shall have the right to establish a night shift for Transfer Drivers upon sixty- (60) days' notice upon a reasonable showing by the Employer that operational needs require the shift. A 10% premium shall be applicable to any night shift. The number of night shift Transfer Drivers shall be limited to the number which is necessary and appropriate to such operational needs. All employees not reporting to work due to illness or disability will be required to report to the Employer thirty (30) minutes prior to their starting time, in accordance with Article 6, Section 7, but not later than 5:00 a.m.
- D. Upon thirty (30) days written notice by either party to the other, the starting times set forth in this Section may be reviewed and changed by mutual agreement.

The scheduled shift shall not be changed except upon at least seven (7) days' notice. No employee shall start at different hours during the same work week. No employee shall be permitted to start or perform work prior to this scheduled starting time.

- E. Due to weekly and seasonal variation and the uncertainty in the volume of solid waste that will be delivered to the transfer station, the number of regular drivers that are needed to transport the material to the Landfill may vary. The Employer upon twelve (12) hours' notice and adhering to the seniority practices outlined in this agreement may either increase or decrease the number of qualified regular transfer truck drivers needed to transport the material to the Landfill.

If the number of regular transfer truck driver positions is decreased, those drivers with least seniority will report to the 98th Avenue Pool for work assignment at the Pool's starting time.

If the number of regular transfer truck driver positions is increased, the last driver to be relieved of his or her seniority position will be the first to be reassigned to a regular transfer truck driving position if such recall is within eighteen (18) months.

#### Section 6.8 Inability to Report to Work (All Employees)

- A. If an employee is unable to report to work he shall so report to the Employer not more than one (1) business day in advance but at least by 5:00 a.m. or 30 minutes prior to his starting time (whichever is earlier), at the latest. Employees who fail to report that they will be absent or who are tardy, shall be subject to the absence and tardiness program.

- B. Reporting Late. An employee who reports to work anytime up to one (1) hour after his regularly scheduled start time shall be put to work, but such employee's work day shall begin as of the time the employee clocks in. An employee who reports to work between one (1) and two (2) hours after his regularly scheduled start time may be sent home without pay unless the Employer is short of workers to perform the available bargaining unit work planned for that day. In the event the Employer is short workers, the late employee shall be put to work and his work day shall begin as of the time the employee clocks in. An employee who reports to work more than two (2) hours after his starting time shall be sent home without pay. An employee who is sent home for reporting late may not use any form of paid leave to cover the absence from work. The Absence and Tardiness Program, set forth in Article 16 of the Agreement, shall apply to any employee reporting late for work except that employees who notify the Employer at least fifteen (15) minutes prior to their regular start time that they will be late shall not be subject to Article 16 until after the third notification.
- C. Employees returning to work after absence due to illness or disability and who have a 5:30 a.m. or later starting time must report to the Company prior to 5:00 a.m. on the day of return. All others must call 30 minutes prior to their starting times on the day of return. If the employee has been off work due to disability, an unrestricted doctor's release for the work regularly performed by the employee must be provided to his manager before commencing work. Employees who are ill at the end of a vacation period must report as required above if they will not be able to return to work except when utilizing paid days off available to them in this agreement.

Section 6.9

Overtime:

A.

1. Time and one-half (1-1/2) shall be paid for all work performed prior to regular starting time and after regular quitting time. Time and one-half (1-1/2) the normal daily rate shall be paid for all Saturdays and holidays worked. Regular employees working Saturdays or holidays shall receive such overtime pay over and above their normal weekly guarantee. Double (2) times the normal daily rate shall be paid for all Sundays worked. The Utility '13" employee will be paid for the sixth (6th) day at time and one-half (1 1/2) and the seventh (7th) day at double (2) time.
2. Employees who complete their bid and/or regular assignment and are then reassigned to perform any other available work, including short-handed or unmanned trucks, shall be paid the overtime rate for such work. Employees are required to proceed to their designated disposal site and reassignment shall begin as of the time the employee checks in at the disposal site or when otherwise directed to reassignment duties.
3. For Transfer Truck Drivers, a sign-up list will be posted and initialed by drivers wishing to work. The Company may cancel overtime for just cause.

4. Transfer Truck Drivers will rotate their own overtime work. A sign-up list for weekend work shall be posted by noon Wednesday and must be initialed by Thursday. The Company may cancel weekend overtime scheduling for just cause.
- B. Weekend and Premium Day Rotation: Weekend and premium day overtime shall be performed by employees working the jobs wherein the overtime occurs. All other weekend and premium day overtime will be distributed within each division or terminal among all employees desiring to work such overtime in the manner outlined herein. The Employer shall post a current seniority list of all employees at each terminal or division, and employees desiring to work weekend and premium day overtime shall indicate by means of a check mark or initial on this list whether or not they desire to work such overtime. It will be the employee's responsibility to have the overtime list marked on the Friday of the week preceding the week in which such overtime might be available. Employees -absent on the work day prior to the overtime day, regardless of the reason, shall not be eligible to work that day and shall be subject to qualification and license restrictions. Seniority rotation of overtime shall be set up for the distribution of overtime days in the following classifications.

At all times overtime wheels will be organized according to seniority.

1. Special weekend routes and job trucks on overtime days will be distributed among the collection route employees and pool employees in the above classification, there will be a Head driver for each truck of two (2) or more men.
2. Drop Box Drivers' overtime days will be equally distributed among all the drop box drivers of a division that desire such overtime.
3. Front-end Loaders—For each "Front-end Loader" driver within a division, there shall be bid, within that division, a "Front-end Loader" backup driver Who shall be located in the division's worker's "Pool." This backup driver shall cover periods of absence and shall be included in the rotation of overtime days with the "Front-end Loader" drivers.
4. Paperstock Trucks, Semi-Trucks and Six-Day Routes will cover their own Overtime work.
5. For special weekend work which cannot be filled within the Division where the work occurs; there will be a Company-wide bid of members in each Division for helpers and drivers, and Work will be assigned equally among all Divisions.
6. Transfer Truck Drivers will rotate their own overtime work. A sign-up list for weekend work shall be posted by noon Wednesday and must be initialed by the end of the fourth (4th) load Thursday. The Company may cancel weekend overtime scheduling for just cause.
7. Operators and Utility "A" employees will rotate their own overtime work, respectively,

No employee may be placed on more than one overtime rotation list unless the parties mutually agree. However, an employee on vacation relief assignment will be entitled to work the weekend or premium day overtime of the employee he is replacing, but may not participate in his original rotation list until his return.

Employees who sign the premium day rotation list and thereafter fail to report for duty will lose their next rotation opportunity.

Section 6.10 Special or Emergency Work:

Employees called to report to work to perform special jobs on an unscheduled or emergency basis at overtime or premium rates will be paid for not less than four (4) hours of work.

Section 6.11

Overtime for garbage collection routes (except automated or semi-automated routes utilizing carts) will be on a voluntary basis, except as provided in Article 5, Section 5.15(B) or in the event of breakdowns, natural disasters, inclement weather, or unusual delays on the route.

The Company recognizes that eight (8) hours constitute a normal working day.

For other routes than the above, the Company will consider and attempt to adjust the routes of those employees who are not desirous of overtime in favor of those drivers who are.

Section 6.12

The parties agree to modify the portion of Article 6, Section 6.11(B) referring to "automated or semi-automated routes utilizing carts" and Curbside Residential Recycling routes. It is the intent of the Company to structure such routes so that they may be completed within eight (8) hours under normal working conditions when performed by a trained and experienced employee working at a normal pace.

In the event a dispute arises with respect to whether a route is so structured, the dispute shall be submitted to a committee comprised of two individuals selected by the Union and two individuals selected by the Company. The committee shall investigate the controversy, and shall have authority to make a final and binding determination by majority vote. If a committee decision is not reached within thirty (30) days, either party shall have the right to refer the dispute for resolution under the grievance procedure of the agreement. In the event of a determination reached in the grievance procedure that the route is not structured in accordance with the foregoing, or within 90 days after reference of the question to the grievance procedure, whichever comes first, the employee may refuse to work overtime on such route without being subject to discipline if the route is not modified.

This section shall not be applicable to existing work that was obtained by competitive bid on or before July 1, 2001 for the duration of those City contracts, or to Port-O-Let and ACI Services. Based on mutual agreement this section may be modified to the extent necessary to obtain future competitive bids.

## ARTICLE 7 COST OF LIVING ADJUSTMENT

A cost of living allowance shall be granted beginning on July 1, 2017, and July 1 of each year thereafter during the term of this agreement and any extension thereof, in accordance Article 6, Section 6.1 and the following:

- A. The amount of the cost of living allowance shall be determined on the basis of the Consumer Price Index (CPI) for the San Francisco/Oakland/San Jose Metropolitan Area (All urban consumers, 1982-1984 — 100), published by the Bureau of Labor Statistics, U.S. Department of Labor, and referred to herein as the "Index."

The percentage increase in the Index cited above shall be applied to the total of each individual's classification straight time hourly wage rate among full-time seniority employees, in the year in which the increase allowance is to be given. From July 1, 2008 through July 1, 2011, for all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than three point four percent (3.4%). From July 1, 2008 through July 1, 2011, in no event shall such annual percentage increase to be paid be less than three point four percent (3.4%) or more than twelve percent (12%). From July 1, 2012 through July 1, 2016, for all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than two point seven percent (2.7%). From July 1, 2012 through July 1, 2016, in no event shall such annual percentage increase to be paid be less than two point seven percent (2.7%) or more than twelve percent (12%). From July 1, 2017 through July 1, 2021, in no event shall such annual percentage increase to be paid be less than two point seven percent (2.7%) or more than twelve percent (12%).

- B. In the event that the Index ceases to be published and there is no successor thereto, the Union and the Employer shall agree upon and implement a comparable formula to be substituted for the index. If the parties reach a deadlock in such negotiations the issue shall be subject to Article 14 (Grievance Procedure).
- C. In the event the Employer for any reason opens its franchise agreement with any district or municipality covered by this agreement for negotiation of an increase in service rates or otherwise to increase the Employer's compensation for the services it performs, the Union shall have the right, upon written notice to the Employer, to open this agreement to negotiate changes in its economic provisions. It is the intent of this provision that such economic provisions will be increased correspondingly to provide bargaining unit employees with their fair and appropriate share of the Employer's increased revenue. If the parties are unable to agree upon such economic increases within sixty (60) days after the increase authorized by the change in the franchise agreement either party shall have the right to take economic action in support of its position.

## ARTICLE 8 WORK JURISDICTION

### Section 8.1 Jurisdiction

Only persons working under the jurisdiction of this Agreement shall:

- A. Drive trucks, trailers, vans or other vehicles used to perform the work within the geographical coverage of this Agreement
- B. Load and unload and early load to and from vehicles in (a) above.

### Section 8.2 Work Premises

The following work at yards, transfer stations, recycling facilities, landfills, extension of the pit, or any other property where the Employer performs work within the Union's jurisdiction shall be performed only by employees working under the jurisdiction of this Agreement.

- A. Handling and/or processing of recyclable materials, including wood and fiber materials;
- B. Operation of all equipment involved in moving and or processing recyclable materials.

Exceptions: The above description of work jurisdiction does not include manual sorting of recyclable materials other than green waste, or the operation of a machine directly involved in the production process relating to hand sorting work, or the operation of earth moving equipment directly used in land-filling cover.

### Section 8.3 Work Preservation

Bargaining unit work shall include all job assignments hereafter performed by employees covered by this Agreement, and such additional work assignments as are heretofore assigned to such employees. Bargaining Unit work as defined in this Article shall be performed only by bargaining unit employees covered by the Agreement, and shall not be subcontracted or otherwise performed by any other person, including non-unit employees of the Employer or any other employer with which the Employer is affiliated through common ownership and/or control either at the corporate or management level. Bargaining unit work shall also include any additional work hereafter assigned to the bargaining unit not now performed by bargaining unit employees. With respect to any such newly acquired work (for example, without limitation, non-franchise work, new geographical areas, hazardous material handling, transportation and disposal, or environmental cleanup) the parties shall negotiate the terms and conditions of employment, including wages that shall be made applicable.

### Section 8.4 Materials

Recyclable materials originating in Alameda County as well as originating outside Alameda County but brought into Alameda County by bargaining unit employees shall be taken to facilities operated by the Employer for handling and processing. All outbound material, whether raw, sorted processed or in the form of a finished product shall be hauled by drivers working under this Agreement. Exceptions to this requirement may be permitted with respect to loads for customers



who dictate the hauling arrangements, or other situations where the Employer does not control the designation of the hauler, and then only upon written letters of understanding executed by both parties.

Section 8.5            New Methods

In the event of the introduction of any new or changed method of refuse disposal or collection that impacts the working conditions of bargaining unit employees, including changes that require special training, either party may reopen this Agreement on thirty (30) days written notice and request re-negotiation of matters dealing with work jurisdiction, Wages, and hours of work. Upon failure of the parties to agree on such renegotiations either party shall be permitted all lawful economic and/or legal recourse to support their request for revisions.

Section 8.6            Geographical

Any work in Alameda County may only be performed by employees and trucks domiciled in Alameda County.

Section. 8.7            Restriction

No employees working under this Agreement will be required to do maintenance or mechanical work, repairs on tracks or tire changing.

Section 8.8            Exclusive Jurisdiction

Green waste handling and processing shall be the exclusive jurisdiction of Teamsters Local 70; excluding sorting and manual processing, and excluding on-site processing for the purpose of landfill cover.

ARTICLE 9            VACATIONS

Section 9.1            Vacations

- A. Employees with one (1) year and less than five (5) years of service with the Employer shall receive two (2) weeks of vacation with pay each year.

Employees with five (5) years and less than ten (10) years of service shall receive three (3) weeks of vacation with pay each year.

Any employee who has ten (10) years of service or more, regardless of his anniversary date shall receive four (4) weeks' vacation with pay each year.

Employees with fifteen (15) or more years of service with the Employer shall be allowed five (5) weeks of vacation with pay.

Employees with twenty (20) or more years of service with the Employer shall be allowed six (6) weeks of vacation with pay.

The advancement of vacation in 2017 will take place in 2018 for employees with fifteen (15) or twenty (20) years or more.

- B. Vacation pay shall be computed at ten percent (10%) over and above the employee's normal rate of pay. His normal rate of pay shall be that of his permanent assignment immediately prior to his vacation period.

Section 9.2 Pro-rated Vacations:

Any employee who dies, is laid off, terminated or otherwise severs his employment with his Employer for any reason prior to the completion of his vacation year will be paid for all earned vacation. Pro-rated earned vacation to be computed proportionate to what he is entitled to by virtue of his years of service.

Seniority shall be considered in choice of vacation periods within each facility or division of the Employer.

Section 9.3 Payment

All accrued vacation pay is to be paid to the employee at the completion of his last shift prior to the commencement of his vacation.

Whenever possible and when desired by the employee, he may stagger or spread his vacation period throughout the year. However, in no case shall any portion of a vacation be less than one (1) week, except as provided in Section 9.9.

Section 9.4 Formula

Vacation periods are not to be arbitrarily assigned to any employees and the period will be from January to December. The formula for how many employees to be permitted to take vacation per week will be limited to the seniority list by classification of each facility or division. The total amount of accrued vacation weeks, per list, will be divided by fifty-two (52) weeks and rounded off to the next highest whole number and that number will be the amount of employees allowed to take vacation per week. There will be no change in the way employees are presently grouped for vacation scheduling purposes unless mutually agreed by the Union and the Employer.

Only if requested by a substantial number of employees and thereafter voted upon and approved, the vacation selection process agreed to in the 1994 negotiations and withdrawn by the Union will be effectuated if ratified by the employees and would be implemented at the next vacation selection. The vacation selection process is listed in Appendix B.

Section 9.5 Usage Requirement

It is agreed by both parties to this Agreement that each employee must take his accrued vacation each year and that no arrangement to work for additional compensation during his earned vacation will be allowed, except where mutually agreed upon by the Employer and the Union.

Section 9.6 Rescheduling

The Employer and an employee may agree on a change in the vacation period of such employee after the vacation schedule has been posted, provided it does not affect the vacation period of any other employee on the vacation schedule based upon seniority. In the event a bid vacation week becomes available for any reason, another employee may exercise his seniority to fill that week.

Section 9.7 Military Clause

Any employee called into the military service shall be paid for pro-rated vacation earned.

Section 9.8 Posting

Vacation list shall be posted not later than January 1st of each year. Vacation shall not be postponed and made accumulative from year to year.

Section 9.9 Single Day Increments

Employees can elect to take one (1) week of vacation in increments of at least one (1) full day (eight (8) hours). This option has to be made at time of vacation selection. The rules regarding the use of these days will be the same as floating holidays. If an employee does not use these vacation days by the end of January, they will be cashed out.

Section 9.10 F.E.L. Provision

Front-End Loader Drivers and their backups in each division shall have their own vacation list subject to the provisions of Section 9.4.

Section 9.11 Effect of Leaves on Vacation and Holidays

Time off in excess of fourteen (14) working days in a calendar month due to an approved leave of absence other than illness or injury shall cause an employee to lose vacation credit for that month. All regular employees off due to an on-the-job injury shall accumulate vacation rights, uninterrupted for a period of one (1) year and any holiday pay during the month the regular employee was off due to an on-the-job injury.

All regular employees off due to an illness or off-the-job injury shall accumulate vacation rights, uninterrupted for a period of one (1) year and any holiday pay during the month the regular employee was off due to an illness or off-the-job injury.

## ARTICLE 10 HOLIDAYS

The following days have been agreed upon as paid holidays, Employees are eligible for 11 paid holidays each year including their Birthday and Floating Holiday.

New Year's Day  
President's Day  
Memorial Day  
Fourth of July  
Labor Day  
Thanksgiving Day

Day after Thanksgiving  
Christmas Eve  
Christmas Day  
\*Employee's Birthday  
\*Floating Holiday

The employee shall have the option of taking a day off with pay on the Monday or Friday of the week in which his birthday occurs in lieu of a day off on his birthday.

\*The employee must exercise his option at least one week before the commencement of the week in which the birthday falls. If exercise of the option would unreasonably interfere with the Employer's operations, the employees who are to make the change will be determined by seniority.

\*Each employee who has at least one (1) year of seniority shall be eligible to observe a paid floating holiday. At least one (1) week before the commencement of the week in which the holiday is to be observed, the employee shall notify the Employer of his selection. If observance on the day selected would unreasonably interfere with the Employer's operations, the employees who are to observe the day will be determined by seniority.

If an employee makes his floating holiday/vacation day selection at least thirty (30) days in advance, he will not be guaranteed that holiday/vacation day until fourteen (14) days in advance based upon seniority

One paid floating holiday may be taken by each eligible employee during each twelve month period.

#### Section 10.1 Payment

An employee qualifying for holiday pay shall receive one (1) days straight time pay over and above the weekly guarantee except when a holiday should fall during the course of a normal work week. Except for drop box, the employee shall work on that holiday and he shall receive a day's pay at the time and one-half (1 1/2) rate in addition to his holiday pay. New Year Day, Thanksgiving Day and Christmas Day, when occurring during the course of the normal work week, shall be worked on Saturday, for regular five (5) day routes, including support operations but excluding drop box. Employees who call in sick on this mandatory Saturday or holiday falling during the normal work week will be charged a sick day, which shall be paid for at the employee's straight-time rate.

#### Section 10.2 Designation

If one of the above-mentioned holidays falls on a Sunday, it shall be recognized as falling on the following Monday and paid at time and one half (1 1/2) for all work performed.

Holidays falling on Saturday shall be recognized as Saturday and shall be paid for at the straight-time rate if no work is performed.

Section 10.3 Eligibility

To be eligible for holiday pay, employees must have established seniority prior to the holiday. Probationary employees shall be entitled to holiday pay upon attainment of seniority, retroactive to their seniority date.

Any seniority employee who works, is on vacation or on paid sick leave during a calendar month shall be entitled to holiday pay for that month.

Employee on extended regular leaves of absence during an entire calendar month shall be ineligible for holiday pay for that month.

ARTICLE 11 HEALTH AND WELFARE

Section 11.1 Plan

The Employer, subject to this Agreement, shall pay into East Bay Drayage Drivers Security Fund the amount necessary to maintain all the benefits (Health and Welfare, including Major Medical, Dental, Pharmaceutical, Vision Care, Group Life Insurance, Retiree Benefits, Wage Continuation, etc.) in effect January 1, 2001, at a cost to be determined actuarially by the Trust Fund. Maintenance of Benefits shall be in accordance with the provisions outlined below.

The Employer shall execute a subscriber agreement required of all participating employers and thereby bind itself under the Trust Agreement of the designated fund subject to the terms hereof.

The Health and Welfare Plan shall be identified as PLAN 1980.

Section 11.2 Payment

Such payments shall be made in addition to all wages and other compensation provided for in this Agreement and such payments shall be made without any deduction for any purpose whatsoever. Such payments shall be due on the first day of the calendar month and shall be paid not later than the tenth (10th) day of the same month.

Section 11.3 Posting Notice

The Employer shall post on the employees' bulletin board a duplicate copy of the reporting form sent to the Administrator's Office, of payment made to the Health and Welfare Fund on behalf of the employees at the time payments are made. Such copies shall be supplied by the Administrative Office.

Section 11.4 Eligibility

An employee is eligible for coverage during the current month upon completion of ten (10) days of employment in the previous calendar month. For all purposes under this section, time paid for but not worked, such as vacation, sick leave, holiday and bereavement pay, etc. shall be computed as time worked.

Section 11.5 Injury or Illness

If a seniority employee is absent because of an on-the-job injury, the Employer shall continue to pay the required contributions until such employee returns to work. However, such contributions shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases.

If a seniority employee is absent because of an illness or off-the-job injury, the Employer shall continue to pay the required contributions until such employee returns to work. However, such contributions shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases.

Employees on leave shall make suitable arrangements for continuation of Health and Welfare payments consistent with the Health and Welfare policy, if he or she so desires, or request discontinuance of his or her Health and Welfare before the leave is approved by both the Employer and the Union.

Section 11.6 Maintenance of Benefits

The Employer shall maintain the benefits herein described in accordance with the following guidelines:

- A. The Employer shall make regular contributions to maintain the costs of Health and Welfare Plan 1980.
- B. The Employer shall pay such increase in contribution as may be established from time to time by the Trustees in order to maintain Plan 1980 in effect during the term of this Agreement.
- C. Nothing in this Article of the Agreement shall prevent the parties from terminating the Health and Welfare plans herein provided for, and selecting a comparable, although not identical Health and Welfare program, subject to membership ratification.

Section 11.7 Extended Eligibility for Dependents upon Death

In the event of death of a seniority employee who at the time of death had any dependents covered by Plan 1980, the Employer shall continue to pay the required contribution as follows:

1. If the employee's death occurs during work hours contributions shall be paid for twelve (12) months;
2. If the employee's death does not occur during work hours contributions shall be paid for six (6) months;
3. If the employee's death occurs while the employee is absent from work due to injury or illness pursuant to Section 11.5 of Article 11, the employer contributions shall continue through the balance of applicable period of leave. Therefore, (1) if the employee was absent because of an on the job injury, employer contributions shall continue after death

for the remaining balance of twelve (12) months of leave; and (2) if the employee was absent because of an illness or off the job injury, employer contributions shall be continued after death for the remaining balance of six (6) months of leave.

ARTICLE 12 PENSIONS

Section 12.1 Employer Contributions

The Employer shall contribute to the Western Conference of Teamsters Pension Trust Fund, the provisions of which the undersigned parties agree to accept and to abide by the rules and regulations established or as may be established by the Trustees of such Trust fund, the applicable sum as listed below for each employee covered by this Agreement who is on the payroll of the Employer at any time during such week:

Effective July 1, 2017 — \$11.63 per hour .....\$465.20 weekly

Effective July 1, 2017, the Company's contribution to the Fund on behalf of employees shall increase \$0.38, to \$11.63 per hour. On July 1st of each successive contract year during the term of the agreement, annual increases in Company contributions to the Fund shall be determined, on the basis of the Consumer Price Index (CPI) for the San Francisco/Oakland/San Jose Metropolitan Area (All urban consumers, 1982-1984 =100), published by the Bureau of Labor Statistics, U.S. Department of Labor, and referred to herein as the "Index," but in no event less than a total of three point four percent (3.4%) The percentage increase in the CPI each year shall be computed on the basis of the percentage increase for the 12-month period between February of the prior year and February of the same year.

Effective Date	Contribution Increase	Minimum Contribution/Hour *	Minimum Weekly Contribution
07/01/2017	\$ .38	\$11.63 per hour	\$465.20 weekly
07/01/2018	CPI but no less than 3.4%		
07/01/2019	CPI but no less than 3.4%		
07/01/2020	CPI but no less than 3.4%		
07/01/2021	CPI but no less than 3.4%		

Effective July 1, 2017 through June 30, 2022 pension rates-refer to Appendix A

\* The chart above is based on the assumption that the annual CPA is three point four percent (3.4%) or less each year. In the event the CPI exceeds three point four percent (3.4%) in any year of this contract, then the pension contribution increase will be calculated using that CPI amount. Thus, the chart above shows only the guaranteed minimum increase each year.

In the event that the Index ceases to be published and there is no successor thereto, the Union and the Employer shall agree upon and implement a comparable formula to be substituted for the Index. If the parties reach a deadlock in such negotiations the issue shall be subject to Article 14 (Grievance Procedure).

In addition, the Union may, at its discretion, but subject to member ratification, divert wages for the purpose of increasing pension contributions.

Contribution shall be made for all employees from the first compensable hour of employment.

The Employer agrees to remit these monies to the appropriate area Administrative Office by the date designated by that office, and monies received after that date shall be considered delinquent. There shall be no other pension fund under this Agreement or Agreements supplemental hereto, with the exception of the Supplemental Income 401(k) Plan, a plan intended to conform to the requirements of Internal Revenue Code Section 401(k) for certain tax exempt, employee contributory plans. The Employer's obligations to the Supplemental Income 401(k) Plan are limited to the timely execution of the Plan's Subscriber Agreement and the timely payment of that portion of their wages that employees elect to pay into the Plan.

Rule of "84": Effective October 1, 1991, the contribution to the Western Conference of Teamsters Pension Trust Fund was increased by thirteen cents (.13) per hour to provide the Program for Enhanced Early Retirement (PEER). This increase was added to the contribution rate in effect at that time and paid in accordance with Article 12 of the 1989-1993 Labor Agreement. Effective July 1, 2001, the total contributions to the Western Conference of Teamsters Pension Trust Fund will be \$5.34 per hour, which shall include thirty-five cents (.35) per hour to provide for the Program for Enhanced Early Retirement and will not be taken into consideration for benefit accrual purposes under the Plan. In any future increases, the additional contribution for PEER must at all times be 6.5% of the basic contribution and cannot be decreased or discontinued at any time.

#### Section 12.2 Payments during Period of Absence

If an employee is absent because of illness or off-the-job injury and notifies the Employer of such absence, the Employer shall continue to make the required contributions for a period of twelve (12) months after contribution for active employment ceases. If an employee is injured on the job, the Employer shall continue to pay the required contributions until such employee returns to work; however, such contribution shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases. If an employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence becoming effective, sufficient monies to pay the required contributions into the Pension Fund during the period of absence. However, the acceptance of such monies and the level of benefits provided shall be at the sole discretion of the Board of Trustees.



Section 12.3 Definition of Regular Employee

A regular employee, for purposes of this Article only, shall be any employee on the regular seniority list. From the effective date of this contract going forward if a regular employee works thirteen or more days within a calendar month, the required pension contribution will be the amount applicable to a months' work. From the effective date of this contract going forward, if a regular employee works any part of a week but less than thirteen days, the required pension contribution will be the applicable weekly minimum set forth above for the week(s) in which the employee worked. Time paid for but not worked (for example: holiday, vacation pay, paid sick leave, funeral leave, jury duty, etc.) shall be counted as days worked for the purpose of this section.

Section 12.4 Delinquent Contributions

Action for delinquent contributions may be instituted by the Local Union or the Area Conference or Trustees. Employers who are delinquent must also pay all attorney's fees and cost of collection.

Section 12.5 Posting Notice

The Employer shall post on employee's bulletin board a duplicate copy of reporting form sent to the Administrator's Office of payments made to the Western Conference of Teamsters Pension Trust Fund on behalf of the employees at the time payments are made.

ARTICLE 13 HEALTH AND WELFARE, PENSION, PAYROLL AND DUES DELINQUENCIES

Notwithstanding anything herein contained, in the event any Employer is delinquent at the end of a period in the payment of his contribution to the Health and Welfare or Pension Fund or Funds, required to be paid under this Agreement or any supplement hereto, in accordance with the rules and regulations of the Trustees of such Funds, after the proper official of the Union has given five (5) days' written notice, excluding Saturday, Sundays and holidays, to the Employer of such delinquency in payment, the employees or the Union shall have the right to take any legal or economic action they see fit against such Employer to collect such delinquent amounts. Whether or not such action is taken, the Employer shall be liable to the employees for any and all benefits under any health and welfare plan which the employee would have received if the Employer had not been delinquent in the payment of such contributions. The employee shall have the right to bring legal action to obtain payment of such benefits. In any such action, the Employer shall pay the court costs and a reasonable attorney's fee.

The parties further agree that in the event the employer fails to make payroll and/or submit union dues for the bargaining unit, the Union may, within five (5) days' written notice as described above, take any legal or economic action they see fit against the Employer to collect such delinquent amounts.

## ARTICLE 14 GRIEVANCE PROCEDURE

### Section 14.1 Conciliation

A grievance by any employee, the Union or the Company, shall be limited to any controversy, complaint or misunderstanding arising as to the interpretation or observance of any of the provisions of this Agreement.

Except as outlined in Section 14.2(B), all grievances, money claims and disputes must be reduced to writing within forty-five (45) days of the occurrence of the matter upon which the grievance, claim or dispute is based, or within forty-five (45) days of the date on which the grieving party had knowledge, or should have had knowledge by the exercise of reasonable diligence, of the occurrence giving rise to the grievance, claim or dispute.

The grievance procedure is intended to be the primary forum for resolutions of any grievance, money claim or dispute arguably covered by the collective bargaining agreement, and the exclusive forum to the fullest extent permitted by law. Either party to the Agreement may request the grievance panel to decide any question of contract interpretation or practice in connection with litigation or administrative proceedings to which the Company or the Union is a party, whether or not the other party to those proceedings is also a party to this Agreement, and such interpretation shall be as effective for the purpose of those proceedings as if the interpretation were written into the body of the Agreement.

The employee may discuss any grievance with his Shop Steward, Chief Steward and Supervisor. If a settlement cannot be reached, the Business Agent of the Union and the Chief Steward and the Employer shall discuss said grievance. If it is not resolved at this point, it shall be reduced to writing and submitted to a formal grievance panel comprised of two (2) representatives of the Union, other than the Business Agent of the Terminal and two (2) representatives of the Employer, other than the representative presenting the case. Grievances filed before the tenth (10th) of the month must be heard at that same month's grievance panel. Grievances filed on or after the tenth (10th) of the month may be heard at that same month's grievance panel or referred to the grievance panel scheduled for the following month. This grievance panel shall convene monthly at 1:00 p.m. on the last Tuesday of the month.

Grievances that remain unresolved or deadlocked by the two (2) and two (2) grievance panel must be submitted within 36 days to a grievance panel which shall include two (2) representatives from the Union and one (1) selected by the Union, who is not an official of Teamsters Local No. 70 and two (2) representatives of the Employer and a third person to be selected by the Employer. This 3+3 Panel shall automatically be scheduled at 9:00 a.m. on the last Tuesday of the following month's 2+2 Panel.

Grievances that are not filed and processed within the above time limits shall be forfeited and not be given further consideration, except disciplinary cases which have been timely filed shall automatically move to the next step as provided for in this Article.

The time limits provided for herein, may be waived by mutual agreement.

For deadlocked disputes under this section, the selection of the arbitrator for a decision shall be made by the parties within a reasonable period of time not to exceed thirty (30) days after the deadlock. The Method of selection of the arbitrator shall be as provided in Section 14.3. In the event a discharge or suspension grievance is deadlocked, either party may refer the matter to an arbitrator as provided for in Article 14, Section 14.3 of this Agreement.

The grievance panel shall have the power to make reasonable rules for the conduct of the hearing and for other procedural matters, and it shall have the power to retain continuing jurisdiction over grievances, including jurisdiction that extends beyond the term of the present agreement. If jurisdiction is retained, each party may make substitutions for any of its representatives who for any reason, are unable or unwilling to continue to so serve. Upon the request of either party, the grievance panel may postpone indefinitely the presentation and deliberation on any matter before it while retaining jurisdiction. Such requests shall be given special consideration where the issues giving rise to the grievance, other than as they relate to interpretation and enforcement of the collective bargaining agreement, are or are anticipated to be the subject of litigation in another forum.

Grievance panel members shall use their independent judgment in resolving grievances and shall not be directed by their principals how to vote in particular cases provided, however, that in disputes involving high level policy issues of importance to either party this prohibition shall not be applicable. In all cases, however, factual disputes (disputes as to the facts or events leading to the filing of the grievance) shall be resolved (or deadlocked) by the panel.

The steward for the terminal where the grievance occurs shall attend the hearing of the grievance.

#### Section 14.2 Handling of Discharges or Suspensions

Any case pertaining to a discharge or suspension shall be handled as follows:

- A. In all cases except proven theft, proven intoxication, possession of firearms, personal violence, or proven gross insubordination each having occurred on the job, or knowingly driving company vehicles without a current and valid license of the class required by law, an employee to be discharged shall be allowed to remain on the job without loss of pay unless and until the discharge is sustained under the grievance procedure. In addition to the occasions described above when an employee may be removed from the job without awaiting final disposition of his/her grievance, such immediate removal shall be available to the Employer in serious or safety sensitive cases by mutual agreement of the Union and the Employer. Where the Employer removes an employee from the job and the case is submitted to arbitration, the Employer may not divulge to the arbitrator the removal and the accrued time off. If such information is divulged by the Employer or Employer representatives this breach shall be an independent basis for a back pay claim regardless of the final disposition of the case. In the event an employee is discharged, and immediately removed from work, and it is determined in grievance and/or arbitration that the employee's conduct was not an offense for which immediate removal from the job is permitted, the employee shall be awarded back pay for the time he was off work up to the time of the decision, irrespective of the penalty that is imposed, if any, for the offense.

In suspension cases, the employee shall be allowed to remain on the job without loss of pay unless and until the suspension is sustained under the grievance machinery, except where the employee appears for work without a current and valid driver's license as required for duties which the employee is expected to perform.

- B. Within ten (10) days of the occurrence of the alleged cause for discharge or suspension, excluding Saturdays, Sundays and holidays, the individual Employer shall give written notice by certified mail to the employee and to the Local Union of its decision to discharge or suspend the employee and such notice shall set forth the reason or reasons for the discharge or suspension. If the individual Employer fails to give such notice within the specified ten (10) day period, the right to discharge or suspend for that particular reason shall be waived, but this shall not preclude the Employer from introducing as evidence, should a subsequent discharge or suspension occur, any reason or reasons to substantiate unsatisfactory work performance arising out of circumstances which occurred during the twelve (12) month period immediately preceding the date of discharge or suspension notice. However, in order for any such reason to be introduced by the Employer as evidence, the Employer must have given specific written notice by certified mail to the employee and to the Union of the circumstances giving rise to such reason within ten (10) days, excluding Saturdays, Sundays and holidays, of the occurrence of the circumstances. Such written notice may be submitted for consideration by the grievance panel in cases in which the Employer has given the employee a notice of discharge or suspension and such notice shall not be subject to economic action by either the Union or the Employer. If the Union does not file with the Company written protest of the individual Employer's action within fourteen (14) days, from the date of receipt of the Employer's notice, the right to protest such discharge or suspension shall be waived.
- C. If the grievance panel reaches a deadlock on a discharge or suspension either party may submit the matter to an impartial arbitrator for final decision. The selection of the arbitrator for a decision in discharge cases shall be made by the parties within a reasonable period of time not to exceed thirty (30) days after the deadlock. The method of selection of the arbitrator shall be as provided in Section 14.3.

#### Section 14.3 Selection of an Arbitrator

Representatives from the Union and the Company will attempt to agree to selection of an arbitrator, but if they cannot agree, the following procedure will be utilized. A list of arbitrators shall be obtained at the earliest possible date by the grievance panel from the San Francisco Office of the Federal Mediation and Conciliation Service. The grievance panel shall decide which arbitrators on this list shall serve as arbitrators, and a single arbitrator, for each individual case, shall be selected from such approved list.

After a toss of a coin to decide which party shall move first, the Employer members of the panel and the Union members of the panel shall alternately strike one name from the list until one name remains, and such person shall be the arbitrator for determination of the case. The next to last name stricken shall be the alternate arbitrator to serve in the event that the first arbitrator is not available, and if such alternate is not available to serve within the time so specified above, the next to last name stricken shall become the alternative arbitrator and so on.

In all cases, a decision of the Grievance panel or the arbitrator shall be final and binding upon the parties. In the event either party contends the other has failed to comply with a decision of the arbitrator within the time limits specified by the arbitrator, the grieved party may give thirty (30) days' written notice to the breaching party, giving the breaching party the opportunity to comply. In the event of a continued failure to comply after thirty (30) days' written notice, the grieved party may take any legal or economic action it sees fit to obtain compliance.

Section 14.4 Limitations of Arbitrator's Authority

The Employer and the Union agree that the Arbitrator shall not have any authority to add to, subtract from, change or modify any provision of this Agreement, the parties' letters of agreement, or past practices. The Arbitrator shall be authorized only to interpret the existing provisions of this Agreement, the parties' letters of agreement and past practices, and shall apply them to the specific facts of the complaint or dispute and to determine whether a violation has occurred based on the facts, the evidence and the testimony presented by both parties.

Section 14.5 The Compensation of the Arbitrator

The compensation of the Arbitrator, as well as the cost of any court reporter and hearing room, shall be shared by the Employer and the Union, with the Employer bearing 75% of the above costs and the Union bearing the remaining 25%.

Section 14.6 Agreement

It is recognized by the parties that the Union has agreed to forego its right provided in earlier agreements to take economic action in support of its position in certain deadlocked grievances. The Company, in turn, has given its commitment not to abuse the grievance procedure. Both parties have agreed that the grievance procedure shall not be used to eliminate, circumvent or eradicate the rights possessed by either party under this Agreement, letters of agreement, or past practices, all of which embody the parties' contractual relationship.

## ARTICLE 15 SICK/PERSONAL LEAVE

Section 15.1 Effective

Effective January 1, 2010, all seniority employees shall accumulate twelve (12) days of sick leave with pay each year.

Section 15.2 Anniversary

Anniversary date for sick leave shall be established as of January 1 of each year.

Section 15.3 New Hires

New employees shall earn sick/personal leave beginning their first day of employment on a pro rate basis at a rate of 1 day per month up to a maximum of twelve (12) days of sick/personal leave each year. Accumulated sick/personal leave will not be available for use before the employee establishes seniority. Once the employee establishes seniority, he or she shall be allowed to use accumulated sick/personal leave and shall continue to accumulate sick/personal leave each month

on a pro rata basis until the following January 1<sup>st</sup>. Effective that January 1<sup>st</sup>, the employee will accumulate sick/personal leave in accordance with Section 15.1.

Section 15.4 P.T.O.

Sick leave shall be taken as paid personal time off, or cashed out as provided for in Section 15.9.

Section 15.5 Integration

Any employee who has sick leave credit and is drawing disability insurance or workers' compensation shall, at his or her request, be paid the difference between such benefit payments and his or her straight time earnings for such time such benefit payments are made. These payments shall be charged against the employee's sick leave credit. The request for this procedure shall be made by the employee in writing.

It is the employee's option to utilize sick leave (paid days off) during the seven (7) day waiting period for SDI or three (3) day waiting period for workers' compensation. If the employee utilizes sick leave, the employee's sick leave benefits will be fully integrated with other benefits available to him or her such that at no time will the employee be paid more than his or her regular compensation.

Section 15.6 Payment

Sick/personal leave will be paid only in eight (8) hour increments, except as provided for in Section 15.5.

Section 15.7 Injury

In the event of a disabling injury on the job, an employee shall be entitled to a full day's pay.

Section 15.8 Bank

Employees who desire to accumulate leave may accumulate twelve (12) days respectively per year, up to a maximum of forty-eight (48) days of paid sick leave carryover after January 30 of each year in lieu of the cash payment provided for in Section 9 below.

Section 15.9 Cash-Out

Unused sick leave shall be paid once each year to each full-time regular employee in cash at the current daily rates, in an amount not to exceed twelve (12) days or by mutual agreement between the Employer and the employee as paid time off to be taken at a time mutually agreed upon. The cash payoff shall occur in the last pay period in January of each year, at the effective rate. On resignation, discharge or death, an employee or his estate shall collect cash payment for all unused accumulated sick leave.

## ARTICLE 16 ABSENCE AND TARDINESS PROGRAM

Section 16.1 Program

It is the purpose of the program to administer and reduce the level of absence and tardiness.

This program will be maintained on a rolling nine (9) month basis with occurrences being removed from an employee's record when they are nine (9) months old. This program shall not become part of any other disciplinary proceedings, but will be subject to Article 14 Grievance Procedure.

Sick/personal time is administered per Article 15. All notices from doctors must be provided demonstrating that the employee visited the doctor prior to his/her date of return to work. Occurrences will be issued for unexcused absences which are defined below.

Absence and tardiness will be put into two (2) categories—excused and unexcused. Unexcused absences shall be assessed as one (1) occurrence for each day missed, unless prohibited by law. Absences of up to two (2) consecutive days will be considered as one (1) occurrence and every day thereafter will be assessed one (1) occurrence per day. Absences of up to five (5) consecutive days will be considered as one occurrence with a doctor's note.

Discipline will be assessed as follows:

At 1 occurrence	verbal warning
At 2 occurrences	verbal warning
At 3 occurrences	written warning
At 4 occurrences	2 <sup>nd</sup> written warning
At 5 occurrences	final written warning
At 6 occurrences	discharge

A continued pattern of Monday or Friday absences will subject any employee to discipline under this provision, but discipline shall not be more severe than that which would occur for similar infractions regarding occurrences.

**A. UNEXCUSED ABSENCES**

1. Any absence not covered herein.
2. Any tardiness under 10 minutes 1/4 occurrence and any tardiness in excess of 10 minutes -1/2 occurrence except unusual delays excused by management.
3. Leaving prior to completion of daily assignment - 1/2 occurrence.
4. Employees are allowed to be late three (3) times per nine (9) months before any occurrence for tardiness is assessed.

**B. EXCUSED ABSENCES**

1. Absence due to occupational injury with doctor's note prohibiting return to work.
2. All contractual time off, including paid sick/personal time.
3. Court or administrative appearance.
4. Military leave.

5. Any leave granted or protected by Federal or State Law.
6. One (1) illness with doctor's slip (up to a maximum of five consecutive days) thereafter, each illness will count as an unexcused occurrence.
7. Leaves requested beforehand and granted.
8. Participating in the affairs of Labor at the request of an official of Local 70.
9. Qualifies for SDI or Workmen's Compensation.
10. The Company need not be consistent in its application of this program. Exceptions for non-discipline may include, but not be limited to, such things as unusual circumstances, tenure, work history.

Calls to report absences shall be subject to the following: Not calling off thirty (30) minutes prior to shift, no later than 5:00 a.m. whichever is earlier - ¼ occurrence. Calls to report absences received one (1) hour after starting time until close of business that day will count as 1/2 occurrence. Calls received after close of business will be considered "no call/no show" which will count as 1 occurrence. The stipulations contained in this paragraph are in addition to any determination of excused or unexcused, as outlined in this Article.

## ARTICLE 17 LEAVE OF ABSENCE

### Section 17.1 Approved Leave

Any employee desiring leave of absence from his employment shall give ten (10) days' written permission from the Local Union. Except as otherwise provided for in this Article, leaves of absence shall be for thirty (30) day periods and shall be granted by the Employer on the basis of one thirty day period for each three (3) years of seniority. Extensions to the above leaves of absence can only be secured by written permission from both the Local Union and the Employer. Regular leaves of absence as may be granted may not exceed a maximum period of six (6) months. During an approved leave of absence, the employee shall not engage in gainful employment in the same industry. Any employee who has utilized his right to a leave of absence as spelled out above will not be entitled to another leave of absence, except for medical reasons, for a period of three (3) years. Leaves of five (5) days or less do not require Union approval. Extensions of approved leaves of absence when requested during the course of a leave of absence require the approval of both the Employer and the Union. The number of employees granted leaves of absence shall be limited so as not to pose an encumbrance to the Employer's business.

An employee who is unable to work because of sickness or injury shall be deemed to be on a leave of absence. Such leave shall not exceed three (3) years except with the written consent of the Union and the Employer.

A leave of absence as above provided for shall not result in the loss of seniority rights.



Employees going on leaves of absence are expected to maintain their membership in the Union in good standing.

An employee selected, elected, or appointed to a full-time Union office shall be granted a leave of absence, without loss of seniority, for the length of his/her term of office which shall be automatically renewed for each succeeding term of office. Such term shall expire thirty (30) days after the employee leaves such office. Short term leaves of absence shall also be given to Union members other than full-time employees of the Union upon request for the purpose of participating in Union business, including serving on the Union's negotiation team and for attendance at Union Executive Board meetings. The length of such short-term leaves shall be agreed upon by the parties. The Union shall give notice to the Employer regarding temporary leaves.

An employee may be granted a leave of absence for the purpose of serving or working in civic affair endeavors or in non-profit organizations and for such additional purposes and for such time period as may be agreed between the District Manager of the Employer and the Union's Business Agent. The granting of any leave hereunder shall not establish a precedent nor cause the Employer to grant any other requested leave of absence in the future.

#### Section 17.2 Effect on Vacation and Holidays

Time off in excess of fourteen (14) working days in a calendar month due to an approved leave of absence other than illness or injury shall cause an employee to lose vacation credit for that month. All regular employees off due to an on-the-job injury shall accumulate vacation rights, uninterrupted for a period of one (1) year and any holiday pay in the month the regular employee begins leave due to an on-the job injury.

All regular employees off due to an illness or off-the-job injury shall accumulate vacation rights, uninterrupted for a period of one (1) year and any holiday pay in the month the regular employee begins leave due to an illness or off-the- job injury.

#### Section 17.3 Health and Welfare When On Leave

The employee shall make suitable arrangements for continuation of Health and Welfare payments consistent with the Health and Welfare policy, if he or she so desires, or request discontinuance of his Health and Welfare before the leave is approved by both the Employer and the Union.

### ARTICLE 18 TRANSITIONAL WORK PROGRAM

The Employer and the Union recognize the significant adverse impact of work-related injuries on the Company and its employees. Therefore, the parties agree that the Employer may implement a mandatory transitional work program ("T2R Program") for employees covered by the Agreement, who are injured while at work ("Injured Workers"). The Employer agrees to only implement the minimum required program to be in compliance with the Federal and State statute. The Employer agrees that the T2R Program must be applied and be made available to all Injured Workers. Except as set forth herein, the T2R Program is not intended to replace any provision of the California Labor Code (CLC) that addresses Workers' Compensation.

Section 18.1 Physician Designation

The Employer will work closely with its Third Party Administrator (TPA) to ensure every Injured Worker receives access to timely, appropriate medical care. The Employer agrees that the Injured Worker will have the right to designate his or her primary treating physician ("PTP"). Such designation must be submitted in writing to the management official designated by the Employer prior to the employee suffering a compensable injury. But in any event, after 30 days from the date the injury is reported, the employee may elect to be treated by a physician of his or her own choice or at a facility of his or her own choice.

Section 18.2 Secondary Treater's

A PTP may be an individual physician or a medical group composed of physicians operating a multi-specialty medical practice providing medical services. In the event the Injured Worker's PTP refers the Injured Worker to another physician or medical provider ("Secondary Treater"), the Employer will comply with all of the Secondary Treater's recommendations that do not contradict or conflict with the PTP's recommendation, or which are not rejected by the PTP. An Injured Worker shall have no more than one PTP at a time. The parties agree that the right of employees covered by this contract to designate a PTP is independent of any right to designate a PTP that may be granted employees under the CLC and that employees covered by this contract will retain the right to designate a PTP regardless of whether such right exists under the CLC.

Section 18.3 Physician Designation Requirement

The PTP designated by the employee must be the employee's regular physician, who has previously provided treatment to the employee, who retains the employee's medical records and history, be licensed under the California Business and Professional Code, and agree in writing to serve as the employee's PTP.

Section 18.4 Emergency

The PTP pre-designation shall not apply to the initial treatment in emergency situations, where the nature of the injury, location of the accident, or distance of the pre-designated PTP makes resort to the PTP impractical.

Section 18.5 AME or QME

Where the Injured Worker's PTP, or, where appropriate, Agreed Medical Examiner (AME) or Qualified Medical Examiner ("QME"), releases an Injured Workers to return to work with temporary medical restrictions that prevent him from performing his usual job, the Employer will offer the Injured Worker T2R Program work.

Section 18.6 Medical Restrictions Compliance

The Employer will not ask the Injured Workers to perform work beyond the medical restrictions imposed by the PTP or, where appropriate, AME or QME. Neither the Employer nor the TPA will contact the injured workers PTP, either as part of a Utilization Review process or otherwise, for the purpose of coercing or pressuring the PTP to release the Injured Worker to return to work, impose particular temporary medical restrictions or modify temporary medical restrictions. No

representative of either the Employer or the TPA will accompany the Injured Employee, in any fashion, on visits to the PTP. Nothing herein is intended to prevent the Employer or the TPA from contacting the PTP in order to clarify prescribed medical treatment or temporary medical restrictions. Objections to a PTP's prescribed medical treatment or restrictions shall be handled in accordance with the CLC. An Injured Worker, at his own initiative, may request his Nurse Case Manager to accompany him to a visit or visits with the PTP.

Section 18.7 Bargaining Unit Work Restriction

The Injured Workers performing T2R Program work will not perform bargaining unit work, including job descriptions set forth in Article 6, Section 6.4 and any past practices relating thereto, without the express consent of the Union. An Injured Worker shall be covered by the terms of the collective bargaining agreement. Nothing in this Article will be used by either party as evidence to advance or resist a claim of work jurisdiction under Article 8 of the Agreement.

Section 18.8 Employer Code of Ethics

T2R Program work will be designed to provide a meaningful benefit to the Employer, and will not be demeaning, punitive, or imposed for the purpose of discouraging Injured Workers from exercising their rights under the California Labor Code.

Section 18.9 Employee Disqualification

Any Injured Worker who is offered, but refuses, T2R Program work will be disqualified from receiving further temporary disability benefits, but will not be subject to any other discipline under the contract. A refusal to participate in the T2R Program shall not become part of any other disciplinary proceedings under the contract. The duration of this disqualification will be limited to the injury giving rise to the particular offer of T2R Program work and shall not apply to subsequent injuries. This does not prevent the Injured Worker from being disqualified from receiving temporary disability benefits in the event the Injured Worker is subsequently injured and again refused T2R work.

Section 18.10 Employee Refuses T2R

In accordance with Section 18.9 of this Article, an Injured Worker who refused T2R Program work may opt back into the T2R Program one time. If the Injured Worker thereafter refuses T2R Program work for the same injury, the Injured Worker shall not be allowed to return to work until he receives a full release to return to work. At no time shall the Injured Worker who refuses T2R Program work be qualified for temporary disability benefits.

Section 18.11 Time Limits

It is the intent of the parties that T2R Program work is temporary, and will not be available indefinitely. T2R Program work will, therefore, not continue beyond one (1) year, unless extended by mutual agreement between the Injured Worker and the Employer, in order to temporarily accommodate an Injured Worker's specific documented medical needs.

## ARTICLE 19 JURY DUTY AND COMPANY WITNESS

### Section 19.1 Scheduling

Any employee scheduled for jury duty shall be automatically temporarily re-scheduled as a day shift employee.

### Section 19.2 Payment

An employee who is summoned and reports for jury duty shall receive his regular daily rate of pay for each day for which he reported for jury duty and on which he would normally have worked. For each such day, the employee must submit to the Employer written proof from the court that the employee reported for and served on jury duty on that date.

### Section 19.3 Company Witness

In case an employee is subpoenaed as a company witness and for company related case in any court, he shall be reimbursed for all time lost and expenses incurred.

## ARTICLE 20 BEREAVEMENT/FUNERAL LEAVE

In the event of the death of an employee's parent, grandparent, spouse, domestic partner, child, mother-in-law, father-in-law, brother, sister, step-children or step-parents, the employee will be granted a leave of absence with pay from the day of death until and including the day after the funeral not to exceed three (3) work days; or in the event the funeral occurs outside the State of California or in California and south of Monterey County, Kings County, Tulare County and Inyo County/cities in Northern California that make up the Northern California Market Area, five (5) work days. Bereavement/Funeral leave is not compensable when an employee is off on a leave of absence, vacation, holiday, sick leave, workers compensation, state disability, jury duty or bona fide lay-off. The purpose of funeral leave payment is to enable the bereaved employee to attend the funeral/celebration of life.

## ARTICLE 21 GENERAL PROVISIONS

### Section 21.1 Equipment—Upkeep—Cleaning

On July 1st of each year, when required to perform the work, all employees shall be granted credit for a new garbage collection can. When requested by the employee, provided he has given his division manager one (1) month's prior notice, such cans shall be equipped with wheels, the method of distribution and allocation of such cans shall be as agreed to between the employer and the Union by a separate letter of agreement which shall be posted on all employees' bulletin boards. Any disputes arising out of this section shall be referred to the grievance procedure.

- A. Protective Clothing: Each employee shall be given a maximum of twelve (12) pairs of gloves per year at the rate of two (2) pairs every second month, except that gloves for transfer truck drivers, operators, and utility classifications will be provided only as needed. Effective October 1st of each year the employee may elect whether the gloves will be of leather or rubber. Hats shall be provided as required, limited to one (1) hat per year. The

Employer shall provide all employees with five (5) high visibility t-shirts in April of each year and five (5) high visibility sweatshirts in October of each year.

The Employer shall provide each regular bid transfer station hostler, operator, and utility classification employee a maximum of two (2) pairs of coveralls per year as needed.

A company approved leather work boot with puncture resistant sole and six inch (6") high laced top shall be mandatory and all employees will be required to wear same. It will be the responsibility of each employee to equip himself with such footwear, and the Employer shall reimburse each employee annually.

The employer shall supply its seniority employees with a satisfactory work jacket, rain gear and safety boots (1 pair) per year. In lieu, of the preceding, \$230.33 will be given to each employee September 1, 2017. This amount will be increased each year based on the previous year's percentage of increase pursuant to the COLA provision contained in Article 7.

Rain gear used by employee shall be a bright solid color (yellow or orange).

The Employer further agrees that each and all of the items spelled out in this Section should bear the Union label of the American Federation of Labor.

Section 21.2 Time Clock

Procedure for recording time is subject to review by the parties.

Section 21.3 Company Meetings

No employee shall be required to attend a company meeting on his own time.

Section 21.4 Leasing and Independent Contractors

There shall be no leased equipment with operators allowed. The Company is free to lease equipment, but all operators and work performed under this contract shall be bargaining unit work and subject to all the provisions of this Agreement.

Section 21.5 Pay Period

The numbers of the Union shall be paid weekly for their labor. No more than one (1) week's wages shall be withheld. A regular weekly payday shall be established provided that if such payday falls on a paid holiday, the preceding work day shall be payday, Friday is hereby established as the regular weekly payday.

Section 21.6 Money Receipt

Employees handling money shall account for and remit to the Employer money so collected at the completion of the day's work. The Employer shall give the employee a receipt for monies so paid in or the employee will not be held responsible for the money.

Employees working under the Helper's classification shall not be required to collect money.

Section 21.7 Maintenance of Sanitary Facilities

The Employer shall maintain washing and toilet facilities at all barns and shall keep the same in a clean and orderly condition in accordance with State laws and regulations.

Section 21.8 Telephone Calls

All employees shall be reimbursed for money spent for telephone calls involving Company business. Particulars of all phone calls must be itemized and settled weekly with payments by cashier or other authorized office employee.

Section 21.9 Inspection Privileges

Authorized agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to.

Section 21.10 Physical Examination

Any Employer who required the employee to take a physical examination must bear the cost of said examination and must compensate the employee for time involved in taking the examination at the employee's regular rate of pay. DOT physicals shall be at not less than two (2) hours pay.

Section 21.11 Bulletin Board

The Company shall supply and install suitable bulletin boards at each barn or starting point for the posting of Union business and communications. The bulletin boards shall be locked and only the Union's Designated Business Agent, Chief Shop Steward and their designees as well as a mutually agreed upon Company representative shall have keys to the Union's bulletin board.

The Employer shall also have locked boards for copies of the master seniority list, health and welfare and pension payments and other Company and Union business. A separate bulletin board shall be for bids and awards of bids only.

Any Company bulletins or work rules posted must be in both English and any other languages, whenever desirable and approved by the Local -Union.

Section 21.12 Payroll Check Stubs

All payroll check stubs must have all items deducted, recorded for the employee's record. Overtime hours must be itemized separately from straight-time hours. The Employer shall furnish, on request by the employee, the total gross earnings to date.

Section 21.13 Transportation

When an employee uses his own transportation, he will be compensated for his travel at the then-current Internal Revenue Service mileage reimbursement rate.

Seniority will be adhered to in the reassignment of employees to other terminals provided they are qualified.

Section 21.14 Heavy Lifting

Employees are not required to lift unusually heavy loads or loads in excess of weight limits spelled out in city ordinances, or in any other way required to do work that may be injurious to their health. When an employee encounters a garbage can that is exceptionally heavy (loaded with concrete blocks, bricks, etc.) he will be furnished help. The combined weight of the container and contents shall not exceed seventy-five (75) pounds.

Notices indicating city ordinance weight limitations will be made available and placed on cans of customers that violate the weight restrictions. If a customer repeatedly refused to conform to the weight limitations, the employee will be permitted to refuse to service that account, provided that the employee has first notified the employee in charge of the route.

Customer's garbage placed in fifty-five (55) gallon drums will not be picked up.

Section 21.15 Change of Address

The employees shall be obligated to report any change of address or telephone number to his Employer. The Employer shall post a notice in all divisions designating its representative for purposes of this section.

Section 21.16 Profane Language

The employees shall be treated with dignity and respect, and the Union and the Company shall not tolerate the use of profanity or extreme vulgarity.

Section 21.17 GPS Evidence

GPS evidence alone shall not be sufficient to support a termination or a suspension of more than two (2) days. GPS evidence may be considered, however, in cases involving terminations and/or longer periods of suspension where such discipline is supported by corroborative evidence and is consistent with the applicable provisions of Article 14 (Grievance Procedure).

Section 21.18 Missed Pick Ups

Missed pick-ups will not impact employee eligibility for a safety bonus.

Section 21.19 Industrial Injury

The Employer shall report to the Union any industrial in which has been reported to the Employer. Said notice shall be furnished to the Union at the same time the Employer reports the injury to its Workmen's Compensation Insurance Carrier. In the event the Employer is self-insured for purposes of Workmen's Compensation, then such notice shall be given to the Union within five (5) days after the injury has been reported to the Employer. Employees shall report industrial injuries to the Employer the same work day as the injury occurs and prior to the employee completing their shift.

Section 21.20 Discipline for Mixing Material

Any violation of mixing material shall result in discipline as listed below. This program will be maintained on a rolling nine (9) month basis with occurrences being removed from an employee's record when they are nine (9) months old. This program shall not become part of any other disciplinary proceedings, but will be subject to Article 14 Grievance Procedure.

1. First Offense within 9-month period --- three day suspension in accordance with the grievance procedure.
2. Second Offense within a 9-month period --- two week suspension in accordance with the grievance procedure.
3. Third offense within a 9-month period --- the driver may be discharged in accordance with the grievance procedure.

ARTICLE 22 SAFETY REGULATIONS

Safety, Incentive and Re-training Program

Section 22.1 Requirements

The Employer will observe all State and Federal safety regulations pertaining to vehicles and the health and safety of his employees.

If the Company is called to investigate a report that an employee may have been exposed to an injurious chemical substance, the Company will provide the Union and the Employee a written statement of its findings.

The Union and the Employer shall establish a Safety Committee which will make recommendations relating to on-the-job injuries, accidents, and potential hazards. Initially, the Committee shall consist of one member selected by the Union and one member selected by the Employer, provided, that the Committee may recommend that its membership be increased.

The members of the Committee shall be appointed by the Employer and the Union and shall include the Chief Steward. Any condition found to be a grave hazard will immediately be brought to the attention of a responsible employer official and corrected. No driver or helper shall be discharged, suspended or otherwise disciplined for refusing to violate traffic laws, overloading regulations or other regulations of the State Vehicle Code.

Section 22.2 Purpose and Corrective Penalties

The parties are committed to the principle that safety and the avoidance of accidents shall have the highest priority in the Employer's operations. It is recognized that both the Employer and the Union must cooperate in taking all reasonable steps to avoid accidents that are costly to the Employer and that are frequently the cause of injury to the employees as well as others. It is accordingly the intent of the Employer to maintain ongoing training and retraining programs, to educate employees in the proper methods of operating equipment, to promote the importance of the "Safety First" rule,



and otherwise to communicate with employees concerning the importance of safe work practices. The Union endorses these efforts.

The purpose of the safety program is to improve safety and reduce the number of accidents, and shall not be considered a part of the disciplinary provisions of this Agreement for misconduct. The corrective procedures provided herein are for the purpose of eliminating unsafe practices and accidents and are to be administered independently of the Employer's authority to discipline for misconduct and shall not be considered for any purpose in disciplinary cases except as provided below. In administering this program the Employer shall take into consideration such matters as the difficulties encountered by drivers in congested areas, problems in gaining accessibility to containers, as well as the safety record of the driver. Employees are not subject to termination for safety violations except in cases where the particular behavior of the employee would independently constitute just cause for termination without regard to the fact that property damage or personal injury has occurred.

Penalties for violations of safety rules shall be as follows:

- |                    |  |
|--------------------|--|
| A. First Accident  | Review incident with employee and written warning  |
| B. Second Accident | Monitor driving habits by supervisor riding with Employee and second written warning     |
| C. Third Accident  | Further intense training, final written warning and two (2) days suspension.             |
| D. Fourth accident | Up to thirty day suspension or other discipline as the grievance procedure may determine |

The foregoing corrective penalties shall be expunged from the employee's record nine (9) months from date of occurrence. Disputes concerning fault for accidents shall be held in abeyance and not proceed through the grievance procedure unless the accident(s) is used by the Company as the basis for a suspension or discharge.

It is understood and agreed that the foregoing penalties shall not be applicable to failures to comply with safety rules that do not result in an accident involving property damage or personal injury. Nor shall these penalties apply to accidents that occur during training, unless the conduct that caused the accident was egregious. Discipline for accidents shall be imposed only where the employee is at fault.

An injury is not an accident.

In addition to the foregoing, the Union recognizes the right of the Employer to continue and to expand or modify the incident program for safe driving currently in existence. The parties are in agreement that employees should be rewarded for exemplary records of safe driving. The parties shall evaluate the results of such programs from time to time, and consult with respect to methods to make them more effective.

Section 22.3 Incidents

Notwithstanding the above, incidents are events that result in damage occurring while servicing the customer due to the typical operational hazards of the job, unless the conduct that caused the incident was egregious. One factor in determining whether the conduct was egregious is the amount of damage done. Incidents include situations where a vehicle and/or equipment come into contact with mailbox posts, basketball hoops, tree limbs, enclosures, containers and carts, etc.

The Company may respond to such incidents by counseling and/or riding with the employee to monitor and correct safety habits in order to lessen their frequency. In the event an employee has more than three incidents within a 12-month period, each additional incident shall be subject to the disciplinary system for misconduct. Discipline for incidents shall be imposed only where the employee is at fault. Accidents and incidents are not to be combined. Further, an incident may not be the triggering event for discharge under the progressive disciplinary system for misconduct.

ARTICLE 23 COMMERCIAL DRIVER'S LICENSE

Section 23.1 License Requirements

No employee or applicant for employment shall be required to possess a chauffeur's license unless such license is required by law for the type of work actually performed by the employee. In any such case, a classification of chauffeur's license higher than that imposed by law shall not be required.

The automated San Leandro residential trucks will require a Class A License and as a result some drop box drivers may require Class A licenses. Therefore, the Company agrees to provide driver training through Teamsters Joint Council 7 CDL Driver Education Program, currently costing \$1250.00, to all successful automated and drop box drivers and backup bids if any. In addition the Employer will contribute \$625.00 or one half of the current Employer cost toward the obtainment of a Class A license to any employee that has obtained seniority on or by the date of ratification of this agreement provided application for said training is requested prior to April 1, 2001.

The Employer shall pay for the cost of any physical examination required by the employer or applicable law for a driver to continue to operate a vehicle in a classification to which he is then assigned or if required by the Employer; and shall not pay less than two (2) hours for any routine physical examination.

If the employee's license is suspended, the Company shall instruct the employee to report for work with the required license, and upon his failure to do so, the Company will file a grievance for unauthorized absenteeism under Article 14. The grievance panel shall determine the appropriate discipline based upon all the circumstances of the case.

ARTICLE 24      DISCRIMINATION:

Section 24.1      Union Activities

No employee shall be discharged or discriminated against for Union activities or for upholding Union principles.

Section 24.2      Non-Disabling Handicap

At no time while, this contract is in force shall an. Employer discharge, suspend or discipline any employec solely by reason of his having incurred a non-disabling physical handicap, provided a physician mutually agreed upon certifies in writing that he is physically able to perform his duties.

Section 24.3      Blacklisting

The Employer shall not in any way establish, create or become a party to a blacklist which may have as a purpose, prevention or interference with the obtaining of employment by a member of the Union with any Employer or company.

Section 24.4      Fair Employment

Neither the Employer, the Union nor any employee hereunder shall discriminate against any employee or applicant for employment because of the person's race, religion, color, national origin, marital status, age, ancestry, physical or mental disability, medical condition (cancer related, as defined in Section 12926 of the California Government Code), gender (except as bona fide occupational qualification), pregnancy (except as bona fide occupational qualification), special disabled veteran or handicap to the extent provided by law, or status as a veteran of the Vietnam War era. The Employer will not pay wages benefits or conditions of employment less than those established by this Agreement.

In this Agreement, reference to the male gender shall include the female gender, and reference to the female gender shall include the male gender.

Section 24.5      Harassment

The Employer shall not in any way harass or coerce any employee in the performance of their duties. All parties will treat each other with dignity and respect.

ARTICLE 25      MAINTENANCE OF STANDARDS

Section 25.1      Commitment

The Employer agrees that all conditions of employment in his individual operation relating to wages, hours of work and overtime differentials shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement, and the conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement. It is agreed that the provisions of this Section shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement, if such error is corrected within ninety (90) days from the date of error. Any disagreement between the Local Union and the Employer with respect to the matter shall be subject

to the grievance procedure. Notwithstanding anything provided in this paragraph to the contrary, the regular working hours shall be as provided in this Agreement.

This provision does not give the Employer the right to impose or continue wages, hours and working conditions less than those contained in this Agreement.

Section 25.2           Extra Contract Agreements

The Employer agrees not to enter into any agreement or contract with his employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement shall be null and void.

Section 25.3           New Equipment

Where new types of equipment and/or operations for which rates of pay are not established by this agreement are put into use within operations covered by this Agreement, rates and starting times governing such operation shall be subject to negotiations between the parties. Rates agreed upon or awarded shall be effective as of the date equipment is put into use.

ARTICLE 26           MANAGEMENT RIGHTS

The Company shall have the exclusive rights to manage the company in a manner that will result in greater profits and fuller utilization of its employees. Such rights will include abilities to plan, to determine services to be tendered, to purchase equipment of its choice, to adjust necessary shifts, to maintain order, to promote employees, to determine whom it shall hire and to create a safe working environment, as well as all normal prerogatives of management. These named rights shall in no way conflict with express provisions of this Agreement.

ARTICLE 27           TRANSFER OF COMPANY TITLE OR INTEREST

Section 27.1           Obligations

This Agreement shall be binding upon all parties hereto, their successors, administrators, executors and assigns. In the event the operations covered by this Agreement, in whole or in part, are sold, leased, subcontracted or otherwise assigned by the Employer, a condition of any such transaction shall be that the operation so transferred shall continue to be covered by this Agreement, and that the successor will agree in writing to recognize the Union, adopt this Agreement, and employ bargaining unit employees to the extent required in accordance with their seniority.

Section 27.2           Liability

In the event the Employer fails to require the purchaser, the transferee or lessee to sign this contract or to otherwise assume the obligations of this contract, the Employer shall be liable to the Union and to the employees covered for all damages sustained as a result of such failure. When the purchaser, transferee or lessee signs this Agreement or otherwise assumes its obligations, the Employer shall be under no further liability to the Union or to the employees by reason of this Article.

## ARTICLE 28 DUES CHECK OFF

Upon receipt of a written assignment and authorization signed by a regular employee, on an appropriate legally acceptable form furnished by the Union, the Employer agrees to deduct monthly from the first check of such employee in each calendar month and pay to the Union his regular monthly dues and/or uniform assessments.

Casual pool employees will be required to pay the current Hiring Hall fee for any month in which they work. The Union will provide signed authorizations for each employee in accordance with the above.

Remittance of these monies to the Union shall be made once a month, prior to the fifteenth (15th) day of the calendar month for which such deductions are made, and a list of employees for whom payment is made and their social security numbers shall accompany such payment.

Deductions of dues shall in all cases be made from the first day in each calendar month immediately following the date of signing of such authorization. In the event the dues or uniform assessments were not withdrawn from an employee prior to his going on vacation, the Employer shall remit for the employee such monies as are due and deduct it from his next regular paycheck.

Receipts for dues or uniform assessments paid shall be mailed to the Employer, who will be charged with their proper distribution.

The Union at its option may require that the Company deduct dues on a weekly basis rather than the monthly basis set forth above, provided that the Union must give the Company ninety (90) days' prior notice of its intent and discuss and agree with the Company on a mutually acceptable procedure for accomplishing this intent.

### Section 28.1 DRIVE

The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE, or alternatively such other Political Action Committee of the Union's designation, Such contributions shall be deducted pursuant to the written authorizations of the contributing employees on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to DRIVE National Headquarters or to the Political Action Committee designated by the Union as the case may be, on a monthly basis in one check the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from the employee's paycheck. Transmittals shall be made to DRIVE -until and unless the Union notifies the Employer in writing to discontinue such transmittals and to transmit the deductions instead to the Political Action Committee it designates, The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expense incurred in administering the weekly payroll deduction plan, except that such reimbursement shall be made by the Union in the event it designates a Political Action Committee to which the transmittals are to be made.

## ARTICLE 29 DRUG AND ALCOHOL TESTING

### Section 29.1 Preamble

The parties have arrived at this Agreement as a means toward compliance with the work place drug and alcohol testing regulations issued by the U.S. Department of Transportation, as well as for non-DOT reasonable suspicion drug and alcohol testing.

This Agreement shall be the sole governing guideline and apply to drug and alcohol testing as required by DOT Regulations. The standards set by DOT shall be the only ones adopted. In the event that DOT ceases mandated drug and alcohol testing this agreement shall only apply to reasonable suspicion testing which would be applicable to all employees.

Any reference to drug testing shall include alcohol testing unless it is explicitly excluded. The parties recognize that the procedures set forth herein may be modified if future federal legislation dictates it.

This Article has to be in conformity with Article 14 Grievance Procedure. The sole exception will be that positive tested employees subject to suspension or discharge will be taken off the job.

### TABLE OF CONTENTS

	Section
Employees Who Must Be Tested	29.2
Medical Review Officer	29.3
Substances to Be Tested	29.4
Types of Testing Required	29.5
Random Testing	29.6
Positive Test Results from Random Testing	29.7
Rehabilitation and Testing After Return to Duty	29.8
Preparation for Urine Drug Testing	29.9

### Abbreviation Definitions:

ACOEM:	American College of Occupational and Environmental Medicine
BAT	Breath Alcohol Technician
BAC	Breath Alcohol Concentration
DHHS	Department of Health and Human Services
DOT	Department of Transportation
EBT	Evidential Breath Testing
MRO	Medical Review Officer
NHTSA	National Highway Traffic Safety Administration
NIDA	National Institute of Drug Abuse
SAP	Substance Abuse Professional
TAP	Teamsters Assistance Program
ACIAC	Alameda County Industries, Inc. of Alameda County

Section 29.2 Employees Who Must Be Tested:

Alameda County Industries, Inc. employees who are subjected to drug and alcohol testing under the Department of Transportation (DOT) mandate shall be the only employees required to be tested pursuant to such regulations. In addition, all employees shall be subject to drug and alcohol testing based upon reasonable suspicion.

The company may drug or alcohol test for pre-employment.

Except as otherwise specified, all testing will be at the Employers expense and time spent traveling to the clinic and testing will be paid time.

Section 29.3 Medical Review Officer

The Medical Review Officer (MRO) will be an independent doctor of osteopathy or licensed physician, who is responsible for receiving laboratory results of urine tests generated by the drug testing program.

The MRO shall be a licensed A.C.O.E.M. physician who has knowledge of substance abuse disorders, and has appropriate medical training and resources to interpret and evaluate a confirmed positive drug test result utilizing the individual's medical history and other bio-medical information. The MRO should (1) review and interpret positive drug screen results, (2) examine possible medical explanations when a confirmed positive test could have resulted from a legally prescribed or over-the-counter drug, (3) conduct interviews with employees prior to completing a confirmed positive test investigation, (4) maintain a record-keeping system for drug test results. All urine test results must be sent to the MRO, and positive test results must first be communicated to the employee in accordance with the following before being forwarded to the Employer. The MRO must provide an opportunity for the employee to discuss a positive test result. If the MRO is unable to contact the employee, the MRO shall so advise the designated Manager, who shall instruct the employee to immediately contact the MRO. Should the employee not contact the MRO within five (5) business days after the notification by the MRO, the MRO shall report the laboratory result to the employer. The employer has the ability to place an employee on leave with pay until contact is made and a test result is rendered to the employer. The MRO shall be authorized to request that the original specimen be re-analyzed to determine the accuracy of the reported test result.

If the MRO determines that there is a legitimate medical explanation for a confirmed positive drug test result, the MRO shall report the test result to the Employer as a negative. A second test may be requested as outlined under "Split Sample Procedures."

The employee shall be reimbursed for any lost pay and benefits if taken out of service based upon a positive test result which is negated by the second test.

When a grievance is filed as a result of a positive drug test, the Employer shall obtain from the laboratory its record relating to the drug test. Such information is to be furnished to the Local Union as soon as possible.

Section 29.4 Substance to Be Tested

Testing of urine specimens shall be performed to detect the presence of five controlled substances.

Marijuana  
Cocaine  
Phencyclidine (PCP)  
Amphetamines (including methamphetamines)  
Opiates (including heroin)

A. Screening Test:

The initial test uses an immunoassay to determine levels of drugs or drug metabolites. The following initial cutoff levels shall be used when screening specimens to determine whether they are negative for these five drugs or drug classes:

<u>Substance</u>	<u>Initial Test Level (ng/ml)</u>
Marijuana Metabolites	.50
Cocaine Metabolites (Benzococgonine)	300
Opiate Metabolites Codeine, Morphine & 6-acetylnorphine (6-AM)	*2,000
Phencyclidine	25
Amphetamines	1,000

\*25 ng/ml is immunoassay specific for free morphine. Quantitative values for morphine or codeine at 15,000 ng/mL or above must be reported.

Alcohol testing will be performed on an evidential breath testing (EBT) device approved by National Highway Traffic Safety Administration (NHTSA) and conducted by a breath alcohol technician (BAT).

Any test result of less than .02 alcohol concentration will be considered a negative. Any level of .02 concentration or greater requires a confirmation test.

These substances and test levels are subject to change by the Department of Health and Human Services as advances in technology or other considerations warrant.

B. Confirmatory Test:

All urine specimens identified as positive on the initial test shall be confirmed using gas chromatography/mass spectrometry (GC/MS) techniques at the cutoff values listed.

Confirmation test for alcohol is to be conducted by a BAT using an EBT that points out the results, date and time, a sequential test number and the serial number of the EBT. There must be a fifteen



(15) minute deprivation period between the initial test and the confirmation test and no more than twenty (20) minutes.

The following cutoff levels shall be used to confirm the presence of drugs or drug metabolites:

<u>Substance</u>	<u>Confirmatory Test Level (ng/mL)</u>
Marijuana Metabolite Delta -9-Tetrahydrocannabinol-9-carboxylic acid (THC)	15
Cocaine Metabolite (Benzolegonine)	150
Opiates:	
Morphine	2,000
Codeine	2,000
6-acetylmorphine (6-AM)	*10
Phencyclidine	25
Amphetamines:	
Amphetamines	500
Methamphetamine	**500

\* Test for 6-AM in the specimen. Conduct this test only when specimen contains morphine at a concentration greater than or equal to 2000 ng/mL.

\*\* Specimen must also contain amphetamine at a concentration greater than or equal to 200 ng/mL.

If the confirmation test is negative, the sample will be considered to have passed and no further action will be taken.

The laboratory used for drug screen and confirmation testing will be certified by the Department of Health and Human Services (DHHS).

#### Section 29.5 Types of Testing Required

Testing procedures will be performed as part of pre-employment practices, after defined DOT reportable accidents, on the basis of reasonable suspicion, unannounced testing pursuant to DOT regulations or the Parties return to work agreement, and under DOT mandated random testing. Any employee refusing to submit to testing will be regarded as having tested positive for both alcohol and drugs. The refusal will be regarded as being at the highest level identified in this Article and also subject to the ramifications of this Article.

**A. Pre-Employment Testing:**

Controlled substance and/or alcohol testing may be part of Alameda County Industries, Inc. pre-qualification conditions for employment.

Employment candidates will be advised that pre-employment testing will be conducted to determine the presence of controlled substances and/or alcohol.

**B. Reasonable Suspicion Testing:**

Upon reasonable suspicion, ACI will require an employee to be tested for the use of controlled substances or alcohol.

Reasonable suspicion is defined as an employee's observable action, appearance, conduct, speech and breathe odor that clearly indicates the need for a fitness-for duty medical evaluation.

The employee's conduct must be witnessed by at least two (2) supervisors, if available, but no less than one (1). The witness (es) must have received training from, the Teamsters Assistance Program (T.A.P.) in observing a person's behavior to determine if a medical evaluation is required. When the supervisor confronts an employee suspected of being under the influence, a shop steward should be made available if requested. If no steward is present, the employee may select another hourly paid employee that is present to represent him.

Documentation of the employee's conduct shall be prepared and signed by the witnesses) within 24 hours of the observed behavior. A copy will be sent to the local union as soon as possible if disciplinary action is taken by the company and grieved by the Union.

In the case of reasonable suspicion testing, it is Alameda County Industries, Inc.'s responsibility to ensure that the employee is transported as soon as possible to a collection site with a bargaining unit employee if the steward is not available.

At the time the urine specimen is collected, the employee may opt to also give a blood sample which must be given within 30 minutes of the urine sample. If the employee takes this option, the blood sample must confirm positive presence for the substance confirmed in the urine test. If no positive is confirmed in the blood specimen, the employee will be given a warning letter and offered an opportunity for rehabilitation if necessary. All costs associated with such blood specimens shall be paid by the employee if such sample tests 'positive. An employee testing positive will be subject to discharge.

If the DOT ceases its mandate of drug/alcohol testing, reasonable suspicion testing as provided herein will remain intact and enforceable.

**C. Post-Accident Testing:**

Following a reportable accident, the employee will be required to submit to drug and alcohol testing, as required under Federal DOT regulations, if there is: 1) a fatality, 2) the employee

receives a citation for a moving traffic violation and there is injury that requires treatment away from the scene of the accident, 3) the employee receives a citation for a moving traffic violation and any vehicle involved in the accident must be towed from the scene of the accident. Alcohol testing will be required after accidents under the above conditions and the employees are required to submit to such testing as soon as possible, but no later than eight (8) hours following the accident. Drug testing will be required after accidents under the above conditions and drivers are required to submit to such testing as soon as possible, but no later than thirty-two (32) hours. Employees testing positive will be subject to discharge.

D. Non-DOT-Reasonable Suspicion:

In the event an employee (not covered by DOT) is tested based upon reasonable suspicion, such test will be performed under the same procedures as outlined above.

A positive test result shall be considered a dischargeable offense.

Section 29.6 Random Testing

The procedures used to randomly select employees for drug testing will be in compliance with the Department of Transportation Regulations.

Employees selected for DOT mandated random drug and alcohol testing, will be notified of testing in person or by telephone. Testing must be conducted just before, during or after an employee's work day. Testing dates and times are unannounced.

For random drug testing, effective January 1, 1995, the amounts of testing per year must equal at least 50% of all subjected employees.

For random alcohol testing the amounts of testing per year must equal at least 25% of all subjected employees.

Unannounced drug and alcohol testing of employees will be computer generated by the Employer's third party consortium. The procedure for selection may be reviewed by the Local Union upon request.

Section 29.7 Positive Test Results from Random Testing

A. Drugs:

Employees who have tested positive in a random DOT drug test will have a maximum of fifteen (15) calendar days to enroll and receive treatment in the Teamsters' Assistance Program or another qualified drug assistance program agreed to by the Employer and the Union. Alameda County Industries, Inc., Inc. will follow the guidance of the Substance Abuse professional on follow-up testing as part of rehabilitative after-care protocol. DOT mandated unannounced testing will be computer generated. Should an employee that has been found to have a positive test refuse to enroll and complete a drug assistance program, that employee will be subject to discharge. Approved Aftercare programs will be followed and completed by the employee. The Parties will develop a return-to-work agreement.

It is the intent and expectations of the parties to this agreement that TAP or other drug/alcohol program to which referral is made will normally and routinely recommend, providing that funding is available, thirty day residence treatment in the absence of special and exceptional circumstances that justify less extensive treatment.

A "return to work" agreement shall be entered into, by the Company and the Union as well as the involved employee following the latter's completion of rehabilitation treatment. The "return to work" agreement may provide for additional testing in accordance with, but not beyond, the requirements of DOT regulations. No discipline may be imposed by the Company as to testing requirements under the "return to work" agreement applicable to the time period following 12 months of its execution. Nothing herein, however, shall prohibit discipline provided for or allowed by the Company's drug and alcohol policies as contained in this agreement that are not related to the "return to work" agreement.

Employees who have tested positive a second time within five (5) years of the first positive test will be subject to discharge. After the five year period employees will be granted further leaves of absence as described under "Rehabilitation and Testing after Returning to Duty."

B. Alcohol:

1. Pre-Shift Testing:

First Positive Test

.02 to .0399 BAC—out of service for twenty-four (24) hours and written warning.

.04 to .0799 BAC—three day suspension and SAP counseling. .08 BAC and higher—subject to discharge.

Second Positive Test

.02 to .0399 BAC—three day suspension and SAP counseling.

.04 BAC and higher—subject to discharge.

Third Positive Test

.02 BAC and higher—subject to discharge.

2. Testing During and After Shift:

First Positive Test

.02 to .0399 BAC—three day suspension and SAP counseling.

.04 BAC and higher—subject to discharge.

Second Positive Test

.02 to .0399 BAC—ten-day suspension and SAP counseling.

.04 BAC and higher—subject to discharge.

Third Positive Test  
.02 BAC and higher—subject to discharge.

Pre-shift testing and testing during and after shift shall be combined for progressive discipline purposes.

Progressive discipline for positive alcohol random results will be in conformity to the twelve (12) month time limitations outlined in Article 14.

Section 29.8 Rehabilitation and Testing After Returning to Duty  
Employees who have tested positive and are subjected to a rehabilitation program will have a maximum of fifteen (15) calendar days to enroll and receive treatment in TAP. A leave of absence for the prescribed length for such treatment shall be granted but will be limited to two (2) leaves of absence. Should an employee refuse to enroll and complete a drug/alcohol assistance program, after it was deemed necessary by a SAP, that employee will be subject to discharge. In addition, any employee may voluntarily enter an assistance program prior to commission of a drug/alcohol related offense.

The length of aftercare programs will be determined by the negotiating parties to this agreement and may include unannounced testing. The number of unannounced tastings shall not exceed the numbers determined by DOT. The employee shall comply with the prescribed after care program and the parties return to work agreement.

After such a leave, further evidence of drug or alcohol abuse will be grounds for termination. While on such leave, and for the first month only, the employee shall accrue those benefits provided employees who are unavailable for work due to injury or illness occurring on the job, i.e., pension, health and welfare, vacation, holidays and sick leave (integrated with SDI where appropriate). Funeral leave and jury duty shall not be payable. No benefits shall be accrued during any extension though the employee may pay for his own health and welfare coverage under Article 11, Section 11.5.

Section 29.9 Preparation for Urine Drug Testing  
ACI, in conjunction with its sample collection clinic, and its laboratories shall develop a clear, well documented procedure for collecting, shipping and keeping records, for urine specimens.

A. Prerequisites:

Upon arrival at the collection site, an employee must provide the collection agent with:

- Photo identification.
- An authorization form for urinalysis drug screening. Each collection site will have a supply of forms.

If the employee arrives without the above listed items, the collection agent should contact the company representative.

B. Control Procedures:

The collection agent verifies the identity of the employee.

The employee signs the consent form and the collection agent signs as a witness.

A standard DOT approved Urine custody and control form will be supplied by the appropriate laboratory. This form must be used by all collection facilities.

The employee enters his or her social security number in the space labeled "Employee I.D. No. or Social Security NO." After the donor dates and initials the custody and control form, the collection agent will sign in the space provided.

- The collection agent insures that the form contains the Employer name and address.
- The collection agent ensures that the form contains the Medical Review Officer Name and address.
- The collection agent specifies which drugs the specimen is to be tested for by checking the appropriate box.
- The collection agent specifies the reason for testing by checking the appropriate box.
- The collection agent will be provided with a copy of this Agreement.

Upon completion of sample collection a copy of the chain of custody form is sent to the MRO.

C. Collection Procedures:

No unauthorized personnel will be allowed in any area of the collection site. Only one controlled substances testing collection procedure will be conducted at a time and the specimens can only be handled by the collection site person.

The employee being tested should remove any outer garments, such as coats, jackets, hats or scarves, and should leave any personal belongings (purse or briefcase) with the collection agent. If the employee requests it, the collection agent shall provide the employee a receipt for his or her belongings. The employee may retain his or her wallet.

The employee shall remain in the presence of the collection agent and shall not have access to any water fountain, faucet, soap dispenser, cleaning agent or other materials which could be used to adulterate the specimen.

The collection agent provides the employee with a new unused collection cup after random selection of the sealed kit.

The employee will provide his or her specimen in a stall or otherwise partitioned area that allows for privacy.

The employee shall hand the specimen to the collection agent. The specimen shall remain in the sight of both the collection agent and the employee at all times. The collection agent then shall determine that the container contains at least forty-five (45) milliliters of urine. If the

individual is unable to provide forty-five (45) milliliters of urine, the collection agent shall direct the individual to drink fluids and, after a reasonable time, not to exceed two (2) hours, again attempt to provide a complete sample using a fresh specimen container. The original specimen shall be discarded.

Employee being tested is allowed up to three (3) hours to produce a specimen of sufficient volume (45 ml). During the three (3) hour period, the individual is allowed to consume not more than forty (40) ounces of fluid. The three (3) hour rule starts when the individual informs the collection site person that he/she is unable to provide a specimen.

If after the three (3) hour period, the individual is still unable to produce a specimen of sufficient volume, the testing shall be discontinued and the Employer shall be so notified. The Employer shall then refer the individual for medical evaluation to determine whether or not the inability to produce a sample is due to a genuine medical problem or if it constitutes a refusal to test.

Procedures for urine collection will follow DOT guidelines to ensure an individual's privacy. A collection agent who has reason to believe that a specimen has been adulterated, which includes conduct clearly and unequivocally indicating an attempt to substitute or adulterate the sample, e.g. abnormal urine color or urine temperature outside the acceptable range, will require the employee to provide another specimen under direct observation by a same gender collection agent. The entire procedure should be repeated including initiation of a new chain-of-custody form and separate packaging for shipping.

The collection agent shall document any unusual behavior or appearance on the urine custody-and-control form. Specimen handling (from one authorized individual or place to another) will always be conducted using chain-of-custody procedures. Every effort must be made to minimize the number of people handling specimens.

**D. Split Sample Procedure:**

There will be a split sample procedure utilized. When a test kit is received by a laboratory, a thirty (30) ml sealed urine specimen bottle shall be removed immediately for testing. The shipping container with the remaining sealed bottle shall be immediately placed in secure storage.

The employee's urine specimen will be poured into two (2) containers in the presence of the employee. One (1) container must be filled with no less than thirty (30) ml of urine. Urine in excess of the first thirty (30) ml shall be placed in the second container. Both shall be sealed and then forwarded to a DHHS approved laboratory for testing. If an employee is told that the first sample tested positive, the employee may, within seventy-two (72) hours of receipt of actual notice, request that the urine specimen in the second container be forwarded by the first laboratory to another independent and unrelated, DHHS approved laboratory of the parties' choice for GCMS confirmatory testing of the presence of the drug. All costs associated with the second test shall be paid by the employee. Disciplinary action can only take place after the second laboratory confirms the presence of the drug. However, the employee may be taken out of service once the first laboratory reports a positive finding while the second test is being

performed. If the second laboratory report is negative, the employee will be reimbursed for all lost time.

E. Specimens Shipping Preparations:

After measuring temperature and visibly inspecting the urine specimen, the collection agent should tighten and seal the specimen shipping container.

The collection agent places a security label (initialed and dated by the employee) over the bottle cap, overlapping the bottle sides.

The collection agent places the urine specimen in the sealable pocket of the specimen bag and then seals the bag.

The collection agent places the sealed specimen bag in the shipping box and seals the box with the tape provided.

The employee receives a copy of the urine custody and control form.

The company will use United Parcel Service or Airborne for transportation of specimens whenever possible.

## ARTICLE 30 GENERAL SAVINGS CLAUSE

### Section 30.1 Unlawful Provision

Any provision of this Agreement between Alameda County Industries, Inc. Alameda County Industries, Inc. and the Brotherhood of Teamsters, Local No. 70, adjudged to be unlawful by a final decision of a Tribunal or a Court of competent jurisdiction, shall be treated for all purposes as null and void; but all other provisions shall continue in full force and effect, except as provided hereinafter in this covenant. Both parties agree that in the event any provisions are rendered inoperative by the foregoing processes, the same is to be immediately re-negotiated so as to remove objectionable features.

### Section 30.2 Legislation Regulation Act

If any portion of the wage increases or fringe benefit improvements agreed upon by the parties, may not be put into effect because of applicable legislation, Executive Orders or Regulations dealing with Wage and Price Stabilization, then such wage increases or improved fringe benefits, or any part thereof, including any retroactive requirement thereof, shall become effective at such time, in such amounts, and for such periods, retroactively and prospectively, as will be permitted by law at any time during the life of this Agreement and any extension thereof. This shall be applicable upon expiration, termination or relaxation of controls, or upon specific approval granted in any applications made by the parties to the Secretary of the Treasury of the Cost of Living Council.



ARTICLE 31 TERM OF AGREEMENT

This Agreement shall be in full force and effect from July 1, 2017 to and including June 30, 2022 and shall continue from year to year thereafter, unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.

In the event of an inadvertent failure by either party to give the notice set forth in this Article, such party may give such notice at any time prior to the termination or automatic renewal of this Agreement. If a notice is given in accordance with the provisions of this section, the expiration date of this Agreement shall be the sixty-first (61st) day following such notice.

At the Union's option this Agreement may be extended at five year intervals subject to ratification of the membership and agreement of the Company.

IN WITNESS WHEREOF, we have set our hands and seals this 5<sup>th</sup> day of September 2017.

FOR THE UNION:  
TEAMSTERS LOCAL 70

FOR THE COMPANY:  
ALAMEDA COUNTY INDUSTRIES

Marty Frates 9/5/17  
Marty Frates, Secretary-Treasurer Date

Joel Bell 9/5/17

Dominic Chiovare 9/5/17  
Dominic Chiovare, President Date

Felix Martinez 9-5-2017  
Felix Martinez, Business Agent Date

## APPENDIX A – Wage Equalization

From July 29, 2007 through July 1, 2011, all bargaining unit employees shall receive a minimum wage increase of 3.4%. The first such increase shall be effective July 29, 2007 and thereafter on July 1, through July 1, 2011. For some classifications and employees, wages will be further adjusted as set forth in Appendix A for the purpose of equalizing wages.

The July 29, 2007 rates above represent both wage rate increases and a cost-of-living adjustment, and further represent the parties' attempts to equalize the Driver, Automated Driver, Recycle Driver/Helper, Helper and Utility Sweeper wage rates over the life of this collective bargaining agreement. To accomplish this objective, in the first year, the Casual/New Hire rate moves to \$21.20 per hour. The Driver, Utility A&B and Operator classification shall receive a \$1.45 per hour total increase. The total increases for the Automated Driver, Recycle Driver/Helper, Helper and Utility Sweeper classifications vary due to the attempt to equalize those rates over the life of the contract, with current Automated Drivers temporarily red-circled at \$28.25 per hour.

Effective July 1, 2008, all classifications with the exception of Automated Driver, Recycle Driver, and Helper classifications shall receive a cost of living adjustment pursuant to terms of the cost of living provision in the parties' agreement, and then adjusted further by \$0.50 per hour as part of the parties' effort to equalize wage rates. The Automated Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, less \$0.40 per hour, as part of the effort to equalize wage rates. The Recycle Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, and then adjusted further by \$1.00 per hour, again as part of the effort to equalize wage rates. The Helper classifications shall be increased to equal the Driver rate. For all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than 3.4%.

Effective July 1, 2009, all classifications with the exception of Automated Driver and Recycle Driver shall receive a cost of living adjustment pursuant to terms of the cost of living provision in the parties' agreement. The Automated Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, less \$0.50 per hour, as part of the effort to equalize wage rates. The Recycle Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, and then adjusted further by \$1.00 per hour, again as part of the effort to equalize wage rates. For all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than 3.4%.

Effective July 1, 2010, all classifications with the exception of Automated Driver and Recycle Driver shall receive a cost of living adjustment pursuant to terms of the cost of living provision in the parties' agreement. The Automated Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, less \$0.20 per hour, as part of the effort to equalize wage rates. The Recycle Driver classification shall be increased in accordance with the cost of living provision in the parties' agreement, and then adjusted further by \$1.10 per hour, again as part of the effort to equalize wage rates. For all classifications, unless otherwise specified, in no case shall the annual cost of living percentage increase be less than 3.4%.

Effective July 1, 2011, all classifications shall receive a cost of living adjustment pursuant to the terms of the cost of living provision in the parties' agreement, but in no case shall the annual cost of living percentage increase be less than 3.4%

Beginning July 1, 2012 until July 1 2016, the, applicable CP1 rate will be 2.7%. If the consumer price index provided for exceeds 2.7%, then the rates referenced herein, shall be increased accordingly.

Beginning July 1, 2017 until June 30, 2022, the, applicable CP1 rate will be 2.7%. If the consumer price index provided for exceeds 2.7%, then the rates referenced herein, shall be increased accordingly

IN WITNESS WHEREOF, we have set our hands and seals this 5<sup>th</sup> day of September 2017.

FOR THE UNION:  
TEAMSTERS LOCAL 70

FOR THE COMPANY:  
ALAMEDA COUNTY INDUSTRIES

Marty Frates 9/5/17  
Marty Frates, Secretary-Treasurer Date

[Signature] 9/1/2017

Dominic Chiovare 9/5/17  
Dominic Chiovare, President Date

[Signature] 9-5-2017  
Felix Martinez, Business Agent Date

## APPENDIX B - Vacation Scheduling

Classification groupings for vacation scheduling formula per Article 9, Section 9.4:

Group 1: Transfer Truck Drivers and Hostlers

Group 2: Commercial Drivers including:

- Front-End Loader Drivers
- Roll-Off Drivers
- Bin and Cart Delivery Drivers
- Flat-Bed Truck Drivers
- Fork Truck Drivers
- Front-End Loader and Roll-Off Pool Drivers

Group 3: Automated Truck Drivers and Pool Drivers

MEMORANDUM OF UNDERSTANDING

Modify contract language to ensure change to rolling 9 month period for discipline. Period to be tolled for unpaid leaves of absence of in excess of 30 days or more. Upon return to work, employee returns to same disciplinary position as was prior to commencing leave.

For the purpose of Article 16 modifications, ACI has agreed to allow an additional doctors note thru 12/31/2017. This would be in addition to the single doctor's note if still available (unused).

On a one time basis, remove the most recent accident as of the date of ratification from employee's record.

IN WITNESS WHEREOF, we have set our hands and seals this 5<sup>th</sup> day of September 2017.

FOR THE UNION:  
TEAMSTERS LOCAL 70

FOR THE COMPANY:  
ALAMEDA COUNTY INDUSTRIES

Marty Frates 9/5/17  
Marty Frates, Secretary-Treasurer Date

[Signature] 9-1-2017

Dominic Chiovare 9/5/17  
Dominic Chiovare, President Date

[Signature] 9-5-2017  
Felix Martinez, Business Agent Date

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "MOU") is made by and between parties Alameda County Industries, Inc. (the "Employer"), and The Brotherhood of the Teamsters Local No. 70 (the "Union").

The parties acknowledge that a collective bargaining agreement ("CBA") (covering the period of July 1, 2007 through June 30, 2017) is currently in effect between the parties. The parties also acknowledge and agree that this MOU is not intended to modify or invalidate the CBA or any provision of the CBA.

The parties acknowledge and agree that this MOU is intended to clarify the parties' mutual understanding of the terms and requirements of Employer's Failure to Report to Work (72-hour) Policy (the "Policy"), referenced in Article 5 SENIORITY AND LAYOFFS of the CBA.

The parties hereby agree that the terms of the Policy will be implemented as follows:

A. When an employee is absent from work and has exhausted their paid sick time

1. The Employer will send a Sick Time Exhaustion Report to Work Notice Letter ("Notice Letter") via certified, return receipt U.S. mail to the employee at the employee's home address on file with the Employer, and to the Union representative. Additionally, the Employer will send an email to the Union representative, advising them of the Notice Letter.
2. The Notice Letter will advise the employee that they must report to work by the start of their scheduled shift on the 5th Day after exhaustion of their sick time, or contact Human Resources by 5:00pm on that day to report their continued inability to work. If the employee chooses the latter option, they must provide a doctor's note to Human Resources no later than the 8th Day after the exhaustion of sick time, documenting their continued illness and specifying their return to work date.
3. If the employee reports to work by the start of their scheduled shift on the 5th day after the exhaustion of their sick time, no other action is required by the employee and no other action will be taken by the Employer.
4. If the employee does not comply with the process outlined above in provision A.2 (also set forth in the Notice Letter) by the timeframe indicated, the employee will be subject to immediate termination of employment. In such case, Employer will send a Notice of Termination Letter via certified, return receipt U.S. mail to the employee at the employee's home address on file with the Employer, and to the Union representative. Additionally, the Employer will email the Union representative to notify them that the employee was sent a Notice of Termination Letter.

B. When an employee fails to report to work as scheduled and did not notify Human Resources that they would be absent.

1. The Employer will send a No Call/No Show Report to Work Notice Letter ("Notice Letter") via certified, return receipt U.S. mail to the employee at the employee's home address on file with the Employer, and to the Union representative. Additionally, the Employer will send an email to the Union representative, advising them of the Notice Letter.
2. The Notice Letter will notify the employee that they must report to work by the start of their scheduled shift on the 5th Day after their no call/no show date, or contact Human Resources by 5:00pm on that day to report their inability to work. If the employee chooses the latter option, they must provide a doctor's note to Human Resources no later than the 8th Day after the no call/no show date, documenting their illness and specifying their return to work date.
3. If the employee reports to work by the start of their scheduled shift on the 5th day after the no call/no show date, no other action is required by the employee and no other action will be taken by the Employer.
4. If the employee does not comply with the process outlined above in provision B.2 (also set forth in the Notice Letter) by the timeframe indicated, the employee will be subject to immediate termination of employment. In such case, Employer will send a Notice of Termination Letter via certified, return receipt U.S. mail to the employee at the employee's home address on file with the Employer and to the Union representative. Additionally, the Employer will email the Union representative to notify them that the employee was sent a Notice of Termination Letter.

The parties acknowledge and agree that this MOU and the terms outlined herein will be effective as of the date both parties have signed this MOU (or, if signed on different dates, the later date). The MOU shall be in effect until the ratification of a new collective bargaining agreement negotiated by the parties.

AGREED:

ACI

By: [Signature]  
Employer Representative (sign and print)

Title: UG Pres

Date: 9-1-2017

THE UNION

By: [Signature] Felix Martinez  
Union Representative (sign and print)

Title: Business Agent

Date: 9-5-2017

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "MOU") is made by and between parties Alameda County Industries, Inc. (the "Employer"), and The Brotherhood of the Teamsters Local No. 70 (the "Union").

The parties acknowledge that a collective bargaining agreement ("CBA") (covering the period of July 1, 2007 through June 30, 2017) is currently in effect between the parties. The parties also acknowledge and agree that this MOU is not intended to modify or invalidate the CBA or any provision of the CBA.

The parties acknowledge and agree that this MOU is intended to clarify the parties' mutual understanding of the terms and requirements of Employer's Failure to Report to Work (72-hour) Policy (the "Policy"), referenced in Article 5 SENIORITY AND LAYOFFS of the CBA.

The parties hereby agree that the terms of the Policy will be implemented as follows:

A. When an employee is absent from work and has exhausted their paid sick time

1. The Employer will send a Sick Time Exhaustion Report to Work Notice Letter ("Notice Letter") via certified, return receipt U.S. mail to the employee at the employee's home address on file with the Employer, and to the Union representative. Additionally, the Employer will send an email to the Union representative, advising them of the Notice Letter.
2. The Notice Letter will advise the employee that they must report to work by the start of their scheduled shift on the 5<sup>th</sup> Day after exhaustion of their sick time, or contact Human Resources by 5:00pm on that day to report their continued inability to work. If the employee chooses the latter option, they must provide a doctor's note to Human Resources no later than the 8<sup>th</sup> Day after the exhaustion of sick time, documenting their continued illness and specifying their return to work date.
3. If the employee reports to work by the start of their scheduled shift on the 5<sup>th</sup> day after the exhaustion of their sick time, no other action is required by the employee and no other action will be taken by the Employer.
4. If the employee does not comply with the process outlined above in provision A.2 (also set forth in the Notice Letter) by the timeframe indicated, the employee will be subject to immediate termination of employment. In such case, Employer will send a Notice of Termination Letter via certified, return receipt U.S. mail to the employee at the employee's home address on file with the Employer, and to the Union representative. Additionally, the Employer will email the Union representative to notify them that the employee was sent a Notice of Termination Letter.

B. When an employee fails to report to work as scheduled and did not notify Human Resources that they would be absent.



1. The Employer will send a No Call/No Show Report to Work Notice Letter ("Notice Letter") via certified, return receipt U.S. mail to the employee at the employee's home address on file with the Employer, and to the Union representative. Additionally, the Employer will send an email to the Union representative, advising them of the Notice Letter.
2. The Notice Letter will notify the employee that they must report to work by the start of their scheduled shift on the 5<sup>th</sup> Day after their no call/no show date, or contact Human Resources by 5:00pm on that day to report their inability to work. If the employee chooses the latter option, they must provide a document to Human Resources no later than the 8<sup>th</sup> Day after the no call/no show date, substantiating their inability to work and specifying their return to work date. All documents provided by the Employee for purposes of this section will be subject to Employer acceptance.
3. If the employee reports to work by the start of their scheduled shift on the 5<sup>th</sup> day after the no call/no show date, no other action is required by the employee and no other action will be taken by the Employer.
4. If the employee does not comply with the process outlined above in provision B.2 (also set forth in the Notice Letter) by the timeframe indicated, the employee will be subject to immediate termination of employment. In such case, Employer will send a Notice of Termination Letter via certified, return receipt U.S. mail to the employee at the employee's home address on file with the Employer and to the Union representative. Additionally, the Employer will email the Union representative to notify them that the employee was sent a Notice of Termination Letter.

The parties acknowledge and agree that this MOU and the terms outlined herein will be effective as of the date both parties have signed this MOU (or, if signed on different dates, the later date). The MOU shall be in effect until the ratification of a new collective bargaining agreement negotiated by the parties.

AGREED:

ACI

THE UNION

By: Chris Vallone CHRIS VALBUENA  
Employer Representative (sign and print)

By: Felix Martinez  
Union Representative (sign and print)

Title: GENERAL MANAGER

Title: UNION REPRESENTATIVE (B.A.)

Date: 8/6/2015

Date: 8-6-2015

[NOTICE DATE]

[EMPLOYEE NAME]

[EMPLOYEE HOME ADDRESS ON FILE WITH ACT]

Re: Sick Time Exhaustion -- Report to Work Notice

Dear [EMPLOYEE NAME]:

*You are receiving this notice because: you are absent from work and have exhausted your paid sick time.*

*This Notice Letter serves to advise you that you must:*

Report to work by the start of your scheduled shift on [INSERT DATE – i.e., 5<sup>th</sup> Day after Expiration of Sick Time], **OR** contact Human Resources by 5:00pm on [INSERT SAME DATE] to report your continued inability to work. If you choose the latter option, you must provide a doctor's note to Human Resources no later than [INSERT DATE – i.e., 8<sup>th</sup> Day after Expiration of Sick Time], documenting your continued illness and specifying your return to work date.

*Failure to comply with the designated process outlined above, by the timeframe indicated, will result in the loss of your seniority and immediate termination of your employment.*

Sincerely,

Mary Vigil  
Human Resources Generalist  
[INSERT HR PHONE NUMBER]

cc: Chris Valbusa, Operations Manager  
Felix Martinez, Union Local 70 Representative  
Mike Craig, Union Steward  
Dan Rivera, Union Steward  
Employee File

[NOTICE DATE]

[EMPLOYEE NAME]

[EMPLOYEE HOME ADDRESS ON FILE WITH ACI]

Re: No Call/No Show – Report to Work Notice

Dear [EMPLOYEE NAME]:

You are receiving this notice because: you failed to report to work and did not notify Human Resources that that you would be absent.

*This Notice Letter serves to advise you that you must:*

Report to work by the start of your scheduled shift on [INSERT DATE – i.e., 5<sup>th</sup> Day after No Call/No Show Date], OR contact Human Resources by 5:00pm on [INSERT SAME DATE] to report your inability to work. If you choose the latter option, you must provide a document to Human Resources no later than [INSERT DATE – i.e., 8<sup>th</sup> Day after No Call/No Show Date], substantiating your inability to work and specifying your return to work date. All documents provided to the Employer are subject to Employer acceptance.

***Failure to comply with the designated process outlined above, by the timeframe indicated, will result in the loss of your seniority and immediate termination of your employment.***

Sincerely,

Mary Vigil  
Human Resources Generalist  
[INSERT HR PHONE NUMBER]

cc: Chris Valbusa, Operations Manager  
Felix Martinez, Union Local 70 Representative  
Mike Craig, Union Steward  
Dan Rivera, Union Steward  
Employee File

COLLECTIVE BARGAINING AGREEMENT  
BY AND BETWEEN  
ALAMEDA COUNTY INDUSTRIES, LLC  
AND  
WAREHOUSE UNION LOCAL NO. 6, ILWU

July 1, 2015 through June 30, 2020

## TABLE OF CONTENTS

SECTION 1.	RECOGNITION	3
SECTION 2.	UNION SECURITY AND DUES CHECK-OFF	3
SECTION 3.	SENIORITY AND JOB BIDDING	5
SECTION 4.	MANAGEMENT RIGHTS	5
SECTION 5.	DISCHARGE	6
SECTION 6.	STEWARD	6
SECTION 7.	BUSINESS AGENT	7
SECTION 8.	HOLIDAYS	7
SECTION 9.	MINIMUM WORK DAYS	8
SECTION 10.	MEAL PERIODS	8
SECTION 11.	NO DISCRIMINATION	9
SECTION 12.	NO STRIKES -- NO LOCKOUTS	9
SECTION 13.	WAGES	10
SECTION 14.	WORK DAY, WORKWEEK AND OVERTIME	10
SECTION 15.	VACATIONS	11
SECTION 16.	HEALTH AND WELFARE	12
SECTION 17.	PENSION PLAN	15
SECTION 18.	SICK BENEFIT ALLOWANCE	15
SECTION 19.	BEREAVEMENT LEAVE	16
SECTION 20.	GRIEVANCE COMMITTEE	16
SECTION 21.	SUCCESSORS	17
SECTION 22.	SEVERANCE	18
SECTION 23.	NEW PROCESSES AND NEW MACHINES	18
SECTION 24.	NO DISCRIMINATION -- IMMIGRATION STATUS	18
SECTION 25.	JOINT SAFETY AND TRAINING COMMITTEE	19
SECTION 26.	UNION OFFICIALS' SENIORITY	20
SECTION 27.	BULLETIN BOARDS	20
SECTION 28.	MILITARY SERVICES	20
SECTION 29.	MISCELLANEOUS PROVISIONS	20
SECTION 30.	LEAVE OF ABSENCE	21
SECTION 31.	SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS	22
SECTION 32.	NOTIFICATIONS	23
SECTION 33.	DURATION OF AGREEMENT	23
APPENDIX A	WAGES, HEALTH/WELFARE, PENSION, SHIFT/JOB DIFFERENTIALS	24
APPENDIX B	DUES DEDUCTION FORM	25
APPENDIX C	RED-CIRCLE SENIORITY AND VACATION LIST	26

This Agreement, made and entered into effective this 1<sup>st</sup> day of July, 2015, is by and between ALAMEDA COUNTY INDUSTRIES, LLC, hereinafter referred to as the Company (and/or Employer), and the WAREHOUSE UNION LOCAL NO. 6, ILWU, hereinafter referred to as the Union. The terms of this Agreement as herein stated are the sole terms of agreement between the respective parties.

**WITNESSETH**

**SECTION 1. RECOGNITION**

The Company recognizes the Union as the exclusive representative for the purpose of collective bargaining for all Recycling Sorters, Material Handlers and Recycling Equipment Operators employed at Alameda County Industries, LLC, listed in Appendix A.

All work performed in the sorting, handling and processing of recyclable materials, as covered by the classifications listed in Appendix A attached, and all employees performing such work, shall be covered by this Agreement. Work performed in sorting, handling and processing by drivers during the course of collections are not covered by this Agreement. Also not covered by this Agreement are all managerial employees, supervisors, guards and clerical employees.

Such classifications that are created involving the sorting, handling and processing of recyclable materials during the life of this Agreement will be added to the classifications in Appendix A.

**SECTION 2. UNION SECURITY AND DUES CHECK-OFF**

- A. It shall be a condition of employment that all employees covered by this Agreement shall apply for Union membership on or after the thirtieth (30<sup>th</sup>) day following the beginning of their employment, or the effective date of this Agreement, whichever is later, and as a condition of continued employment shall maintain their membership in the Union in good standing. "Union membership" and "membership in good standing" shall mean for purposes of this provision the payment or tender of payment by the employee of the initiation fee and periodic dues uniformly required by the Union. In the event an employee shall not comply with his/her obligation under this provision, the Union shall so notify the individual.

The Company, upon written request of the Union, shall discharge any Employee seven (7) business days after receipt of such notice who fails to tender the periodic dues and initiation fees uniformly required by the Union as a condition of acquiring or retaining membership in the Union. If the Union has notified the Employer in writing prior to the expiration of the seven (7) business days that the employee has paid the amounts owing, the discharge shall not take place.

- B. The Company recognizes that it has been the practice for workers to offer themselves for employment through the Union's offices. For the purpose of assuring maximum harmonious relations and in order to obtain the best qualified employees covered by this Agreement, the Company shall hire through the offices of the Union, provided the Union is able to furnish competent and experienced persons for the work required. The Company retains the right to reject any job applicant referred by the Union. In the event the offices of the Union are unable to furnish competent and experienced workers satisfactory to the Company within seventy-two (72) hours, the Company may hire from outside sources. Such new hires will at all times be subject to the terms and conditions of this Collective Bargaining Agreement. Separate from the Union offices providing workers for the Company to hire, the Company may hire individuals the Company believes are suitable for the operation. New hires may be referred by the Company through the Union's offices and shall be employed under the conditions of this agreement. These direct Company referrals and subsequent hires will be limited to a maximum of two (2) individuals in each six (6) consecutive calendar months each calendar year.

The Union shall maintain proper registration facilities for application for employment to make workers available for job opportunities, and shall conduct such registration facilities without discrimination either in favor of or against prospective employees by reason of membership in or non-membership in the Union. Selection of applicants for referral to jobs shall be on a nondiscriminatory basis and shall not be based on, or in any way affected by, Union membership, bylaws, rules, regulations, constitutional provisions, or requirements. From such registration facilities the Union shall first dispatch to the Company upon its request any unemployed person who has worked previously for an employer in this industry in the San Francisco Bay Area, or for an employer in some other area in the same industry whom the Company may consider particularly suitable for the job. If no such person is specified by the Company in requesting referrals from the Union, then the Union shall dispatch persons for referral in accordance with the preference requirements set forth above.

Subject to the above, the Union undertakes to fill all orders for the same classification of work in order of their receipt. Company representatives may visit such Union offices at any time to observe and examine their operation, and complaints concerning the operation of such Union offices and concerning violations of the above undertaking shall be adjudicated in accordance with Section 20, Grievance Committee.

Should the Company utilize an application and orientation process, the Company will contact the Union at least 24 hours before the day of employment for the Hiring Hall referrals. The Company commits to pay two (2) hours compensation to such individuals who actually report for their first day of employment.

- C. The Employer agrees to recognize written authorizations from Union members authorizing the deductions for all uniformly required dues. All deductions made pursuant to this Agreement shall be deducted from the employees' second payroll check of the month and shall be transmitted to the office of the Union by the twenty-eighth (28) day of the same

month. The parties will work together to address any exceptional circumstance regarding remittance.

The Company and the Union agree to use the language in Appendix B of this Agreement for payroll deduction of Union dues.

### **SECTION 3. SENIORITY AND JOB BIDDING**

- A. Seniority shall not apply to any employee until he has been employed for 90 calendar days accumulated within a period of twelve (12) consecutive months. Seniority will be recorded with the first day worked within a twelve (12) month period.

In reduction of forces due to slackness of work, the last employee hired shall be the first employee laid off and in rehiring, the last employee laid off shall be the first employee rehired, until the list of former employees is exhausted, provided the senior employees to be retained or recalled are capable and have the ability to perform the available work.

Seniority shall be terminated by:

- 1) Discharge for cause.
  - 2) Resignation.
  - 3) Twelve (12) consecutive months of unemployment or absence from work, unless absence is due to an on-the-job injury.
    - a. Eighteen (18) consecutive months of unemployment or absence from work, unless absence is due to an on-the-job injury, for red-circled employees listed on Appendix C.
- B. Whenever a permanent vacancy occurs, a bid notice shall be posted for a period of three (3) business days. At the conclusion of the posting period, the Company shall award the position to the qualified bidder with the greatest seniority, provided the employee must have the ability to perform the work with training not to exceed one (1) week. Additional training time may be required for certain classifications and in such cases will be mutually agreed by both parties. Any employee awarded a job bid under this Section shall not be permitted to bid again for six (6) months.

### **SECTION 4. MANAGEMENT RIGHTS**

The Union recognizes the Company's inherent and traditional right to manage its business, to establish reasonable work rules and policies and to require their observance. The Company shall have the right to direct the workforce in the performance of their work assignments, including the assignment of jobs and equipment, assignment of reasonable performance standards, promotions and demotions and to take disciplinary action, as well as to regulate the general working conditions and the efficiency of operations except as it may be modified by the provisions of this Agreement or other agreements between the parties.



The Company retains the exclusive rights to operate, administer and manage its services and workforce performing these services; to determine the organization of the Company and its mission; to determine the nature, and quality and quantity of service and to determine the means of operation, equipment, methods, and facilities and to change the same.

#### **SECTION 5. DISCHARGE**

The Company shall have the right to discharge any employee for absenteeism, dishonesty, insubordination, theft, reporting to work or being at work intoxicated or under the influence of drugs or alcohol, possession of or bringing unauthorized firearms, weapons, alcohol, or illegal drugs on Company property, gross serious offense or gross negligence, or failure to observe Company safety and house rules and regulations which must be conspicuously posted. The parties agree to the practice of progressive discipline. However, the Company reserves the right not to engage in progressive discipline and to proceed directly to discharge or any other form of discipline in the case of an infraction which is serious or poses an imminent harm to the welfare of employees, public safety, or the operation.

If an employee feels he has been unjustly discharged, he shall have the right to appeal his case to the Grievance Committee. Such appeal must be filed in writing by the Union within ten (10) business days from the date of discharge or suspension. In case the discharge is found to be unjustifiable by the Grievance Committee, the Grievance Committee may order payment for lost time or reinstatement with or without payment for lost time.

Any discharged or disciplined employee shall be furnished the reason for his discharge in writing. Copies of the letter will be provided to the Union in accordance with Section 32, NOTIFICATIONS.

All complaints regarding discharges shall be given preference over any other matter pending between the parties, and a written decision shall be given within ten (10) business days.

Warning letters that are more than twelve (12) months old will not be taken into consideration for future disciplinary purpose. The twelve (12) month duration is exclusive of leaves of absence, including non-work related disability leaves (such as FMLA leaves), worker's compensation leaves and authorized leaves of absence.

#### **SECTION 6. STEWARD**

Union Stewards shall be recognized, such Stewards to be selected by the Union. The duty of the Steward shall be to report to the Union any grievance which may arise and which cannot be adjusted on the job. Only with prior approval of a Company supervisor will the Steward be allowed to investigate, present and process grievances during the Steward's shift, exclusive of breaks or meal periods. It is understood and agreed that the Steward shall have no power to order any changes.

**SECTION 7. BUSINESS AGENT**

The Business Agent or qualified representative of the Union shall be allowed to talk with the employees on Company premises, for the purpose of ascertaining whether this Agreement is being observed by the parties hereto, or to assist in adjusting grievances. These talks shall not occur during the employee's shift, exclusive of breaks and meal periods, unless authorized by a Company supervisor. The Business Agent shall notify the Company upon entering the premises.

**SECTION 8. HOLIDAYS**

There shall be seven (7) paid holidays for which new employees become eligible after attaining seniority:

- |                |                          |
|----------------|--------------------------|
| New Year's Day | Thanksgiving Day         |
| Memorial Day   | Christmas Day            |
| Fourth of July | One (1) Floating Holiday |
| Labor Day      |                          |

The One (1) Floating Holiday will be used by each seniority employee so that they are scheduled off-work on a day mutually agreeable to the employee and the Company.

In the second year of this Agreement, the day after Thanksgiving Day will be added as a paid holiday, making a total of eight (8) paid holidays.

In the third year of this Agreement, President's Day will be added as a paid holiday, making a total of nine (9) paid holidays.

In the fourth year of this Agreement, Christmas Eve Day will be added as a paid holiday, making a total of ten (10) paid holidays.

In the fifth year of this Agreement, the employee's Birthday will be added as a paid holiday, making a total of eleven (11) paid holidays. The Birthday Holiday will be used by each seniority employee so that they are scheduled off-work on a day mutually agreeable to the employee and the Company.

For each paid holiday, employees shall be paid eight (8) hours at the straight-time rate.

To be eligible for paid holidays, the employee must work the scheduled work day immediately preceding the holiday and the first scheduled work day immediately following the holiday, and shall receive no pay for the holiday if he fails to report for work when scheduled to do so. Employees otherwise entitled to holiday pay but who are absent due to layoff on either the last, regular working day immediately preceding the holiday or on the first regular working day following the holiday shall receive holiday pay provided such employees have worked one or

more days during the seven (7) calendar days immediately preceding the holiday or worked one or more days during the seven (7) calendar days immediately following said holiday.

If any named holiday in this Agreement falls on a Saturday, it shall at the option of the Company on each such occasion be celebrated on such Saturday or on the Friday immediately preceding. If Friday is selected, all the provisions of this Section shall apply to such Friday, and if Saturday is selected, all the provisions of this Section shall apply to such Saturday, including eight (8) hours' straight time pay to qualified employees not required to work on such Saturday.

Any work performed on the named holidays in this Agreement shall be paid for at the rate of one and one-half (1-1/2) times the straight time rate. An employee who is entitled to pay for any such holiday if not worked shall receive such holiday pay in addition to the pay for the time worked.

#### **SECTION 9. MINIMUM WORK DAYS**

Employees who report to work at their scheduled starting time shall be guaranteed four (4) hours work or pay, unless work is unavailable due to acts of God, fire or flood or equipment failure and in these cases there shall be no minimum guarantee of work or pay. The Company will notify employees via telephone call or text at least 90 minutes in advance of the start of their shift if the entire shift is cancelled.

- (a) A casual employee who shows up for work at the request of the Company and who the Employer decides is not needed to perform work will receive two (2) hours of show up pay.

#### **SECTION 10. MEAL PERIODS**

##### **A. Breaks:**

Employees are provided with appropriate rest periods on each day they work more than 3.5 hours total: a ten-minute paid rest period for every four-hour work period (or work period of more than 2 hours), taken in approximately the middle of that period. Employees are entitled to two ten-minute break periods (exclusive of travel time), in approximately the middle of the first half of their shift and the middle of the second half of their shift. Breaks will be scheduled by the employee's supervisor to accommodate the work flow. Employees who choose to smoke during their breaks are not entitled to additional break time. Employees may not forego breaks in order to leave work early.

##### **B. Meal Periods:**

Employees who work more than a five-hour shift are provided with a mandatory one-half hour (30 minute) unpaid meal period each workday, which must be taken before working more than five hours. Employees will be relieved of all duties during the meal period. *Taking a timely half-hour duty-free meal period is mandatory, except that employees who work six hours or less may voluntarily forego the meal period.* It is management's responsibility to schedule relief for meal periods. It is the intention of the parties that employees will take a one-half hour (30

minute) meal period unless directed otherwise by a supervisor, or should the Company fail to provide relief. Employees may not forego meal periods in order to leave work early.

If employees are worked over five (5) consecutive hours without a meal period, all time in excess of five (5) hours and until they are provided a meal period will be paid at one and one-half (1-1/2) times the straight time rate.

#### **SECTION 11. NO DISCRIMINATION**

It is agreed that the policy of the Employer and the Union is and shall be that the provisions of this Agreement between the parties will apply equally to all employees covered hereunder within the meaning of applicable state and federal laws without regard to age, race, creed, color, religion, national origin, marital status, physical or mental disability, sexual orientation or gender identification, sex, Union activities, political affiliation, ancestry, military and veteran status, or other category protected under State or Federal non-discrimination in employment laws.

#### **SECTION 12. NO STRIKES - NO LOCKOUTS**

(1) The parties recognize the public need for ACI to provide continuous service in the performance of its operations under its contracts with public entities. The parties further recognize that ACI will suffer substantial penalty under its contractual obligations with such public entities if it is unable to maintain continuous service. The parties have a mutual interest in maintaining labor peace. The parties agree that the Union will not direct members to honor picket lines established by other unions directed at employers other than ACI as the primary target of the picket line. The Union further agrees, with respect to picket lines and strikes directed by other unions at ACI as the primary object of the labor dispute, that its members will not honor such picket line for more than forty-eight (48) hours after the first establishment of a picket line during a dispute. To honor such a picket line for a limited period of time, the picket line must be properly sanctioned and approved by the labor body or council having recognized jurisdiction. During the forty-eight (48) hour period, the Union agrees to use all reasonable efforts to bring the picketing by the other union to a conclusion. Should the Union be unable to persuade the picketing union to cease its picketing, ILWU Local 6 will instruct its members employed by ACI to return to work at the conclusion of the forty-eight- (48) hour period. If the labor dispute has not been resolved within the forty-eight (48) hours, the Union's members employed at ACI shall return to work for twenty-one (21) days, at which point they may honor the picket line (if it remains properly sanctioned) for another forty-eight (48) hours. This cycle of honoring the picket line for forty-eight (48) hours and subsequently returning to work for twenty-one (21) days shall be allowed to continue until the labor dispute with the other union is resolved. Employees covered by this Collective Bargaining Agreement shall not be subject to discipline should they individually choose to respect a legal picket line.

In the event another union under contract with ACI is locked out by ACI it shall not be a violation of this Agreement for the employees working under this Agreement to honor a legal

picket line resulting from such lockout. The above paragraph shall not apply in case of a lockout by ACI.

(2) The Union and its representatives agree that they will enforce full compliance with all terms and provisions of the Agreement on the part of members of the Union.

(3) The Union, its members and representatives, agree that it and they will not engage in, authorize, sanction, or support any strike, slowdown, stoppage of work, curtailment of production, concerted refusal of overtime work, refusal to operate designated equipment or to perform customary duties, or to reject promotions without justifiable personal reasons.

(4) Neither the Union nor any representative thereof shall engage in job action for the purpose of effecting changes in the existing practices nor to effect a change of personnel or operations or management or of employees not covered by this Agreement during the Agreement and the employer will not lock out its employees during the Agreement.

(5) Any action of the employees leaving jobs for their own protection in cases of a legally declared strike by some other union directly working on the job, if such strike is sanctioned and approved by the Labor Body, or Council having jurisdiction, shall not constitute a violation of this Agreement.

### **SECTION 13. WAGES**

Wages shall be in accordance with the Appendix A schedule attached hereto.

If an employee is required by the Company to work a higher rated (higher pay classification) job for four (4) hours or more during the employee's shift, he shall receive the higher rated job rate for all work performed in that day.

During the life of the Agreement, if the Company creates new classifications regarding the sorting, handling and processing of recyclable materials, the parties will meet to determine a fair wage for such new positions.

### **SECTION 14. WORK DAY, WORKWEEK AND OVERTIME**

Work performed in excess of eight (8) consecutive work hours in one work day or in excess of forty (40) work hours in one (1) workweek shall constitute overtime. The day shift shall start between 4:00 a.m. and 11:59 a.m., the swing shift shall start between 12:00 p.m. and 7:59 p.m., and the night shift shall start between 8:00 p.m. and 3:59 a.m. Work performed on a Sunday will constitute overtime. Time not worked but paid due to a paid vacation or a paid holiday shall count towards the 40 hours' work requirement for overtime pay.

The overtime rate shall be one and one-half (1-1/2) times the straight time rate.

Weekend work shall be assigned on a rotation basis among employees based on their being qualified to perform the required work.

#### SECTION 15. VACATIONS

Every employee who on the most recent anniversary date of his employment shall have been in the service of the Company for a period of one (1) year or more and shall have worked a minimum of 1,000 straight-time hours within the twelve (12) month period immediately preceding such anniversary date, shall be entitled to a vacation as follows:

One (1) week of vacation with pay if he shall have been in the service of the Company for a period of one (1) year or more but less than two (2) years prior to such anniversary date.

Two (2) weeks of vacation with pay if he shall have been in the service of the Company for a period of two (2) years or more but less than five (5) years prior to such anniversary date.

Three (3) weeks of vacation with pay if he shall have been in the service of the Company for a period of five (5) years or more but less than ten (10) years prior to such anniversary date.

Four (4) weeks of vacation with pay if he shall have been in the service of the Company for a period of ten (10) years or more.

For the purposes of this Section, years of service shall mean years of unbroken seniority with the Company calculated from the employee's hire date.

In computing straight-time hours all hours worked by the employee for the Company shall be counted, but each premium or overtime hour worked shall count as only one (1) straight-time hour. Paid holidays, sick leave and vacation shall be counted toward satisfying the foregoing 1,000 straight-time hour eligibility requirement. Paid holidays, sick leave and vacation hours in the previous anniversary year shall count as qualifying hours in determining an employee's entitlement to vacation and sick leave.

For employees who have been in the service of the Company for more than one (1) year and who fail to qualify for a full vacation, vacation benefits shall be prorated in accordance with the following schedule. There is to be no proration of vacation benefits for hours worked during the first three (3) months of employment. An employee who is terminated or laid off with more than three (3) months and less than one (1) year of service shall be entitled to vacation pay computed from date of hire and prorated to one (1) year of service. With more than one (1) year of service, he shall receive prorated vacation pay computed from his last anniversary date of employment, based on years of service and prorated to length of service without reference to qualifying hours. Proration shall be based on 1/12 of vacation eligibility for each month of 150 hours of service. Employees qualifying for pro-rata vacation whose seniority and employment is terminated for any reason shall receive in cash the pro-rata vacation pay for which they are eligible at the time of termination.

For the purposes of this Section, one week's pay shall mean pay for the regularly scheduled workweek at the time the vacation is taken, but in no event more than forty (40) times the straight-time hourly rate of pay, nor less than twenty (20) times the straight-time hourly rate of pay.

Preference of vacation date shall be given to employees according to their seniority rating as is reasonably possible. Employees shall be given, insofar as practical, two (2) weeks' notice of the date upon which their vacation period will commence.

The vacation must be taken within the current calendar year, that is, it may not be accumulated to be used in the following calendar year.

Vacation pay shall be given to employees at the commencement of their vacation, upon written request at least two (2) weeks prior to the commencement of the vacation. Employees that exercise this option will not be allowed to make changes to the vacation dates or cancel their vacation once the vacation check (or direct deposit) is requested.

#### **SECTION 16. HEALTH AND WELFARE**

The parties hereto agree that the Employer shall for the term of the Agreement, subscribe to the ILWU Warehouse Welfare Fund (Trust Fund). Eligible employees and their eligible dependents shall be provided hospital-medical, prescription drug, dental, and vision benefits through the Master Plan of said Trust Fund. Additionally, eligible employees shall be provided a Fifteen Thousand Dollar (\$15,000.00) term life insurance policy with a non-occupational accidental death and dismemberment rider.

The monthly per employee Health and Welfare premiums payable by the Employer shall be in accordance with Appendix A attached hereto.

#### **ELIGIBILITY FOR REGULAR COVERAGE**

Any employee who completes eighty (80) straight-time hours of paid for employment in each of any three (3) calendar months within any six (6) consecutive calendar month period shall for the calendar month following such three (3) calendar months be eligible for and covered by a hospital-medical, prescription drug, dental, and vision benefit through the Master Plan established by the Board of Trustees of the ILWU Warehouse Welfare Fund, provided the required contributions to the Trust Fund have been paid.

In computing straight-time hours, all hours worked by the employee for their Employer shall be counted, but each premium or overtime hour worked shall count only as one (1) straight-time hour.

Eligibility for regular coverage shall be terminated by failure to complete eighty (80) straight-time hours of paid employment in any calendar month. Coverage is terminated on the last day of the month in which such eligibility for regular coverage ceases. Any employee whose coverage

under the Fund terminates and who completes eighty (80) hours of paid employment prior to the expiration of the employee's seniority period shall be eligible for coverage on the first day of the month following the month in which the employee works eighty (80) hours of paid employment.

In calculating eligibility for regular coverage, paid vacation, paid holidays, paid sick leave, paid funeral leave, and paid jury duty shall count as time worked.

Employees who have worked at least eighty (80) hours in the month preceding the date this Agreement comes into effect shall be deemed eligible for coverage starting one month from the month the Agreement is in effect.

#### **ELIGIBILITY FOR CASUAL EMPLOYEE**

Employees who are not eligible for regular coverage because they work fewer than eighty (80) straight-time hours per calendar month shall be called "casual employees," for the purposes of this Section 16. The Employer will pay a stipulated sum for each straight-time hour worked by such casual employees (and for each straight-time hour worked by employees who are working as casuals while on extended coverage), such agreed sum per hour to be computed to the nearest one-fourth (1/4) cent by dividing by 173.3 the monthly contribution required for regular coverage. Such hourly sum shall be paid by the Employer each month.

The sums, so collected by the ILWU Warehouse Welfare Fund, may be combined with like sums collected from non-ILWU Warehouse Welfare Fund employers, if necessary, to effect any application which is mutually agreed upon, provided that monies paid by such other employers, with respect to such casuals, shall be at rates not less than the same rate as is paid by the Trust Fund Employers for each hour worked.

The Employer may, if it wishes, place a casual employee under regular monthly coverage upon commencement of employment or prior to their eligibility date for regular coverage, subject to the three (3) month waiting period set forth above in which event the required hourly contributions for such casual employee shall cease upon the date on which the employer makes the full regular contribution for said employee.

#### **EXTENSION OF BENEFITS:**

Any employee whose eligibility for regular coverage ceases because of layoff, and who at the time of such layoff has two (2) or more years of seniority with their Employer, shall at the expense of the Trust and without any contribution from the Employer be granted four (4) additional months of hospital-medical, prescription drug, dental, and vision benefits under the plans which are in effect as to the employee at the time of layoff.

An employee, eligible for regular coverage who by virtue of having two (2) or more years seniority with their Employer at the time of their layoff, shall receive extended coverage from the Fund and shall not be eligible for more than four (4) months of such extended coverage in any twelve (12) month period irrespective of the number, frequency, or length of their layoff periods. If the cost to the Fund of extended coverage for laid-off employees, as herein provided, becomes



excessive in the opinion of either the Union or the Fund then the provisions for extended coverage shall be subject to re-negotiation at the request of either party.

#### **ELIGIBILITY DURING DISABILITY**

Any employee having seniority pursuant to the seniority Section of this Agreement and who by reason of disability is unable to work shall remain eligible for regular coverage and their coverage shall continue at the expense of their Employer for the term of their disability, not to exceed a maximum of three (3) months from the last month of eligibility for benefits under the Eligibility for Regular Coverage above following the occurrence of the disability. The Employer shall have the right to require a doctor's certificate or other reasonable proof of disability.

#### **HEALTH & WELFARE PLAN DELINQUENCIES**

If the Trustees of the Fund, through which the hospital-medical, prescription drug, dental, and vision benefits, and life insurance benefits are to be administered for employees covered by this Agreement, determine that any Employer subscriber to such Fund is in default (i.e. delinquent) for thirty (30) or more days in the payment of any amount or amounts due of said Fund from said Employer then the Trustees may notify such Employer by certified or registered mail, return receipt requested, of such delinquency and shall at the same time send a copy of said notice to the affected Union. Such notice shall specify the amount of the delinquency together with any other amounts which have been assessed and remain unpaid.

If, after the expiration of fifteen (15) days from the mailing of such notice to the affected Employer, the full unpaid amount specified in such notice has not been paid in full to the Fund then the affected Union may give five (5) days' written notice (excluding Saturdays, Sundays, and holidays) by certified or registered mail, return receipt requested, to the delinquent Employer of such delinquency in payments; and if at the conclusion of said five (5) days the amount of such delinquency has not been paid in full to the Fund then, and notwithstanding anything otherwise contained in this Agreement, the Union shall have the right to take such legal or economic action as it may determine against such Employer to collect such delinquent amounts. Furthermore, the delinquent Employer shall be liable to his employees for any and all benefits under the hospital-medical, prescription drug, dental, vision, and life insurance plan to which the employee would have been entitled if the Employer had not been delinquent in the payment of such contributions. As an additional remedy, the employee shall have the right in addition to all other rights above set forth, to bring legal action against such delinquent Employer to obtain payment of such benefits. In any legal action such Employer shall pay all court costs together with a reasonable attorney's fee in such amount as the court in such action may determine.

If the Union elects to strike, in accordance with these provisions, the right to strike shall terminate as soon as the Employer has paid said delinquency.

The right of the Local Union to take action, as hereinabove provided, shall exist only in the event that the Trustees shall make the default determination and issue the written notice thereof hereinabove specified; and such Trustees' notice of default may be given only upon the decision

of the Trustees, and they shall not have the right to delegate the making of such decision to any administrator or other person.

#### **SECTION 17. PENSION PLAN**

The Company agrees to implement a 401K plan for employees covered by this Agreement, who have completed their Probationary Period according to its plan requirements. The Employer will pay the cost of administration of the Plan. Employees will be provided access to the plan no later than July 1, 2016. Effective July 1, 2017, the Company will contribute to the plan and such contributions are capped at 2080 hours per employee per year.

Contributions made by the Company shall be in accordance with Appendix A attached hereto. Hours eligible for contributions made by the Company include straight time hours, vacation hours paid, and one (1) straight time hour for each overtime hour worked.

The tiered vesting schedule shall be defined in the Plan Document and shall reach full (100%) vesting after three (3) years of employee service.

- (a) Plan participants shall be 50% vested after completion of their second year of employee service.
- (b) Plan participants shall be 100% vested after completion of their third year of employee service. Employee deferrals (contributions) shall be vested at deposit.

Details of the Plan will be provided to the Union and employees from management and the plan administrator. All materials regarding the 401k plan will be provided to employees in English and Spanish.

#### **SECTION 18. SICK BENEFIT ALLOWANCE**

Every employee covered by this Agreement who has been continuously employed by the Company for a period of at least one (1) year shall thereafter be entitled to six (6) days (forty-eight (48) straight-time hours) sick leave with pay per contract year. A doctor's certificate or other reasonable proof of illness may be required by the Company if the employee's illness results in absence from work for more than three (3) consecutive days. Such sick leave with pay shall be applicable only in cases of bona fide illness or accident. Sick leave pay shall commence with the first day. Sick leave for the period between an employee's first anniversary date and the commencement of the following contract year (July 1<sup>st</sup>) shall be pro-rated.

If an employee is absent the day before and the day after a holiday due to bona fide illness or accident, said holiday shall be considered a work day's absence.

Unused sick leave may be accumulated and carried over from year to year to a maximum of ten (10) days (80 hours) which, together with the employee's current year allowance, may result in a maximum sick benefit allowance of sixteen (16) days (128 hours).

In the event that an employee has not used all of his accrued sick leave at the time of retirement, resignation or death, the employee shall be entitled to eight (8) hours pay for each of the employee's unused sick leave days at the employee's classification rate of pay.

Integration -In industrial injury or disability cases, Workers' Compensation or Unemployment Disability (UCD) benefits and sick benefit allowances shall be paid separately, but in the event Workers' Compensation payments or Unemployment Disability payments cover all or part of the period during which sick benefit allowances are paid, the sum of the two shall not exceed the sick benefit payable for said period, and the unused portion of accumulated sick leave will continue to be credited to the employee. Integration of sick leave benefits with Workers' Compensation or Unemployment Disability payments is to be automatic; the Company may not waive integration, and any employee entitled to Workers' Compensation or Unemployment disability payments must apply for that benefit therefore (in order that the principle of integration may be applied) before sick benefits are payable.

#### **SECTION 19. BEREAVEMENT LEAVE**

In the event of a death in the immediate family of an employee who has one or more years of seniority with the Company, he shall, upon request, be granted such time off with pay as is necessary to mourn, not to exceed three (3) regularly scheduled working days. In cases where the employee must travel out of the state of California to attend the funeral, the employee will be granted up to two (2) additional days for a total of five (5) days of bereavement leave. This provision does not apply if the death occurs while the employee is on leave of absence (including a disability leave or worker's compensation leave), layoff or sick leave.

For the purposes of this provision, the immediate family shall be restricted to father, mother, brother, sister, spouse, child, grandchildren, mother-in-law and father-in-law. At the request of the Company, the employee shall furnish a death certificate and proof of relationship.

Funeral leave applies only in instances in which the employee attends the funeral, is in mourning, or is required to make funeral arrangements, but is not applicable for other purposes such as settling the estate of the deceased.

#### **SECTION 20. GRIEVANCE COMMITTEE**

(a) There shall be an informal first step of the grievance procedure with discussions between the aggrieved employees, the Shop Steward, and the supervisor. If the grievance is not resolved during this first step, the grievance shall be reduced to writing. All complaints involving or concerning payment or compensation shall be filed in writing and no adjustment shall be retroactive for more than forty five (45) days in such cases, but complaints involving or concerning payment, compensation or interpretation of conditions under the terms of this Agreement and written agreements and supplementary agreements may be considered by the Grievance Committee.

(b) A Committee shall be appointed by the Company to consist of not more than two (2) representatives designated by the Company and not more than two (2) employees of the Company designated by the Union. This committee shall take up all grievances or disputes concerning the interpretation or application of this Agreement. The Business Agent will sit with the Union Committee members during this process. The Committee shall consider these matters only when the employees of the Company that are designated by the Union are not scheduled to work, unless authorized by the Company.

In the event the Committee is unable to agree on any matters submitted to it, the parties may agree to have a Federal Mediator hear the case in a non-binding, good faith attempt to settle the dispute.

In the event the Committee is unable to agree on any matters submitted to it, or having a Federal Mediator hear the case is unsuccessful in assisting the parties to settle the dispute, or the option to have a Federal Mediator hear the case is not mutually agreeable, the question or questions in dispute may, subject to the following requirements, be submitted to an Arbitrator selected by mutual agreement of the Parties. If the Parties cannot agree on an Arbitrator, the Federal Mediation and Conciliation Service shall be requested to supply a panel of seven (7) Arbitrators. From this panel, the Party requesting arbitration shall strike three (3) names and so notify the other Party. The other Party shall then strike three (3) names, and the name remaining shall be the Arbitrator who hears the case. Each Party to any case submitted to arbitration shall bear the expense of preparing and presenting its own case, including witnesses, and shall pay one-half (1/2) of the charges of the Arbitrator. The Arbitrator shall not have the authority to change, add to, delete, alter or modify any of the terms or provisions of this Agreement. The decision of the Arbitrator shall be final and binding upon both Parties to this Agreement and bargaining unit employees.

(c) The Company and the Union shall in good faith use their best efforts to expedite the handling and processing of all grievances through the procedure in order to achieve a speedy resolution of all grievances. No grievance shall be eligible for processing to arbitration and shall be deemed null and void unless:

- 1) The Party requesting Arbitration has served a formal written Request for Arbitration on the other Party within thirty (30) days from the date the Grievance Committee met (and failed to resolve the grievance), and
- 2) The Party requesting arbitration has in good faith worked toward the timely selection of an Arbitrator and the scheduling of an arbitration hearing.

## **SECTION 21. SUCCESSORS**

The Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. In the event an entire operation or any separable segment thereof is sold, leased, transferred, or taken over by sale, transfer, lease, assignment, receivership, or bankruptcy proceedings, such operation shall continue to be subject to the terms and conditions of this

Agreement. The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, assignee, etc., of the operation covered by this Agreement or any part thereof.

#### **SECTION 22. SEVERANCE**

In the event that the Company intends to close the facility, the Company and the ILWU Local 6 will meet and discuss the effects sixty (60) days prior to the closure of the facility.

#### **SECTION 23. NEW PROCESSES AND NEW MACHINES**

The Company shall notify the Union in advance of any permanent layoff of seniority employees which is going to result from the installation of new machinery or new processes in order that the impact of such layoff upon the employees may be discussed.

#### **SECTION 24. NO DISCRIMINATION—IMMIGRATION STATUS**

a) In the event that an employee who has completed his or her probationary period has a problem with his or her right to work in the United States of America, or upon notification by the Department of Homeland Security that an immigration audit or an investigation is being initiated, or when the Employer receives No Match letter(s) from Social Security, or when the Employer receives a Notice of Inspection or other such legal demand from a government agency having authority, the Employer shall notify the Union in writing, within seventy-two (72) business hours of such notification and shall include the time and date and nature of the communication, and, upon the Union's request, agrees to meet with the Union to discuss the nature of the problem or investigation. This meeting shall take place before any action by the Employer is taken unless the Employer is required to take specific actions in advance of both parties' ability to meet.

b) The Employer shall not re-verify the immigration status of current employees after completion of the first I-9 verification, unless the Company believes such re-verification is necessary. Should the Company believe such re-verification is necessary, the Company and the Union shall meet and discuss the need for such re-verification prior to initiating an I-9 re-verification.

c) Upon request, the Employer and the Union will furnish to any employee terminated because he or she is not authorized to work in the United States of America, with a written statement of the employee's rights and obligations under this Section of the Agreement.

d) Upon request, employees shall be released for up to five (5) unpaid working days during the term of the Agreement in order to attend INS proceedings and any related matters for the employee only. The Employer may request verification of the employee's requirement to attend such proceedings.

e) In the event that an employee is not authorized to work in the United States of America following his or her probationary or introductory period, and his or her employment is terminated for this reason, the Employer agrees to reinstate the employee to his or her former position, if the employee provides proper paper work authorization within nine (9) months from the date of termination. The employee will be reinstated by the start of the work week following the date that the employee provides the proper work authorization. Reinstatement will be without loss of seniority (i.e. seniority, vacation or other benefits remain the same as of the date of termination but do not continue to accrue during the period of absence). The employer may at its discretion extend this period depending on the circumstances.

f) If the Employer does not extend the permitted absence period for reinstatement with seniority beyond nine (9) months, and if the employee needs additional time to cure employment verification issues, the employee will have a maximum of an additional twelve (12) months to submit work authorization paper work and be rehired. Rehire will be in the next available opening for which the former employee is qualified following the date that the employee provides paperwork authorization. The parties agree that such employee would be a new hire without seniority and subject to a probationary period.

## **SECTION 25. JOINT SAFETY AND TRAINING COMMITTEE**

(a) The Parties pledge to one another their mutual cooperation to maintain a safe work site.

(b) The Union and the Company shall form a Joint Safety and Training Committee. The Union shall designate two (2) employees for service on the Committee. The Company shall select two (2) Committee members at its discretion. Selection of Joint Safety and Training Committee members will occur annually. The Joint Safety and Training Committee will meet quarterly as mutually agreed by the Committee. Minutes of the meeting shall be maintained and distributed to all members of the Committee.

(c) The Committee shall have the following functions:

1. To promote the desire of all employees to work safely and to encourage them to make suggestions and recommendations with regard to safety rules and regulations;
2. To encourage employees to observe all safety rules and regulations;
3. To review and make recommendations based on an informal facility walk-through, accident investigations, and input from employees and management personnel to correct safety related problems;
4. To make recommendations regarding safety training programs, taking into account industry best practices.

The Company will accommodate employees designated to be Committee members on duty at the time of a scheduled Committee meeting so that they can attend the meeting. Time spent in the Joint Safety and Training Committee meetings will be paid time at the applicable rate.

#### **SECTION 26. UNION OFFICIALS' SENIORITY**

Any employee who now holds office or who shall hereafter be elected or officially appointed to office in the union, which office requires his absence from the service of the Company, shall be granted an unpaid leave of absence thereof without loss of seniority entitling him upon retirement from such office to reinstatement consistent with this seniority; provided, however, that such leave of absence shall not extend beyond the term of this Agreement, unless extended by mutual consent in writing. The employee will not earn vacation, holiday, sick, bereavement, jury duty or Health and Welfare benefits payable by the Company while on a leave of absence under this provision.

#### **SECTION 27. BULLETIN BOARDS**

The Company shall provide a reasonable number of bulletin boards in places reasonably accessible to the employees covered by this Agreement for the purpose of posting notices of official Union business, such as, times and places of meetings, and other official union communications.

#### **SECTION 28. MILITARY SERVICES**

Employees who are absent from work for duty in the uniformed services will be granted an unpaid military leave and reinstatement rights in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and state law. The maximum cumulative period of military leave during an employee's employment with the Company is five years, subject to certain exemptions. Employees who have annual military obligations are required to schedule their leave with the Human Resources Department as far in advance as possible.

Eligibility for employment reinstatement following a period of service in the uniformed services is in accordance with USERRA. Upon reinstatement, an employee's compensation, benefits, retirement eligibility, and length of service will be calculated as if he/she had been continuously employed during the service leave period.

#### **SECTION 29. MISCELLANEOUS PROVISIONS**

**Jury Duty:** Any employee who has one (1) or more year(s) of seniority with the Company and has qualified for his initial vacation, if called and reporting for jury duty, will be entitled to the difference between jury duty pay and his classification rate for eight (8) hours of pay for each day of jury service up to the maximum of seven (7) working days during any twelve (12) consecutive

months. The employee must provide the Company a court document that indicates the dates that the employee was required to report for jury service in order to receive jury duty pay.

**Boot and Clothing Provisions:**

- (a) In the event that the Employer requires employees to wear a safety boot meeting Employer's specifications, regular full time seniority employees will be reimbursed up to \$100 per year for the cost of such boots. In the contract year starting July 1, 2018, the allowance will be increased to \$130.
- (b) The Employer will furnish each regular full time seniority employee with seven (7) work shirts, three (3) work pants or coveralls, three (3) work aprons and two (2) sweatshirts each contract year. In the contract year starting July 1, 2018, the Employer will furnish each regular full time seniority employee with seven (7) sets of work shirts and work pants each contract year in lieu of the previously furnished work shirts, work pants, work aprons and sweatshirts.
- (c) Personal Protective Equipment (PPE) necessary for the performance of work in a safe manner will be provided by the Employer.

**Facility Safety Equipment:** First aid supplies and equipment and eye wash stations will be provided as required by OSHA.

**Safe Work Environment:** Employees shall have right to refuse dangerous or unsafe work or operate unsafe equipment. Such determination of dangerous or unsafe work and/or equipment shall be made by at least two Company supervisors and shall in no way be in conflict with OSHA standards. The Union Steward will be consulted prior to such a determination being made.

**SECTION 30. LEAVE OF ABSENCE**

Any regular seniority employee desiring an unpaid leave of absence from his employment shall secure written permission from the Company who shall send a copy to the Union by certified mail within ten (10) days of the commencement of the leave. The decision of the Company on granting or refusing to grant a leave of absence or extension thereof shall be final and conclusive and shall not be subject to the grievance procedure of this Agreement. Except as otherwise provided in this Section 30, the maximum leave of absence shall be for thirty (30) days and may be extended for like periods. Written permission for such extended periods shall be secured from the Company with a copy of the extension to the Union. The first approved leave of absence plus approved extended leaves of absence shall not exceed a maximum time period of six (6) months. The Company shall not be obligated to make Health and Welfare contributions while an employee is on an authorized leave of absence unless the employee has qualified for such contribution according to the provisions of Section 16. During an approved leave of absence the employee shall not engage in gainful employment unless authorized by the Company to do so by written permission. The Company may terminate any employee who violates the terms and conditions of the written



permission for leave or extension thereof. Unpaid leave of absence under this Section is in addition to any other leaves of absence to which an employee may also be legally entitled.

### **SECTION 31. SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS**

Scope of Agreement: Except as, otherwise specifically provided herein, this Agreement fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the Parties on any and all matters subject to collective bargaining. Neither party shall, during the terms of this Agreement, demand any change therein, nor shall either party be required to bargain with respect to any matter not specifically referred to or covered in the Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement. Without limiting the generality of the above, both parties in their own behalf waive any right to demand of the other any negotiating, bargaining, or change during the life of this Agreement with respect to Pensions, Retirement, Health and Welfare, Annuity or Insurance Plans, or respecting any questions of wages, hours, or any other terms or conditions of employment; provided that nothing herein shall prohibit the parties from changing the terms of this Agreement by mutual agreement.

Separability of Provisions: Should any section, clause or provision of this Agreement be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section, clause or provision shall not invalidate the remaining portion hereof, and such remaining portions shall remain in full force and effect for the duration of this Agreement. Upon such invalidation, the parties agree to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the parties are unable to agree upon substitute provisions, the dispute may at the request of either the Company or the Union be referred to binding mediation for settlement pursuant to the provisions of Section 20 hereof, but the power of the mediator shall be restricted and limited to requiring the parties to determine a substitute provision to provide the same specific objective and purpose of the provision rendered or declared illegal.

Unlawful Action Not Required- The parties agree that neither will willfully require the other to do or perform any act prohibited by law.

**SECTION 32. NOTIFICATIONS**

All grievances, disciplinary letters, notifications, etc. shall be made in writing by either party to the other. These notifications shall be sent USPS Certified Return Receipt in all cases where there are specific timelines for action by the party receiving the notification. These timelines shall commence with the date of confirmed receipt counted as the first day.

To Union:  
Warehouse Union Local 6 ILWU  
99 Hegenberger Rd.  
Oakland, CA 94621-5605

To Company:  
Alameda County Industries, LLC  
610 Aladdin Ave.  
San Leandro, CA 94577

**SECTION 33. DURATION OF AGREEMENT - TA**

This Agreement shall be effective July 1, 2015, except for those provisions of the Agreement which have been assigned other effective dates as herein above set forth and shall remain in full force and effect to and including June 30, 2020, and shall continue thereafter from year to year through the 30<sup>th</sup> of June unless not more than one hundred twenty (120) days nor less than sixty (60) days prior to June 30, 2020, or of any subsequent year, either party shall file written notice with the other of its desire to amend, modify or terminate this Agreement.

WAREHOUSE UNION,  
LOCAL 6, ILWU

ALAMEDA COUNTY INDUSTRIES, INC.

Signed: *Fred Peckew*  
Name: Fred Peckew  
Date: 6/26/15

Signed: *Louie Pellegrini*  
Name: Louie Pellegrini  
Date: 6-25-2015

Appendix A

	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019
<b>Classification</b>	<b>Wages – Hourly Rate</b>				
Recycling Sorter, Material Handler	\$15.68	\$16.86	\$18.12	\$19.48	\$20.94
Forklift, Baler Operator, Quality Control	\$16.03	\$17.92	\$19.82	\$21.71	\$23.61
Runner, Utility Operator, Screen Cleaner, Warehouse	\$16.03	\$17.52	\$19.01	\$20.51	\$22.00
Heavy Equipment Operator, Floater Operator	\$16.03	\$18.74	\$21.46	\$24.17	\$26.89
Machinery Utility	\$16.03	\$19.10	\$21.70	\$24.29	\$28.00

	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019
<b>Health and Welfare</b>	<b>Employer Payment Monthly Rate – per employee</b>				
ILWU Warehouse Trust Fund	\$1,205.00	Actual Rate, limited to 12% increase	Actual Rate, limited to 12% increase	Actual Rate, limited to 12% increase	Actual Rate, limited to 12% increase
Annual H&W premium increases limited to the lesser of the actual rate or prior year rate plus 12% cap each plan year.					

	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019
<b>Pension Plan</b>	<b>Employer Contribution – Hourly Rate</b>				
401K Plan	\$0.00	\$0.00	\$0.40	\$0.55	\$0.75
Plan starts 7/1/2016 for employee contributions. Employer Contributions start 7/1/2017 and are capped at 2080 hours per employee per year; employer contributions made on straight time hours worked, vacation hours paid, and one (1) straight time hour contribution for each overtime hour worked.					

	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019
<b>Shift and Job Differentials</b>	<b>Additional Wage – Hourly Rate</b>				
Swing Shift	\$0.20	\$0.30	\$0.40	\$0.50	\$0.50
Night Shift	\$0.50	\$0.60	\$0.70	\$0.80	\$0.90
Sorter designated for clearing line obstruction	\$0.40	\$0.50	\$0.75	\$1.00	\$1.25

Appendix B

I, the undersigned employee of Alameda County Industries, LLC, hereby authorize and direct the said Company to deduct on my second payroll check of each month from my wages now or hereafter due me, and pay to Warehouse Union Local 6, ILWU, my membership dues as a member of that organization.

I agree to hold the Company harmless from loss from any judgment of a court of competent jurisdiction and from any order of the Labor Commissioner or other agency of government in connection with or arising from any deductions made pursuant to this assignment. No other assignment or order exists in connection with this transaction. This assignment shall be irrevocable for a period of one year from the date hereof and shall remain in full force and effect thereafter until revoked in writing by the undersigned.

Date \_\_\_\_\_

Employee Print Name \_\_\_\_\_

Employee's Signature \_\_\_\_\_

Steward Print Name \_\_\_\_\_

Steward's Signature \_\_\_\_\_

Appendix C

Rank	Last name	First name	Vacation benefit (weeks) each contract year as of:					4th week on 11/1
			11/1/15	11/1/16	11/1/17	11/1/18	11/1/19	
1	Munoz	Jesus	3	3	4	4	4	2019
2	Pablo	Lucia	2	3	3	3	3	2021
3	Perez	Rosa	2	2	2	3	3	2021
4	Delgadillo	Jose	2	2	2	3	3	2023
5	Arechiga	Francisca	2	2	2	3	3	2023
6	Romo	Amparo	2	2	2	3	3	2023
7	Sanchez	George	2	2	2	3	3	2023
8	Grant	Glemoris	2	2	2	3	3	2023
9	Mendez	Armando	2	2	2	3	3	2023
10	Murcia	Rosario	2	2	2	3	3	2023
11	Martinez	Sonia	2	2	2	3	3	2023
12	Girardos	Maria	2	2	2	3	3	2023
13	Zamudio	Maria	1	2	2	2	3	2024
14	Vivas	Catalina	1	2	2	2	3	2024
15	Cruz	Olivia	1	2	2	2	3	2024
16	Casillas	Delfina	1	2	2	2	3	2024
17	Ramirez	Odilia	1	2	2	2	3	2024
18	Gonzalez	Imperatriz	1	2	2	2	3	2024
19	Suhr	Nidia	1	2	2	2	3	2024
20	Lopez	Javier	1	2	2	2	3	2024
21	Suhr	Dennis	1	2	2	2	3	2024
22	Nunez	Gustavo	1	2	2	2	3	2024
23	Mejia	Carlos	1	2	2	2	3	2024
24	Juarez	Wendy	1	2	2	2	3	2024
25	Contreras	Maria	1	2	2	2	3	2024
26	Pleitaz	Herman	1	2	2	2	3	2024
27	Hamon	Leroy	1	2	2	2	3	2024
28	Ayala	Yolanda	1	2	2	2	3	2024
29	Gomez	Jose	1	2	2	2	3	2024
30	Quezada	Ricardo	1	2	2	2	3	2024
31	Valdivia	Engelmina	1	2	2	2	3	2024
32	Villalobos	Antonio	1	2	2	2	3	2024
33	Garcia	Gilberto	1	2	2	2	3	2024
34	Garcia	Heracio	1	2	2	2	3	2024
35	Burgos	Ana	1	2	2	2	3	2024
36	Luna	Santos	1	2	2	2	3	2024
37	Linquilla	Brisetida	1	2	2	2	3	2024
38	Laday	Jermane	1	2	2	2	3	2024
39	Torres	Ada	1	2	2	2	3	2024
40	Munoz	Gabriela	1	2	2	2	3	2024
41	Zepeda	Eva	1	2	2	2	3	2024
42	Sanchez	Laura	1	2	2	2	3	2024
43	Acevedo	Sandra	1	2	2	2	3	2024
44	Silva	Glenda	1	2	2	2	3	2024
45	Brown	Edwin	1	2	2	2	3	2024
46	Cruz	Tommas	1	2	2	2	3	2024
47	Woodard	Marvin	1	2	2	2	3	2024
48	Schwandt	Scott	1	2	2	2	3	2024
49	Ramirez	Jessica	1	2	2	2	3	2024
50	Guzman	Marlene	1	2	2	2	3	2024
51	Quintana	William	1	2	2	2	3	2024
52	Anthony	Devaughn	1	2	2	2	3	2024
53	Frank	Demario	1	2	2	2	3	2024
54	Olmos	Rocio	1	2	2	2	3	2024
55	Ahumada	Amanda	1	2	2	2	3	2024
56	Titus	Maurice	1	2	2	2	3	2024
57	Rodriguez	Guadalupe	1	2	2	2	3	2024
58	Narvaez	Aida	1	2	2	2	3	2024
59	Condova	Joseluis	1	2	2	2	3	2024
60	Davis	Davalle	1	2	2	2	3	2024
61	Molex	Eugene	1	2	2	2	3	2024
62	Narnjo	Rosa	1	2	2	2	3	2024
63	Alonzo	Floridalma	1	2	2	2	3	2024
64	Flores	Jorge	1	2	2	2	3	2024
65	Sanchez	Pedro	1	2	2	2	3	2024

ALAMEDA COUNTY INDUSTRIES

Effective: July 1, 2010  
Through: June 30, 2018

INDEX

SECTION NO.	TITLE OF SECTION	PAGE NO.
22	APPRENTICES - RULES AND REGULATIONS .....	12
4	ASSIGNABILITY CLAUSE .....	3
6	DISCHARGE OF EMPLOYEES .....	4
27	EFFECTIVE AND ANNIVERSARY DATE .....	16
19	EMERGENCY CALL BACK TIME .....	12
3	EQUAL EMPLOYMENT .....	3
13	FUNERAL LEAVE .....	8
10	GENERAL PROVISIONS .....	6
16	GRIEVANCE PROCEDURE AND ARBITRATION .....	10
17	GUARANTEED WORKWEEK AND HOURS .....	10
23	HEALTH AND WELFARE .....	14
12	HOLIDAYS .....	8
14	JURY DUTY .....	9
7	LEAVE OF ABSENCE .....	5
25	MACHINISTS 401(K) PLAN .....	15
26	M J DAY MACHINISTS RETIREE INVESTMENT TRUST .....	16
18	OVERTIME .....	11
24	PENSION .....	15
9	PERSONS PROHIBITED AND CONTRACT WORK .....	5
2	SCOPE OF MANAGEMENT RIGHTS .....	2
5	SENIORITY .....	3
15	SICK LEAVE .....	9
8	STRIKES AND PICKET LINES .....	5
11	VACATIONS .....	7
20	WAGE GUARANTEE .....	12
21	WORKING FOREMEN .....	12
1	WORK JURISDICTION .....	1
	IAM NATIONAL PENSION FUND STANDARD CONTRACT LANGUAGE .....	18
	APPENDIX A – JOB DESCRIPTION	
	APPENDIX B – ATTENDANCE POLICY	

ALAMEDA COUNTY INDUSTRIES  
and  
MACHINISTS AUTOMOTIVE TRADES DISTRICT LODGE NO. 190  
OF NORTHERN CALIFORNIA  
International Association of Machinists and Aerospace Workers

THIS AGREEMENT between ALAMEDA COUNTY INDUSTRIES and the MACHINISTS AUTOMOTIVE TRADES DISTRICT LODGE NO. 190 OF NORTHERN CALIFORNIA, International Association of Machinists and Aerospace Workers, is made and entered into this First day of July 2010. The parties agree as follows:

SECTION 1. WORK JURISDICTION

1.1 The Employer hereby recognizes the Union as the collective bargaining representative for all employees of Alameda County Industries, who are working or may perform work coming within the jurisdiction of the Union.

1.2 Work Jurisdiction of Machinists Automotive Trades District Lodge No. 190 of Northern California: This Union has jurisdiction over all of the following types of work: maintenance, rebuilding, dismantling, assembling, repairing, inspecting, installing, erecting, cleansing, preparing and conditioning of all automotive parts, units, and auxiliaries connected with passenger cars, motorcycles, tractors, trucks, trailers, fork lifts and/or other material handling equipment or heavy duty equipment, any and all types of machinery propelled by any type of engines or device, the packing, shipping and the handling of all parts and all machine or grinding processes connected thereto; auxiliary power plants, maintenance and repairs to booms (erection and basket booms), inspection, set-up (keep in proper running order), and/or adjustment of production machinery; maintenance of all welding equipment (acetylene and/or electric); complete plant maintenance (heaters, plumbing, overhead rail, yard hoist, ventilation fans), and complete machine operation.

1.3 Only members in good standing in the Union shall be retained in employment. For the purpose of this Section "members in good standing" shall be defined to mean employee members in the Union who tender the periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership. Non-members of the Union hired by the Employer must complete membership affiliation on or immediately following the thirtieth (30th) day of employment and the Union agrees to accept said non-members into membership on the same terms and conditions generally applicable to other members. Upon written notice from the Union of failure on the part of any individual to complete membership in the Union as above required, or of failure to tender periodic dues to the Union, the Employer shall, within seven (7) days of notice, discharge said employee.

1.4 The Employer agrees that when a new employee is hired, the employee shall immediately report to the Union for the purpose of informing the Union that he has been hired and intends to assume employment. To implement this procedure, the Union agrees to furnish each person so reporting with written evidence to be filed by such employee with the Employer and the shop steward.

Dues Checkoff: At the option of the Union, the Employer agrees to deduct monthly from the wages of each employee covered by this agreement, uniform initiation fees and periodic dues owing to the Union as a result of membership therein, upon the individual written authorization for such deductions. Such authorizations shall comply with the provisions of Section 302 of the Labor-Management Relations Act of 1947, as amended, and shall be deposited with and held by the Employer.

Deductions shall be made from the employee's first paycheck of each month and shall be remitted to the Financial Secretary of the Union not later than the 25th day of the month in which the deduction occurs.

The Union agrees to indemnify and hold harmless the Employer from any and all claims by reason of deductions made and remitted to the Union in accordance with authorizations and monthly statements.

1.5 When the Employer needs additional employees, he shall give the Union equal opportunity with all other sources to refer suitable applicants for employment; but the Employer shall not be required to hire those referred by the Union or any other particular source.

1.6 On breakdowns of equipment, the Company will send mechanical shop employees to perform the necessary repairs or make adjustments in accordance with past practice.

1.7 If there are technological changes in the industry that would result in major changes in work in the shop, the Company and the Union will discuss the impact of such changes.

## SECTION 2. SCOPE OF MANAGEMENT RIGHTS

2.1 Except as specifically abridged, delegated, granted, or modified by this agreement, it is agreed that nothing in this agreement shall limit the Company in the exercise of its function of management, such as the right to direct the working force, to hire, to promote, transfer, discipline, suspend or discharge for cause, to lay off employees for lack of work, to require employees to observe Company rules and regulations, to decide the number and location of its plants, products to be manufactured or purchased, the methods and schedules of production, including the means and processing of manufacturing and subcontracting work, provided that nothing herein shall be construed as authorizing violation of this agreement.

2.2 It is expressly agreed and understood, however, that the provisions of this Section shall not be so construed as to deprive the Union of its right to submit to the grievance procedure provided in Section 16 hereof, hereof, any dispute with reference to order of layoff, suspension or discharge, promotion or transfer of employees within the bargaining unit.



2.3 The Employer shall notify the Union in writing of the reason for the discharge of any regular employee and when practical, such notification shall be made within twenty-four (24) hours. However, the right to discharge is in no way contingent upon such notification.

### SECTION 3. EQUAL EMPLOYMENT

3.1 The Company and the Union subscribe to the principle of equal employment opportunity. Accordingly, neither the Company nor the Union shall discriminate, nor cause, nor attempt to cause, the other to discriminate, against any individual with respect to such individual's compensation, terms, conditions or privileges of employment because of such individual's race, color, religion, sex, national origin, ancestry, physical handicap, or age; provided, however, that the above prohibitions with respect to age are limited in accordance with Federal law, State law or other governmental regulations.

3.2 The Company and the Union agree that the intent of this Section is to restate California and Federal law with respect to equal employment opportunity. Should any provision of this agreement, at any time during its life, be found in conflict with California or Federal equal opportunity laws, as such laws may be amended by legislation or interpreted by any appellate court, then such provision shall continue in effect only to the extent permissible under the applicable law, with the right extended to either party to this agreement to negotiate with respect to the conflicting provision.

### SECTION 4. ASSIGNABILITY CLAUSE

4.1 This agreement shall be binding on the successors and assigns of the parties hereto. No provisions, terms or obligations herein contained shall be modified, altered or changed in any respect whatsoever by any consolidation, merger, sale, transfer or assignment, in part or in whole by either party hereto; or affected in any respect whatsoever by any change of any kind in the method of operation, legal staff, ownership, or management of either party hereto; or by any change geographically or otherwise, within the jurisdictional area of Machinists Automotive Trades District No. 190 of Northern California in the location of the place of business of either party hereto.

4.2 Employees, members of the Union, shall not suffer any loss of benefits of any description as a result of any change or transfer of ownership as described in the foregoing. Any benefits accruing to them as a result of this agreement shall continue and be adhered to by any succeeding Employer or management.

### SECTION 5. SENIORITY

5.1 Definition: Seniority under this agreement shall be defined as length of unbroken service with the Employer.

5.2 In the event that it becomes necessary for the Employer to reduce the number of employees, such employees shall be laid off according to seniority, subject to the classifications (Section 20) of the employees.

Where seniority prevails by classification and a layoff occurs or the Employer discontinues a classification, the employee shall have the right to return to any classification previously held.

5.3 In the event that the Employer increases the number of employees, such employees previously laid off shall be restored to employment according to seniority.

5.4 Seniority Lists: Seniority lists corrected to December 1 and prepared by the Employer shall be posted in each shop or facility on January 1 of each year and shall be supplemented each three (3) months thereafter in the event of any changes, and such lists will be subject to correction under protest by the Union. If no complaint is made within thirty (30) days of posting, the list as published will be deemed correct. This shall not apply to typographical errors.

Any employee on leave of absence or layoff due to injury, illness or lack of work at the time of posting of the list shall have a period of fifteen (15) days from the date of his return to service to file a protest.

5.5 Except as otherwise provided in this agreement, new employees shall be regarded as probationary employees for the first sixty (60) days of their employment, and there shall be no responsibility on the part of the Employer for the re-employment of probationary employees if they are discharged or laid off during this period. If retained in the services of the Employer after the probationary period, the names of such employees shall then be placed on the seniority list in their respective classifications as of the date of hire.

5.6 An employee promoted to a supervisory position over the employees in the bargaining unit shall retain seniority.

5.7 The seniority of apprentices shall be integrated with the seniority of journeymen mechanic.

5.8 An employee's length of service with the Employer shall entitle employees to preference in the selection of vacation dates and shift bid assignments when openings occur to and including all the Employer's facilities. Employees transferring to another classification may be transferred back to their previous classification within the first ninety (90) day period.

5.9 Accumulation of Seniority: Seniority rights of an employee will be retained while he is laid off for a period not to exceed two (2) years. Employees who are unable to work because of illness or injury shall continue to accumulate seniority for a period not to exceed three (3) years.

## SECTION 6. DISCHARGE OF EMPLOYEES

6.1 The right to discharge any person in his employ for just cause, and to designate the number of persons necessary to the performance of any particular task or service, shall be the prerogative of the Employer.

6.2 The Union shall have the right to protest any such discharge providing such protest shall be presented in writing to the Employer within five (5) days, exclusive of Saturdays, Sundays and holidays after the notification of discharge; and if not presented within such period, the right of protest shall be waived.

6.3 No employee covered by this agreement shall be discharged or discriminated against because of membership in the Union.

#### SECTION 7. LEAVE OF ABSENCE

7.1 The Employer may, in writing, grant the employee a leave of absence not to exceed ninety (90) days. Such leaves may be extended by agreement between the parties to this agreement. The Employer shall notify the Union of all leaves in excess of five (5) working days. Absence of an employee because of illness or injury does not constitute a leave of absence under this Section.

7.2 An employee returning from an authorized leave of absence or extension thereof will be returned to the job held when the leave was granted. If the job no longer exists, the employee may exercise his seniority.

7.3 An employee on leave of absence who engages in gainful employment will be subject to termination, unless such employment was agreed to in writing by the Employer and Union.

7.4 A leave of absence as provided for in this Section shall not result in the loss of seniority. Any employee on leave of absence shall not be considered to be on the payroll of the Employer during the period of the leave. The employee shall make suitable arrangements for continuation of health and welfare payments before the leave is approved by both the Union and the Employer, unless otherwise provided for in existing trust agreements.

#### SECTION 8. STRIKES AND PICKET LINES

8.1 It is understood that the Union is not in favor of sympathetic strikes and will do everything in its power to prevent them during the life of this agreement. It shall not be a violation of this agreement for an employee to refuse to go through a lawful primary picket line. Such lawful primary picket lines shall be sanctioned by the appropriate body having jurisdiction in the area involved.

8.2 The Union agrees that there shall be no strike during the term of this agreement, and the Employer agrees that there shall be no lockout during the term of this agreement; except that, should either party fail to abide by the final decision of the arbitrator as provided herein when such decision is rendered in accordance with the grievance procedure, then either party shall be free to exercise any economic or legal action necessary to enforce compliance with such decision, and such action by either party shall not be a violation of this agreement.

#### SECTION 9. PERSONS PROHIBITED AND CONTRACT WORK

9.1 The Employer agrees that any and all persons not members of the Union or not hired in accordance with the provisions of this agreement shall be prohibited from performing any kind of work being performed or previously performed or capable of being performed by members of the Union or persons eligible to membership in the Union.

9.2 Bargaining unit work, as defined in Section 1 shall be performed exclusively by member(s) of the bargaining unit.

## SECTION 10. GENERAL PROVISIONS

10.1 The Employer shall comply with State or Federal safety and health laws where applicable, and shall maintain safe and sanitary conditions in all operations including adequate ventilating systems where necessary, clean restrooms and facilities. Safety equipment and safety wearing apparel required by the Employer shall be furnished by the Employer at no cost to the employee, except for the grinding of prescription lenses.

The Employer shall provide face shields, goggles and other safety equipment, including welder's leather gloves, which are deemed necessary for the safety of its employees. Employees are required to properly utilize all safety equipment provided by the Employer and failure to do so will subject the employee to disciplinary action.

Industrial Accidents: All occupational injuries, no matter how slight, must be reported by the employee to the foreman and the shop steward at the time the injury occurs. An employee injured on the job, which injury does not permit his continuing to work, shall be paid for the balance of the shift.

In the event of an industrial accident of such nature that does not require an employee to discontinue work, but does necessitate further treatment by the doctor at various intervals, the employee shall be compensated at his regular rate of pay for all time required for treatments during the employee's regular working hours. The number of treatments required shall be determined by the doctor designated by the Employer for the employee in accordance with California State Law. Any such treatments shall be scheduled during the employee's non-work time if at all possible.

10.2 Coveralls: Coveralls will be furnished and laundered by the Company, and each employee shall receive a clean pair of coveralls daily.

10.3 Tool Insurance: In consideration for the fact that employees are required to furnish their own hand tools, it is agreed that:

The Employer shall be responsible for replacement in kind of an employee's tools including tool boxes or rollaways stolen from the premises of the Employer by reason of illegal breaking and entering, or by reason of fire in the Employer's premises at any time. This does not provide for reimbursement or replacement of tools lost through pilferage or misplacement during working hours.

The Union agrees that the Employer has the right to institute reasonable rules for the purpose of providing protection against unwarranted claims under 10.3 above. These rules shall include, but not be limited to, requirements for tool inventories, audit of tool inventories, restrictions on the removal of tools from the Employer's premises and proper safeguarding of tools by employees.

Misuse or abuse of the foregoing provisions shall be considered cause for discharge.

The Employer shall furnish all tools, instruments and equipment (other than tools normally defined as hand tools) such as: all power tools, impact wrenches, taps, dies, chisels, files, easyouts, drills, torque wrenches and gauges of any kind; jack (floor and other types), creepers, light cords, flashlights and batteries and any and all wrenches, sockets, and ratchets in excess of one-half (1/2) inch drive or one and one-quarter (1-1/4) inch in size.

10.4 Bulletin Board: The Employer agrees to furnish and maintain a bulletin board on which the Union will be allowed suitable space.

10.5 Shop Stewards: The Union shall notify the Employer in writing of its selection of authorized shop stewards, and the Employer agrees to recognize stewards so designated. The Employer shall allow the steward a reasonable amount of time to process grievances at the shop level during his regular shift.

10.6 All employees shall be given a coffee break of twenty (20) minutes once each morning.

## SECTION 11. VACATIONS

11.1 Employees hired prior to execution of this agreement who have been employed for a period of one (1) year, shall be entitled to one (1) weeks' vacation with pay.

Employees who have been employed for a period of two (2) years shall be entitled to two (2) weeks' vacation with pay.

Employees who have been employed for a period of three (3) years shall be entitled to three (3) weeks' vacation with pay.

Employees who have been employed for a period of ten (10) years shall be entitled to four (4) weeks vacation with pay.

Employees who have been employed for a period of twenty (20) years shall be entitled to five (5) weeks' vacation with pay.

11.2 The Employer shall reserve the right to designate the number of employees who may be on vacation at one time.

11.3 Whenever a holiday falls during an employee's vacation, he shall receive an additional day's pay.

11.4 Vacation checks shall be issued on the payday prior to the scheduled vacation.

11.5 An employee who terminates for any reason prior to earning a full vacation shall be paid a prorata vacation on the following basis per full month worked as follows:

Less than one year	1/12 of one week's pay
One to two years	1/12 of two weeks' pay
Two to nine years	1/12 of three weeks' pay
Nine to nineteen years	1/12 of four weeks' pay
Nineteen years or more	1/12 of five weeks' pay

SECTION 12. HOLIDAYS

12.1 The following holidays shall be observed and recognized as legal holidays and there shall be no deduction in the employee's wages for same:

NEW YEAR'S DAY	LABOR DAY
MEMORIAL DAY	THANKSGIVING DAY
FOURTH OF JULY	CHRISTMAS DAY

12.2 Personal days off: In addition to the above days, each employee shall, on a contract year basis, be entitled to take six (6) personal days off with pay. These days shall be taken on days mutually agreeable between the employee and the Company. No more than two personal days off may be taken during a month. Any unused personal days off not taken during the contract year, will be paid out July of each year. Each employee shall be entitled to six (6) personal days off with pay.

12.3 All employees shall be paid their regular straight time rate for the legal holidays in this agreement, although no work is performed by employees on said holidays, whether or not any such holiday falls on a regular work day.

12.4 Holidays occurring on Sunday will be observed on the following Monday.

SECTION 13. FUNERAL LEAVE

13.1 In the event of a death in the family (father, mother, father-in-law, mother-in-law, wife, husband, brother, sister, grandparents, grandchildren, child or foster child and those relationships generally called "step", providing persons in such relationships have lived or have been raised in the family home and have continued an active family relationship) an employee shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same (or make a bonafide effort to attend) not to exceed three (3) regularly scheduled working days if the funeral is held in the State of California and five (5) days if the funeral is held out of State. This provision does not apply if the death and the funeral occur during the employee's paid vacation or while the employee is on leave of absence, layoff, or paid sick leave.

13.2 The Employer may require reasonable proof of the employee's eligibility for benefits.

#### SECTION 14. JURY DUTY

14.1 An employee who is summoned and reports for jury duty shall receive the difference between jury pay and his regular daily rate of pay for each day for which he reported for jury duty and on which he would normally have worked up to thirty (30) days per contract year.

14.2 In the event an employee is released from jury duty at a time which will permit him to return to work, he shall be obligated to return to work unless specifically excused by the Employer.

14.3 Time spent serving on a jury shall not be used in computing overtime.

#### SECTION 15. SICK LEAVE

15.1 In addition to the Disability Plan listed below, all employees who have completed their probationary period shall be eligible for six (6) sick leave days during each contract year.

15.2 The aforementioned sick leave may only be used when Accident & Sickness Disability Plan is not applicable.

(a) Employees shall start earning leave the first day of the month following date of employment.

Sick leave shall be payable beginning with the first day's absence from work.

Reasonable proof of illness may be required by the Employer prior to making payment of sick leave benefits.

Any employee who leaves the Company for any reason shall be paid in cash, at the current rate of pay, for all unused sick leave accrued by such employee.

(b) For the purpose of this Section, full pay shall mean pay for the regular daily schedule of work hours for those days Monday through Friday, which the employee would have worked had the disability not occurred, calculated at straight time.

(c) Where the disabled employee is also eligible for and is receiving State Disability Insurance or Worker's Compensation benefits, the sick leave benefits outlined in this agreement shall be paid separately and shall be integrated with the State Disability Insurance or Worker's Compensation benefits.

(d) The Employer agrees to begin implementation of the Automotive Industries "Accident and Sick Disability Plan" in congruence with implementation of the sick leave plan.

The total benefits received shall not exceed the normal straight time earnings of the employee. Where such payments are made on an integrated basis, the accrued sick leave benefits of the employee shall be charged only to the extent that actual payments are made by the Employer.

## SECTION 16. GRIEVANCE PROCEDURE AND ARBITRATION

16.1 Both the Employer and the Union agree that the following procedure shall be followed in the adjustment or settlement of all grievances and differences of opinion regarding the interpretation or application of this agreement. All grievances not mentioned within fifteen (15) days after they occur, or within fifteen (15) days that the Union first has knowledge that a grievance exists, shall be considered out-dated, thus preventing an accumulation of grievances.

16.2 All grievances shall be settled in accordance with the following grievance procedure:

16.3 Any dispute that cannot be adjusted amicably by the parties to this agreement shall be submitted in writing to the board of adjustment within ten (10) days after the Union Business Representative and the Employer Representative have failed to adjust the dispute or grievance.

16.4 The board of adjustment shall consist of no more than two (2) representatives of the Union and no more than two (2) representatives of the Employer. The board must meet within ten (10) days of receipt of notice of grievance. A majority vote of the board of adjustment on any issue shall be final and binding upon both parties to the agreement.

16.5 Arbitration: In the event that the board of adjustment fails to reach a decision on any dispute which has been considered, either party may refer the matter to arbitration by submitting the grievance to a third party. In cases of discharge grievances, the intention to arbitrate must be made in writing within fifteen (15) days following the board of adjustment decision. The third party shall be chosen mutually by the Employer and the Union. In the event that the Employer and the Union are unable to agree upon the selection of a third party within ten (10) days, the Federal Mediation and Conciliation Service shall be petitioned to submit a panel of five (5) arbitrators. Each of the parties shall delete the names of two (2) of the panel and the remaining arbitrator shall decide the issue.

16.6 The arbitrator shall not have the power to add to, subtract from or modify the terms of this agreement. The Company and the Union agree to share equally the expense of arbitration.

16.7 The findings, recommendations and the decisions of the board of adjustment or the arbitrator shall be final and binding upon the parties signatory to the agreement.

16.8 The grievance procedure and arbitration provided for herein shall constitute the sole and exclusive method of determining settlements between the parties of any and all grievances herein defined.

16.9 Any time specified herein shall not include any time on any Saturday, Sunday or holiday.

## SECTION 17. GUARANTEED WORKWEEK AND HOURS

17.1 Workweek: The workweek shall consist of five (5) consecutive days or shifts - Monday through Friday inclusive. All employees shall be guaranteed forty (40) hours' pay at their shift rate of pay unless they, of their own volition, do not work their regular shift hours.



Paid holidays occurring within an employee's regular scheduled workweek shall be counted as part of the guarantee, and as a day (or days) worked for overtime purposes.

17.2 All work shifts shall consist of eight (8) consecutive hours of work (exclusive of lunch period).

17.3 Starting time of the regular days work shall be between 4:00 a.m. and 11:59 a.m. The swing shift starting after 12:00 p.m. to 7:59 p.m. shall be compensated for at \$1.50 per hour additional pay. Any shift starting at 8:00 p.m. and before 3:59 a.m. shall be compensated for at \$2.00 per hour additional pay.

17.4 Shift Bidding: Employees by seniority classification, (See Section 5.9), subject to qualifications, shall have the right to bid on all jobs and/or shifts including outlying repair facilities of the Employer.

Job or shift bid preference shall be posted when vacancies occur. The Employer may assign shift assignment by seniority only for vacation relief, illness or temporary leaves of absences (not to exceed thirty (30) days).

17.5 The lunch period shall be taken no later than five (5) hours after the shift starts except in case of emergency.

17.6 In the event of a disabling injury on the job, the employee shall receive full pay for the balance of his shift.

#### SECTION 18. OVERTIME

18.1 All work in excess of eight (8) hours in one day shall be paid for at the overtime rate of one and one-half (1-1/2) times the regular straight time rate of pay for the first three (3) hours and double time thereafter. Work performed on Sunday shall be paid for at double time.

18.2 When employees are requested to work on Saturday, they shall receive one and one-half (1-1/2) times their shift rate of pay and be guaranteed four (4) hours. If held beyond four (4) hours they shall be guaranteed eight (8) hours' work or pay. Double time if worked beyond eight (8) hours for all hours worked.

18.3 Overtime work on regular working days shall be offered first to the employee assigned to uncompleted work at the end of a shift. Otherwise overtime work, including weekend and holiday work shall be offered to employees in the same classification capable of performing the work by rotation on a wheel organized according to seniority. In the event there are insufficient volunteers to perform the work, the Employer will be permitted to assign the work to qualified employees in reverse order of seniority.

In the case of overtime work on regular working days, the Employer will not be required to offer or assign the overtime to employees not assigned to the shop where the work is to be performed.

18.4 When employees are requested to work on Sunday, they shall be guaranteed eight (8) hours double time their shift rate for hours worked or not.

**SECTION 19. EMERGENCY CALL BACK TIME**

19.1 An employee who is called back to work after the completion of his normal shift shall be paid a minimum of four (4) hours at time and one-half (1-1/2) his straight time rate of pay.

**SECTION 20. MINIMUM WEEKLY WAGE GUARANTEE**

	<u>2/13/12</u>	<u>7/1/12</u>	<u>7/1/13</u>	<u>PER HOUR</u>			
				<u>7/1/14</u>	<u>7/1/15</u>	<u>7/1/16</u>	<u>7/1/17</u>
Journeyman Mechanic	\$35.19	\$36.44	\$37.69	\$38.74	\$39.82	\$40.92	\$42.06
General Mechanic	\$31.67	\$32.80	\$33.92	\$34.87	\$35.84	\$36.83	\$37.85
Parts Man	\$34.48	\$35.71	\$36.93	\$37.96	\$39.02	\$40.10	\$41.21
Preventative Maintenance Man	\$30.96	\$32.06	\$33.16	\$34.09	\$35.04	\$36.00	\$37.01
Container Repairman	\$28.85	\$29.88	\$30.90	\$31.76	\$32.65	\$33.55	\$34.48
General Cleanup Utility Person	\$24.98	\$25.87	\$26.75	\$27.50	\$28.27	\$29.05	\$29.86
Painter	\$24.98	\$25.87	\$26.75	\$27.50	\$28.27	\$29.05	\$29.86

The General Mechanic starting rate shall be at eighty-five percent (85%) of the Journeyman rate for the first six (6) months. Thereafter, the rate of pay shall be ninety percent (90%).

General Cleanup and Painter men shall receive a sixty cent (60¢) per hour premium over the rate of general cleanup man.

New hires in the container repair classification shall receive eighty-five percent (85%) of scale for the first thirty (30) days, ninety percent (90%) for the second thirty (30) days, ninety-five percent (95%) for the third thirty (30) days and thereafter shall receive container repairman scale.

**SECTION 21. WORKING FOREMEN**

21.1 An employee designated by the Company to be a "working foreman" shall receive ten percent (10%) above the minimum wage rate for journeymen.

**SECTION 22. RULES AND REGULATIONS GOVERNING APPRENTICES**

22.1 The Employer and the Union agree that all apprenticeship programs for occupations covered under this agreement shall be governed by written apprenticeship standards approved and registered by the Administrator of Apprenticeship in accordance with the Shelley-Maloney Apprentice Labor Standards Act of 1939, as amended.

Joint Apprenticeship Committees formed under these apprenticeship standards shall be charged with the responsibility of administering apprenticeship programs of mechanical, body and fender, painter, and parts apprentices.

Parts apprentice programs shall be established for a three-year term and all other apprentice programs shall be established for a four-year term.

Apprentice agreements shall obligate the Employer to provide on-the-job training. Apprentices must be trained under the direct supervision of a journeyman at all times. After an apprentice has served a ninety (90) day probationary period, he shall not be advanced, retarded, or terminated without prior consultation and consent of the Joint Apprenticeship Committee.

22.2 Cancellation of Apprentice Agreements: Joint Apprenticeship Committees for good and sufficient reason may provide for the recommendation to the Administrator of Apprenticeship of immediate cancellation of an Apprentice Agreement.

Notification by the Joint Apprenticeship Committee to an Employer to terminate an employee shall be final and binding on the parties to this agreement, and shall not be subject to the grievance procedure of this collective bargaining agreement. Action to enforce this portion of this agreement may be brought by the Union, Employers, or the Employer Association, party to this agreement or a Joint Apprenticeship Committee.

22.3 Schooling of Apprentices: The indenture agreement makes it mandatory that the apprentice attends a related school of instruction. Apprentices attending school at night as a requirement of their apprenticeship, shall be compensated therefor at the rate of One Dollar (\$1.00) per hour up to a maximum of Four Dollars (\$4.00) per week. The Employer is required to pay for attendance in class only upon presentation by the apprentice of a class attendance record certified by the school.

22.4 Apprentice Training Fund: The Employer agrees to pay, effective July 1, 2010 the sum of Eleven Dollars (\$11.00), effective July 1, 2012, the sum of Twelve Dollars and Seventy-Five Cents (\$12.75) per month, effective July 1, 2013, the sum of Fourteen Dollars and Fifty Cents (\$14.50) per month, effective July 1, 2014, the sum of Sixteen Dollars and Twenty-Five Cents (\$16.25) per month, effective July 1, 2015, the sum of Eighteen Dollars (\$18.00) per month, effective July 1, 2016, the sum of Nineteen Dollars and Seventy-Five Cents (\$19.75) per month, and effective July 1, 2017, the sum of Twenty-One Dollars and Fifty Cents (\$21.50) per month for each employee working in a classification within the jurisdiction of Machinists Automotive Trades District Lodge No. 190 into an Apprentice Training Fund. Payment will be due for each employee who is on the payroll of the Employer as of the first calendar day of each month. The Employer further agrees and consents to become a signator to the Trust Document and be bound by any and all provisions thereof. Wage increases will comply with DAS Regulations.

22.5 Minimum Wage Rates of Apprentices: Mechanical, body and fender and painter apprentices shall be paid not less than the following percentage of journeyman minimum wage rates:

1st 6 months of employment - 50%	5th 6 months of employment - 70%
2nd 6 months of employment - 55%	6th 6 months of employment - 75%
3rd 6 months of employment - 60%	7th 6 months of employment - 80%
4th 6 months of employment - 65%	8th 6 months of employment - 90%

Thereafter, journeyman's rate of pay.

Parts apprentices shall be paid not less than the following percentage of senior parts technician wage rates:

1st 6 months of employment - 50%	4th 6 months of employment - 70%
2nd 6 months of employment - 55%	5th 6 months of employment - 80%
3rd 6 months of employment - 60%	6th 6 months of employment - 90%

Thereafter, Senior Parts Technician wage rates.

The above percentages shall apply to apprentices hired after the effective date of this agreement. All apprentices indentured before the effective date of this agreement shall continue to be paid in accordance with the prior agreement.

22.6 Effective Dates of Pay Increases: The semi-annual pay increase herein provided shall become effective January 15 and July 15 of each year of the indenture period. To provide uniformity, all apprentices shall be assigned arbitrarily a first day of indenture as follows:

Those hired April 15 through October 14 shall be assigned July 15 as a first date of indenture.

Those hired October 15 through April 14 shall be assigned January 15 as a first date of indenture.

## SECTION 23. HEALTH AND WELFARE

23.1 The Employer agrees, effective September 1, 2010, to pay into the Automotive Industries Welfare Fund, the sum of One Thousand Two Hundred Thirty-Two Dollars (\$1,232.00) per month for each eligible employee and the employee's dependents, for the purpose of providing Health and Welfare including Medical, Dental, Orthodontics, Vision Care, Prescription Drugs, \$50,000 Life Benefits, Retiree's Health and Welfare Insurance Benefits and the Accident and Sickness Disability Plan.

23.2 After March 1, 2012, Employee contributions towards the cost of Health & Welfare shall be capped at \$258.75 per month.

Effective July 1, 2012, the Employee cap shall be \$243.75 per month.  
Effective July 1, 2013, the Employee cap shall be \$228.75 per month.  
Effective July 1, 2014, the Employee cap shall be \$213.75 per month.  
Effective July 1, 2015, the Employee cap shall be \$198.75 per month.  
Effective July 1, 2016, the Employee cap shall be \$183.75 per month.  
Effective July 1, 2017, the Employee cap shall be \$168.75 per month.

The Employer shall continue to pay the necessary premium to maintain the level of benefits, less the employee co-payment described above.

23.3 It is understood and agreed that, in connection with the aforementioned group Health and Welfare program, the Employer will observe administrative and eligibility regulations as set forth in the Joint Memorandum signed and executed by the joint parties thereto, dated July 1, 1956. The Employer agrees to sign the required Subscribers Agreements to the Trust which are incorporated into this Agreement by reference thereto.

23.4 If any regular employee under this agreement is granted a leave of absence without pay in excess of thirty (30) days, his name may be deemed to have been removed from the payroll of the Employer, and the Employer for the purposes of this insurance shall not be obligated to make payments on behalf of such employee into the Trust Fund during the period of such leave. The insurance may be continued for a maximum period of three (3) months provided the necessary premium for such insurance is paid by the employee.

#### SECTION 24. PENSION

24.1 By reference there is attached hereto and made a part hereof as a condition of this agreement, the Automotive Industries Pension Plan, covering members of affected Unions coming under the scope of this agreement and amendments hereto.

Effective July 1, 2010, the Employer agrees to pay to the Pension Trust Fund, the sum of Seven Hundred Sixteen Dollars and Fifty-Four Cents (\$716.54) per month. Any further increases in Pension contributions shall be made pursuant the cost of living adjustment contained in Section 20.

The Employer shall transmit said Pension premiums to the Joint Trust Fund on the first day of each month and in no event later than the 15<sup>th</sup> day of said month.

24.2 There is further attached hereto and made a part hereof, Employer Subscriber Agreement, Exhibit B, that simultaneously will be executed by all parties covered upon the execution of this collective bargaining agreement governing the Pension Program.

24.3 See I.A.M. National Pension Fund Standard Contract Language Attached (page 18)

#### SECTION 25. MACHINISTS 401(K) PLAN

25.1 The Employer agrees that upon written authorization from each of his or its Employees to deduct from said employee's total compensation the amounts authorized pursuant to said written agreement and to transmit same as "employer contributions" to The California Machinists 401 (k) Trust for the purpose of providing 401 (k) benefits to the eligible employee.

The Employer further agrees that said contributions, upon deduction, shall be made no later than the fifteenth (15<sup>th</sup>) day of the month following the completion of the work month in which such contributions have been authorized.

The Employer further agrees that he or it agrees to be bound to the Trust Agreement Establishing the California Machinists 401 (k) Trust and to accept and be bound to said trust document as it presently exists or may hereinafter be amended or modified by the Trustees of said Fund.

The Employer further agrees to authorize the Employer Trustees appointed to said Trust as his or its attorneys in fact for the purposes of conducting all business of said Trust Fund, including the appointment of Employer Trustees or conducting any other business which may be conducted by said Trustees of said Trust Fund.

**SECTION 26. MICHAEL J. DAY MACHINISTS RETIREE INVESTMENT TRUST**

26.1 The Employer agrees to continue paying \$35 per month for each eligible employee to the Michael J. Day Machinists Retiree Investment Trust. Future Employer contribution shall be:

Effective July 1, 2012 - \$44 per month  
Effective July 1, 2013 - \$53 per month  
Effective July 1, 2014 - \$73 per month  
Effective July 1, 2015 - \$93 per month  
Effective July 1, 2016 - \$113 per month  
Effective July 1, 2017 - \$133 per month

26.2 The Employer agrees to be bound by the terms of the Trust Agreement of the Machinists Retiree Investment Trust and to sign the standard subscriber agreement. Subject to the terms of this Article, the sole obligation of the Employer shall be to make the contributions described herein on a monthly basis.

**SECTION 27. EFFECTIVE AND ANNIVERSARY DATE**

27.1 This agreement shall be in full force and effect beginning July 1, 2010, to and including June 30, 2018, and shall continue in full force and effect thereafter unless written notice of desire to modify or terminate the agreement is served by either party upon the other at least sixty (60) days prior to date of expiration.

27.2 During such sixty (60) day period, negotiations shall be held looking toward a settlement of this agreement. Any changes arrived at shall become effective upon the anniversary date of this agreement.

27.3 Pending the resolving of the desired changes under consideration, the provisions of the expiring term shall continue in effect as the operative agreement of the parties.

27.4 There shall be no cessation of work or lockout during negotiations.

IN WITNESS WHEREOF, the parties hereto set their hands and seals by their respective officers duly authorized to do so this 29 day of November, 2012.


EMPLOYER

ALAMEDA COUNTY INDUSTRIES

By:   
Louie Pellegrini,  
Vice President

UNION

MACHINISTS AUTOMOTIVE TRADES  
DISTRICT LODGE NO. 190 OF NORTHERN  
Association of Machinists and Aerospace  
Workers, AFL-CIO

By:   
Patrick Woodward,  
Business Representative

I.A.M. NATIONAL PENSION FUND  
NATIONAL PENSION PLAN

STANDARD CONTRACT LANGUAGE

Section 24.3 - PENSIONS

A. The Employer shall contribute to the I.A.M. National Pension Fund, National Pension Plan for each hour/day or portion thereof 1/ for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement 2/ as follows:

\$ .25	per	hour	effective	July 1	2011
\$ .40		hour		July 1	2012
\$ .55	per	hour	effective	July 1	2013
\$ .70		hour		July 1	2014
\$ .85	per	hour	effective	July 1	2015
\$ 1.00		hour		July 1	2016
\$ 1.15	per	hour	effective	July 1	2017

If the employee is paid only for a portion of an hour/day, contributions will be made by the Employer for the full hour/day.

B. The Employer shall continue contributions based on a forty (40) hour work week while an employee is off work due to paid vacations or paid holidays. 3/ The Employer shall also make contributions whenever an employee receives severance pay, vacation pay at termination, or vacation pay in lieu of time off.

C. Contributions for a new, temporary, probationary, part-time and full-time employee are payable from the first day of employment. 4/

D. The I.A.M. Lodge and Employer adopt and agree to be bound by, and hereby assent to, the Trust Agreement, dated May 1, 1960, as amended, creating the I.A.M. National Pension Fund and the Plan rules adopted by the Trustees of the I.A.M. National Pension Fund in establishing and administering the foregoing Plan pursuant to the said Trust Agreement, as currently in effect and as the Trust and Plan may be amended from time to time.

E. The parties acknowledge that the Trustees of the I.A.M. National Pension Fund may terminate the participation of the employees and the Employer in the Plan if the successor collective bargaining agreement fails to renew the provisions of this pension Article or reduces the Contribution Rate. The parties may increase the Contribution Rate and/or add job classifications or categories of hours for which contributions are payable.

F. This Article contains the entire agreement between the parties regarding pensions and retirement under this Plan and any contrary provisions in this Agreement shall be void. No oral or written modification of this Agreement shall be binding upon the Trustees of the I.A.M. National Pension Fund. No grievance procedure, settlement or arbitration decision with respect to the obligation to contribute shall be binding upon the Trustees of the said Pension Fund.

-- END OF STANDARD CONTRACT LANGUAGE --



(Please complete Options Section and sign below if the Standard Contract Language is to be signed as a separate Agreement. If the Language is included in the Collective Bargaining Agreement, please insert options where applicable.)  
Options:

- 1/ Trustees' policy requires that all groups entering and continuing participation shall negotiate either an HOURLY or DAILY contribution rate. An HOURLY or DAILY contribution rate may be negotiated if the collective bargaining agreement provides for a standard work week of at least 40 hours based on 5 work days. An HOURLY rate must be negotiated if the standard work week is at least 40 hours but less than 5 days. A DAILY rate must be negotiated if the standard work week is 5 days but less than 40 hours. Contributions are required for any day/hour or portion thereof for which an employee is entitled to receive pay under this Agreement.
- 2/ The parties may negotiate to limit contributions to a maximum of forty (40) hours per week for each employee.  
Yes X No \_\_\_\_\_
- 3/ a. The parties may negotiate to exclude contributions for sickness and injury time, Reserve Training Time, Jury duty, bereavement pay, or lost time for processing grievances under the Agreement. If contributions are to be excluded for any time, please specify: \_\_\_\_\_  
b. The parties may negotiate that contributions will continue based on a forty (40) hour work week during non-work periods when the employee is receiving Workers Compensation or disability benefits: Yes \_\_\_ No X  
If yes, indicate for how long:  
c. The parties may negotiate that contributions will continue for up to one year based on a forty (40) hour work week while an employee is on unpaid leave of absence or lay-off:  
Yes \_\_\_\_\_ No X If yes, indicate type of unpaid leave: \_\_\_\_\_
- 4/ The parties may negotiate that contributions will begin at the completion of the employee's probationary period, but no later than sixty (60) calendar days after date of hire. Yes X No \_\_\_ Temporary employees may be excluded for a maximum period of ninety (90) calendar days. Yes X No \_\_\_ If yes, for how long? Ninety (90)

EAST BAY AUTOMOTIVE MACHINISTS LOCAL 1546

By Patrick Woodward (Insert Name and Number of Lodge) Date 11-29-12  
(Patrick Woodward, Business Representative)

ALAMEDA COUNTY INDUSTRIES  
(Insert Name of Employer)

EMPLOYER'S IRS IDENTIFICATION NO. 

7	7	0	5	1	1	3	6	9
---	---	---	---	---	---	---	---	---

Address 610 ALADDIN AVENUE SAN LEANDRO CA 94577

By Louic Pellegrini Date 1-14-2013  
(Louic Pellegrini, Vice President)

For plants or terminals located at:  
610 ALADDIN AVENUE SAN LEANDRO CA 94577  
(Street) (City) (State) (Zip)

#1  
Revised 11/06

## **ADDENDUM "A"**

### **JOB DESCRIPTIONS**

#### **Journeyman Truck Technician**

The Journeyman Truck Technician will possess the knowledge and proficiency to diagnose and repair or rebuild collection and support vehicle components including, but not limited to, the rebuild and diagnoses of gasoline and diesel engines, automatic and manual transmissions, differential, drive train components, steering systems, suspension systems, air and hydraulic brake systems, frame, axle and electrical systems, preventative maintenance inspections and repairs.

1. The Journeyman Truck Technician will be able to diagnose, repair or rebuild collection body operational systems including, but not limited to:
2. Hydraulic valves, cylinders, hose, electrical and air controls systems, the fabrication and welding of body components.
3. The Journeyman Truck Technician will possess the ability to perform emergency repairs in the field as needed as needed.
4. The Journeyman Truck Technician will work with limited or no supervision exercising knowledge of acceptable conditions as prescribed by State and Federal regulations as well as Waste Management policy and procedures.
5. The Journeyman Truck Technician will be responsible for the accurate initiation and completion of company work orders, and documents related to fleet maintenance as prescribed by State and Federal regulations as well as Waste Management policy and procedures.
6. The Journeyman Truck Technician will maintain his/her work area in a clean, efficient and safe manner and assist in the general clean up of the shop and surrounding areas.
7. The Journeyman Truck Technician will at all times possess a valid commercial license with the required endorsements as prescribed by the California Department of Motor Vehicle that would enable the road test of any vehicle for the diagnosis or verification of repair that is in the possession of the company.
8. The Journeyman Truck Technician will work on other duties as assigned by the Supervisor.

## ADDENDUM B

### ATTENDANCE AND TARDINESS POLICY

#### PURPOSE

The purpose of this addendum is to clarify the PROGRESSIVE DISCIPLINARY ACTION in regards to paragraph F. under the heading of EXCUSED ABSENCES dated August 3, 1992.

#### TARDINESS/EARLY OUTS

Employees are expected to have punched in and be at their work station ready for work not later than their scheduled starting time, whether for a regular shift, an overtime shift or an authorized early start.

- 4th Tardy/Early Out - Verbal Warning—signed by the employee (acknowledgement only) and documented to the employee's file.
- 5th Tardy/Early Out - Written Warning—which shall be signed for by the employee (receipt only), with copies to the Union and employee's personnel file.
- 6th Tardy/Early Out - Suspension—which shall be documented and signed by the employee (receipt only) with copies to the Union and employee's personnel file.
- 7th Tardy/Early Out\* - Termination of Employment—which shall be documented, with copies to the employee, Union and employee's personnel file.

\*Note: Due to an employee's length of service and other mitigating circumstances the General Manager may elect to grant another suspension before Termination.

You are expected to punch in and/or out with-in seven (7) minutes of your scheduled start and/or stop time. Early and/or late punch-ins will be considered unauthorized overtime and will result in the above-listed progressive discipline.

#### ABSENTEEISM

Any period of one (1) or more consecutive days of related absence due to personal illness, injury or absence due to State or Federal F.M.L.A. will be considered as a single occurrence under this policy. Consecutive days of absence for all other reasons will be considered as a separate occurrence for each day of such absence. The following progressive disciplinary action will commence after all sick leave is exhausted. The following shall be recognized even if the employee still has sick leave available: unexcused absences on mandatory workdays will count as an occurrence.

- 2nd Occurrence - Verbal Warning -- signed by the employee (acknowledgement only) and documented to the employee's file.
- 3rd Occurrence - Written Warning -- which shall be signed for by the employee (receipt only), with copies to the Union and employee's personnel file.
- 4th Occurrence - Suspension -- which shall be documented and signed by the employee (receipt only), with copies to the Union and employee's personnel file.
- 5th Occurrence - Termination of Employment -- which shall be documented, with copies to the employee, Union and employee's personnel file.

\*Note: Due to an employee's length of service and other mitigating circumstances the General Manager may elect to grant another suspension before Termination.

If an employee, as a result of an additional absence, moves to the next progressive discipline step before the Company has had the opportunity to formally discipline the employee at the prior step, the rules of this policy will always apply, and the next progressive discipline step will be administered.

The policy will be maintained on a rolling twelve (12) month basis.

Failure to report for scheduled work (including recall from layoff) for three (3) consecutive days (excluding Saturdays, Sundays and Holidays) without having called in by the end of the shift of the third day, shall be considered a voluntary quit.

**EXHIBIT G2:  
COST BASIS FOR PROPOSAL**

---



## Castro Valley Sanitary District Base Services

Proposer Name: Alameda County Industries CV, Inc.

Form	Title	Rate Period 1 Total Revenue
8	Single-Family Rates	\$8,227,074.78
9	Multi-Family Cart Rates	\$709,304.54
10	Commercial Cart Rates	\$402,655.45
11	Multi-Family Bin Rates	\$1,058,600.03
12	Commercial Bin Rates	\$2,227,763.62
13	Drop Box Rates	\$648,815.29
14	Ancillary Rates	\$179,691.82
	Total Rate Revenue	\$13,453,905.53
5	Proposed Rate Period 1 Cost	\$13,243,912.85
	Surplus/(Deficit)	\$209,992.68

Note: The proposed annual cost should be no more than \$1,000 different from the Total Rate Revenue.

General Proposer Information  
 Proposer Name: Alameda County Industries CA, Inc

**Castro Valley Sanitary District Base Services**

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

<b>A. Primary Contact Information</b>	
1. Name	Chris Valbusa
2. Title	General Manager
3. Phone	510-357-7282, ext. 8147
4. Fax	510-357-7329
5. E-mail	cvalbusa@alamedacountyindustries.com
<b>B. Support Facilities</b>	
1. Address of collection vehicle parking, maintenance, washing, and route staff parking facility(ies)	610 Aladdin Ave., San Leandro, CA 94577
2. Address of administrative office	610 Aladdin Ave., San Leandro, CA 94577
3. Address of billing office	610 Aladdin Ave., San Leandro, CA 94577
4. Address of customer service office	610 Aladdin Ave., San Leandro, CA 94577
<b>C. Vehicle Manufacturer and Specifications (Body Capacity, GVWR, Load Capacity)</b>	
1. Residential Collection Vehicles	Labire ASL, 29 YDS, 8+ tons
2. Commercial Collection Vehicles	Heil FEL, 40 YDS, 10+ tons
3. Drop Box Vehicles	Galbreath Roll-Off
<b>D. Container Manufacturer, Sizes Offered, and Specifications</b>	
1. Carts	Rehrig Pacific
2. Bins	Consolidated Fabricators; sizes per F.A.
3. Drop Boxes	Consolidated Fabricators; sizes per F.A.
<b>E. Recyclable Materials Processing and Handling</b>	
1. Name of processing site	Alameda County Industries
2. Owner's name	Alameda County Industries, LLC
3. Operator's name	Alameda County Industries
4. Address of processing site	610 Aladdin Ave., San Leandro, CA 94577
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	Direct haul
6. Name and address of transfer location (if applicable)	N/A
<b>F. Organic Materials Processing and Handling</b>	
1. Name of processing site	Napa Recycling and Waste Service
2. Owner's name	Napa Recycling and Waste Services LLC
3. Operator's name	Napa Recycling and Waste Services LLC
4. Address of processing site	820 Levitin Way Napa CA 94558
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	Transfer
6. Name and address of transfer location (if applicable)	Alameda County Industries, San Leandro CA
<b>G. C&amp;D Processing and Handling</b>	
1. Name of processing site	Davis Street Resource and Recovery Complex
2. Owner's name	Waste Management
3. Operator's name	Waste Management
4. Address of processing site	2615 Davis St., San Leandro CA
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	Direct haul or Transfer
6. Name and address of transfer location (if applicable)	Alameda County Industries, San Leandro CA



Note to proposer: Input data in yellow shaded areas only. Show statistics for one-year period

Last 12 Months of Rate Period One	Cart Service (Form 6A)			Bin Service (Form 6B)			Drop Box (Form 6C)				Bulky Items (Form 6D)	TOTAL
	Garbage	Recyclable Materials	Organic Materials	Garbage	Recyclable Materials	Organic Materials	Garbage	Recyclable Materials	Organic Materials	C&D Materials		
<b>Account Information</b>												
1 From July 1, 2019 to June 30, 2020												
2 # of weekly accounts (customers)												
<b>Labor Information</b>												
3 # of regular route personnel	4.5	4.6	3.2	1.0	0.5	0.5	0.8	0.1	0.0	0.1	2.0	17.3
4 Labor hours/day/person	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	
5 Total labor hours/year	10,361	10,538	7,369	2,295	1,147	1,160	1,838	154	33	266	4,674	34,894
<b>Route Information</b>												
6 # of routes per	4.50	4.58	3.20	1.00	0.50	0.50	0.80	0.07	0.01	0.12	2.03	17.3
7 Weekday												
8 Saturday												
9 Sunday												
10 # of persons per route per												
11 Weekday	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	
12 Saturday												
13 Sunday												
14 # of route hours per year per:												
15 Weekday	10,361	10,538	7,369	2,295	1,147	1,160	1,838	154	33	266	4,674	39,834.3
16 Saturday												
17 Sunday												
18 Total Route Hours per Year (all routes)	10,361	10,538	7,369	2,295	1,147	1,160	1,838	154	33	266	4,674	34,894
19 # of FTE routes	4.98	5.07	3.54	1.10	0.55	0.56	0.88	0.07	0.02	0.13	2.25	16.78
20 Total # of cart setouts per day for all routes	3,849	3,721	5,077									
21 # of cart setouts/day/FTE route	773	734	1,433									
22 # of cart setouts per week for all routes	19,247	18,604	25,383									
23 # of household drive-bys per wk for all routes	19,247	18,604	25,383									
24 Set out rate (%)	100%	100%	100%									
25 # of lifts or pulls per week for all routes				429	259	74	9	2	0	3	100	
26 # of lifts or pulls per year for all routes	22,285	13,468	3,848	22,285	13,468	3,848	450	86	18	149	5,197	
27 # of lifts or pulls per route hour	9.7	11.74	3.32	9.7	11.74	3.32	0.25	0.56	0.56	0.56	1.11	
<b>Vehicle Information</b>												
28 # of regular collection vehicles (from Form 4)	4.5	4.5	3.0	1.0	0.5	0.5	0.8	0.1	0.0	0.1	1.0	16.0
29 # of spare collection vehicles (from Form 4)												
30 Total # of collection vehicles	4.5	4.5	3.0	1.0	0.5	0.5	0.8	0.1	0.0	0.1	1.0	16.0
<b>Tonnage Information (annual)</b>												
31 Garbage Collected	8,841	7,025	9,036	3,254	1,093	1,065	1,802	343	73	594	761	13,896.6
32 Recyclable Materials Collected												8,461.7
33 Organic Materials Collected												10,174.5
34 C&D Materials Collected												1,354.6
35 Other Materials Collected (Specify)												
36 Total Collected	8,841	7,025	9,036	3,254	1,093	1,065	1,802	343	73	594	761	33,887
37 Processing residue disposed		1,194			186			58				1,438.5
38 Net Diverted (Line 31 + 32 + 33 + 34 - 36)		5,831	9,036		907	1,065		285	73	594	761	18,552
												54.7%

Notes for Form 2:

- Line 1 - Should equal the number of customer serviced on a weekly basis
- Line 2 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 3 - Identify number of hours per day each regular route employee will work each day (including breaks, pre- and post-route checks, etc., excludes casual/pool personnel).
- Line 4 - Should equal Line 2 \* Line 3 \* 260 days
- Lines 5, 6, and 7 - Information is to be reported for collection routes only and does not include any support (e.g., container delivery routes, cleanup routes, missed pickup routes etc.)
- Line 8, 9, and 10 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Lines 11, 12, and 13 - Identify number of hours per day each route will take to complete (including collection time and hauling time to transfer station, landfill, or processing site).
- Line 14 - Should equal Line 5 \* Line 11 \* 260 days
- Line 15 - Should equal Line 6 \* Line 12 \* 52 weeks
- Line 16 - Should equal Line 7 \* Line 13 \* 52 weeks
- Line 17 - Should equal Line 14 + Line 15 + Line 16
- Line 18 - Should equal Line 17 / 2,080 hours
- Line 19 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 20 - Should equal Line 19 / Line 18
- Line 21 - Should equal Line 19 \* 5 days
- Line 22 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 23 - Should equal Line 21 / Line 22
- Line 24 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 25 - Data to be input by proposer and should equal Line 24 \* 52 weeks. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 26 - Should equal Line 25/ Line 17
- Line 27 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 28 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 29 - Should equal Line 28 + Line 29
- Lines 30 - 34 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 35 - Should equal Line 30 + Line 31 + Line 32 + Line 33 + Line 34
- Line 36 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
- Line 37 - Should equal Line 31 + Line 32 + Line 33 + Line 34 - Line 36

Pulls = pull and return etc.

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

**Proposed Labor Requirements**  
**Proposer Name: Alameda County Industries CA, Inc**

**Castro Valley Sanitary District Base Services**

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

<b>Route Personnel Headcount</b> (include fraction of employee)	<b># of Regular Personnel</b>	<b># of Casual/Pool</b>	<b>Total</b>	<b>Average Hourly Rate</b>	<b>Benefits cost/year/hour</b>
Cart Garbage	4.50	1.26	5.76	\$ 37.58	\$ 36.32
Cart Recyclable Materials	4.58	1.18	5.76	\$ 37.58	\$ 36.32
Cart Organic Materials	3.20	0.64	3.84	\$ 37.58	\$ 36.32
Bin Garbage	1.00	0.28	1.28	\$ 37.58	\$ 36.32
Bin Recyclable Materials	0.50	0.14	0.64	\$ 37.58	\$ 36.32
Bin Organic Materials	0.50	0.14	0.64	\$ 37.58	\$ 36.32
Drop Box Garbage	0.80	0.22	1.02	\$ 37.58	\$ 36.32
Drop Box Recyclable Materials	0.07	0.02	0.09	\$ 37.58	\$ 36.32
Drop Box Organic Materials	0.01	0.00	0.02	\$ 37.58	\$ 36.32
Drop Box C&D	0.12	0.03	0.15	\$ 37.58	\$ 36.32
Bulky Items	2.03	0.53	2.56	\$ 37.58	\$ 36.32
<b>Subtotal Route Personnel</b>	<b>17.30</b>	<b>4.45</b>	<b>21.75</b>		
<b>Other Personnel Headcount</b> (include fraction of employee)	<b>Notes</b>	<b># of Employees</b>	<b>Average Hourly Rate</b>	<b>Benefits cost/year/hour</b>	
Executive Management (CEO, CFO, COO, etc.)					
General Manager		0.4	\$ 48.00	\$ 47.27	
Operations Manager					
Route Supervisor		1	\$ 44.23	\$ 29.17	
Dispatcher		1	\$ 26.00	\$ 23.67	
Container Distribution		1.28	\$ 37.58	\$ 36.50	
Container Maintenance/Welder					
Maintenance Supervisor					
Maintenance Personnel		1.42	\$ 43.32	\$ 29.47	
Controller					
Staff Accountant					
Office Manager					
Accounting Clerk		2	\$ 27.50	\$ 27.23	
Customer Service Supervisor					
Customer Service Representatives		3	\$ 24.75	\$ 23.25	
Recycling Manager					
Recycling Coordinator		0.50	\$ 26.00	\$ 26.80	
Other (specify): _____					
Other (specify): _____					
Other (specify): _____					
<b>Subtotal Other Personnel</b>		<b>10.60</b>			
	<b>Total All Personnel</b>	<b>32</b>			

Capital Requirements

Castro Valley Sanitary District Base Services

Proposer Name: Alameda County Industries CA, Inc

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

	Quantity									Total Capital Cost Over Contract Term (In 2019 dollars)	Average Price
	New			Used			Total				
	Actual	Spare	Total	Actual	Spare	Total	Actual	Spare	Total		
<b>Vehicles</b>											
Collection Vehicles											
Cart Garbage	4.00	-	4			0	4	0	4	\$ 1,698,406.02	\$ 424,601.51
Cart Recyclable Materials	4.00	-	4			0	4	0	4	\$ 1,698,406.02	\$ 424,601.51
Cart Organic Materials	3.00	-	3.001			0	3.001	0	3.001	\$ 1,274,118.16	\$ 424,601.51
Bin Garbage	1.00	-	0.997			0	0.997	0	0.997	\$ 358,190.08	\$ 359,402.02
Bin Recyclable Materials	0.50	-	0.498			0	0.498	0	0.498	\$ 179,009.95	\$ 359,402.02
Bin Organic Materials	0.50	-	0.504			0	0.504	0	0.504	\$ 181,077.44	\$ 359,402.02
Drop Box Garbage	0.80	-	0.798			0	0.798	0	0.798	\$ 263,970.17	\$ 330,605.91
Drop Box Recyclable Materials	0.07	-	0.067			0	0.067	0	0.067	\$ 22,087.56	\$ 330,605.91
Drop Box Organic Materials	0.01	-	0.014			0	0.014	0	0.014	\$ 4,695.38	\$ 330,605.91
Drop Box C&D	0.12	-	0.116			0	0.116	0	0.116	\$ 38,206.21	\$ 330,605.91
Bulky Items Flat Bed	1.00	-	1			0	1	0	1	\$ 167,077.06	\$ 167,077.06
Bulky Item Rear Loader	1.00	-	1			0	1	0	1	\$ 273,118.71	\$ 273,118.71
Hard to Service Trucks (Garbage)	0.5		0.5			0	0.5	0	0.5	\$ 140,000.00	\$ 280,000.00
Hard to Service Trucks (Recyclable Materials)	0.5		0.5			0	0.5	0	0.5	\$ 140,000.00	\$ 280,000.00
Hard to Service Trucks (Organic Materials)			0			0	0	0	0		N/A
<b>Subtotal</b>	16.99	0	16.99	0	0	0	16.99	0	16.99	\$6,438,363	
<b>Other Vehicles</b>											
Pickup Trucks	1		1			0	1	0	1	\$ 51,950.56	\$ 51,950.56
Container Distribution	1		1			0	1	0	1	\$ 167,077.06	\$ 167,077.06
Mobile Service Truck	0	0				0	0	0	0	\$ -	N/A
Other (specify):			0			0	0	0	0		N/A
Other (specify):			0			0	0	0	0		N/A
<b>Subtotal</b>	2	0	2	0	0	0	2	0	2	\$219,028	
<b>Total Vehicle Cost</b>										<b>\$6,667,390</b>	
<b>Containers</b>											
<b>Carts</b>											
Garbage 20-gallon		1711	1711			0	0	1711	1711	\$ 94,127.00	\$ 55.00
Garbage 32-gallon		1007	1007			0	0	1007	1007	\$ 55,407.00	\$ 55.00
Garbage 64-gallon		112.8	112.8			0	0	112.8	112.8	\$ 6,204.00	\$ 55.00
Garbage 96-gallon		188	188			0	0	188	188	\$ 12,220.00	\$ 65.00
Recyclable Material 64-gallon		2719	2719			0	0	2719	2719	\$ 149,534.00	\$ 55.00
Recyclable Material 96-gallon		2719	2719			0	0	2719	2719	\$ 149,534.00	\$ 55.00
Organic Materials 64-gallon		1359	1359			0	0	1359	1359	\$ 74,767.00	\$ 55.00
Organic Materials 96-gallon		1359	1359			0	0	1359	1359	\$ 88,361.00	\$ 65.00
<b>Subtotal</b>	0	11176	11176	0	0	0	0	11176	11176	\$630,154	
<b>Bins</b>											
1 cubic yard	37	3.7	40.7			0	37	3.7	40.7	\$26,614	\$ 653.90
1.5 cubic yard	9	0.9	9.9			0	9	0.9	9.9	\$6,744	\$ 681.21
2 cubic yards	77	7.7	84.7			0	77	7.7	84.7	\$62,140	\$ 733.65
3 cubic yards	75	7.45	81.95			0	74.5	7.45	81.95	\$67,285	\$ 821.05
4 cubic yards	38	3.8	41.8			0	38	3.8	41.8	\$39,343	\$ 941.22
5 cubic yards	5	0.5	5.5			0	5	0.5	5.5	\$5,778	\$ 1,050.47
6 cubic yards	4	0.4	4.4			0	4	0.4	4.4	\$5,103	\$ 1,159.72
7 cubic yard	0	0	0			0	0	0	0		N/A
<b>Subtotal</b>	244.5	24.45	269	0	0	0	244.5	24.45	269	\$213,006	
<b>Drop Boxes</b>											
7 cubic yards	4		4			0	4	0	4	\$11,565	\$ 2,891.20
10 cubic yards			0			0	0	0	0		N/A
15 cubic yards	20		20			0	20	0	20	\$65,852	\$ 3,292.58
20 cubic yards	15		15			0	15	0	15	\$56,530	\$ 3,768.68
30 cubic yards	10		10			0	10	0	10	\$43,587	\$ 4,358.68
40 cubic yards	2		2			0	2	0	2	\$9,913	\$ 4,956.68
<b>Subtotal</b>	51	0	51	0	0	0	51	0	51	\$187,447	
Recycle Tote Bags	17322		17322			0	17322	0	17322	\$56,297	\$ 3.25
Kitchen Pails	17322		17322			0	17322	0	17322	\$77,949	\$ 4.50
<b>Subtotal</b>	34644	0	34644	0	0	0	34644	0	34644	\$134,246	
<b>Total Container Cost</b>										<b>\$1,164,863</b>	
<b>Other</b>											
Offices	Description										
Processing Site(s)											
Transfer Station											
Corporation Yard/Maintenance											
Container Storage Yard											
Shop Equipment	Maintenance Equipment										\$ 14,000.00
Fueling Equipment	CNG Fueling Equipment Upgrade										\$ 890,000.00
Computer and Office Equipment	Workstations Computers Office Equipment										\$ 23,250.00
Other (specify):											
Other (specify):											
<b>Total Other Cost</b>										<b>\$927,250</b>	
<b>Total Capital Cost</b>										<b>\$8,749,493</b>	\$874,949.28

Castro Valley Sanitary District Base Services

Form 5

Summary of Proposed Costs  
 Proposer Name: Alameda County Industries CA, Inc

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

Last 12 Months of Rate Period One From July 1, 2019 to June 30, 2020	Cart Service (Form 6A)		Bin Service (Form 6B)		Drop Box (Form 6C)			Bulky Items (Form 6D)	TOTAL
	Garbage	Recyclable Materials	Organic Materials	Garbage	Recyclable Materials	Organic Materials	C&D Materials		
<b>Cost of Operations</b>									
Labor-Related Costs	\$1,033,326	\$1,033,326	\$689,053	\$228,854	\$114,372	\$115,693	\$183,345	\$459,256	\$3,902,365
Vehicle-Related Costs	\$69,599	\$112,605	\$79,971	\$23,479	\$11,734	\$11,869	\$19,942	\$31,013	\$365,314
Fuel Costs	\$40,326	\$39,910	\$43,502	\$8,286	\$4,141	\$4,189	\$6,714	\$99,115	\$188,540
Net Processing Costs	\$0	\$1,820	\$826,013	\$0	\$0	\$97,350	\$0	\$85,658	\$1,076,600
Other Costs	\$130,188	\$119,178	\$139,806	\$25,670	\$12,829	\$12,977	\$18,679	\$54,728	\$519,487
Direct Depreciation	\$199,636	\$219,377	\$151,520	\$51,810	\$18,892	\$22,426	\$43,415	\$44,020	\$759,322
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$419,408	\$426,577	\$298,315	\$92,888	\$46,422	\$46,958	\$74,416	\$189,200	\$1,612,505
Total Allocated Costs - Depreciation & Start-Up	\$48,362	\$49,189	\$34,399	\$10,711	\$5,353	\$5,415	\$8,581	\$21,617	\$185,938
<b>Total Cost of Operations</b>	\$1,940,845	\$2,001,982	\$2,262,578	\$441,698	\$213,743	\$316,877	\$355,092	\$924,806	\$8,610,069
<b>Profit</b>	\$239,860	\$247,436	\$279,645	\$54,592	\$26,418	\$39,165	\$43,888	\$114,302	\$1,064,166
<b>Pass-Through Costs</b>									
Disposal Cost	\$812,179	\$0	\$0	\$298,965	\$0	\$0	\$0	\$0	\$1,111,145
Recyclables Processing Costs	\$0	\$927,363	\$0	\$0	\$144,253	\$0	\$0	\$0	\$1,071,616
Interest Expense	\$54,351	\$59,428	\$41,046	\$14,035	\$5,118	\$6,075	\$11,761	\$11,925	\$205,966
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Pass-Through Costs</b>	\$866,530	\$986,791	\$41,046	\$313,000	\$149,371	\$6,075	\$11,761	\$11,925	\$2,388,726
Compensation Deferral									(\$300,000)
<b>Total Costs before District Fees*</b>	\$3,047,255	\$3,236,208	\$2,583,268	\$809,290	\$389,532	\$362,117	\$410,741	\$1,051,033	\$11,762,961
<b>District Fees</b>									
Contract Administration Fee									\$1,341,978
AB 939 Fee									\$103,974
Public Education and Outreach Payment									\$35,000
<b>Total District Fees</b>									\$1,480,952
<b>Total Proposed Costs</b>									\$13,243,913

\*Amounts to tie to Forms 6A through 6D.

Form 6

Collection Cost Proposal **Castro Valley Sanitary District Base Services**  
**Proposer Name: Alameda County Industries CA, Inc**

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

	Last 12 Months of Rate Period One
<b>SUMMARY (Total Costs from Forms 6A through 6C)</b>	July 1, 2019 through June 30, 2020
<b>Labor-Related Costs (include regular &amp; pool personnel)</b>	
Regular Wages	\$1,490,862
Overtime Wages	\$586,536
Holiday Wages	\$78,466
Vacation Wages	\$130,777
Sick Leave Wages	\$78,466
Workers Compensation Insurance Premiums	\$239,741
Workers Compensation Claims	\$0
Health & Welfare	\$573,678
Pension/ Retirement Benefits	\$541,993
Payroll Taxes	\$181,844
Other (Please List)	\$0
<b>Total Labor Related-Costs</b>	<b>\$3,902,365</b>
<b>Vehicle-Related Costs (do not include depreciation)</b>	
Tires & Tubes	\$29,756
Parts & Supplies (fluid, oil, etc.)	\$193,959
Taxes & Licenses	\$59,480
Equipment Rental	\$0
Materials and Supplies	\$0
Hardware	\$423
Oil & Lube	\$18,414
Outside Repairs	\$26,462
Truck Washing	\$10,432
Shop Cleaning	\$245
Shop Supplies	\$24,280
Shop Small Tools	\$1,864
Other (Please List)	\$0
<b>Total Vehicle-Related Costs</b>	<b>\$365,314</b>
<b>Fuel Costs</b>	<b>\$188,540</b>
<b>Net Processing Costs</b>	
Organics Processing Costs	\$930,036
C&D Materials Processing Costs	\$134,744
Other Processing Costs: _____ (specify)	\$11,820
<b>Total Net Processing Costs</b>	<b>\$1,076,600</b>
<b>Other Costs</b>	
Liability & Property Damage Insurance	\$120,979
Equipment Insurance	\$0
Training & Safety Programs	\$8,820
Uniforms	\$26,597
Yard Rent	\$300,000
Other (Please List)	\$63,090
<b>Total Other Costs</b>	<b>\$519,487</b>
<b>Direct Depreciation</b>	
Container Depreciation	\$116,485
Route Vehicle Depreciation	\$642,836
Other Depreciation	\$0
<b>Total Direct Depreciation</b>	<b>\$759,322</b>

Collection Cost Proposal **Castro Valley Sanitary District Base Services**Proposer Name: **Alameda County Industries CA, Inc**

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

		Last 12 Months of Rate Period One
<b>SUMMARY (Total Costs from Forms 6A through 6C)</b>		July 1, 2019 through June 30, 2020
<b>Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>		
From General and Administrative (6E)		\$1,109,022
From Vehicle Maintenance (6E)		\$265,155
From Container Maintenance (6E)		\$238,327
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>		<b>\$1,612,505</b>
<b>Allocated Costs - Depreciation and Start-Up Costs</b>		
From General and Administrative (6E)		\$162,925
From Vehicle Maintenance (6E)		\$1,779
From Container Maintenance (6E)		\$21,234
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>		<b>\$185,938</b>
<b>Total Cost of Operations</b>		<b>\$8,610,069</b>
<b>Profit (% Operating Ratio; i.e. 95%):</b>	<b>89.0 %</b>	<b>\$1,064,166</b>
<b>Pass-Through Costs</b>		
Disposal Cost	\$ 91.87 /ton	\$1,276,680
Recyclables Processing Costs		\$1,116,945
<b>Interest Expense</b>		<b>\$205,966</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 (6E)		\$0
From Vehicle Maintenance (6E)		\$0
From Container Maintenance (6E)		\$0
<b>Total Allocated Lease Costs</b>		<b>\$0</b>
<b>Total Pass-Through Costs</b>		<b>\$2,599,590</b>
<b>Compensation Deterral</b>		<b>(\$300,000)</b>
<b>Total Cost Before District Fees</b>		<b>\$11,973,825</b>
<b>District Fees</b>		
Contract Administration Fee	10%	\$1,341,978
AB 939 Fee		\$103,974
Public Education and Outreach Payment		\$35,000
<b>Total District Fees</b>		<b>\$1,480,952</b>
<b>Total Proposed Cost</b>		<b>\$13,454,777</b>

Detailed Collection Cost Proposal Information  
 Proposer Name: Alameda County Industries CA, Inc

**Castro Valley Sanitary District Base Services**

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

CART COSTS	Last 12 Months of Rate Period One From July 1, 2019 through June 30, 2020			
	Garbage	Recyclable Materials	Organic Materials	Subtotal
<b>Labor-Related Costs (include regular &amp; pool personnel)</b>				
Regular Wages	\$ 394,772.40	\$ 394,772.40	\$ 263,246.40	\$1,052,791
Overtime Wages	\$ 155,311.77	\$ 155,311.77	\$ 103,566.68	\$414,190
Holiday Wages	\$ 20,777.49	\$ 20,777.49	\$ 13,855.07	\$55,410
Vacation Wages	\$ 34,629.16	\$ 34,629.16	\$ 23,091.79	\$92,350
Sick Leave Wages	\$ 20,777.49	\$ 20,777.49	\$ 13,855.07	\$55,410
Workers Compensation Insurance Premiums	\$ 63,482.28	\$ 63,482.28	\$ 42,331.94	\$169,296
Workers Compensation Claims	\$ -	\$ -	\$ -	\$0
Health & Welfare	\$ 151,906.93	\$ 151,906.93	\$ 101,296.23	\$405,110
Pension/ Retirement Benefits	\$ 143,516.81	\$ 143,516.81	\$ 95,701.43	\$382,735
Payroll Taxes	\$ 48,151.45	\$ 48,151.45	\$ 32,108.87	\$128,412
Other (Please List)	\$ -	\$ -	\$ -	\$0
<b>Total Labor Related-Costs</b>	<b>\$1,033,326</b>	<b>\$1,033,326</b>	<b>\$689,053</b>	<b>\$2,755,705</b>
<b>Vehicle-Related Costs (do not include depreciation)</b>				
Tires & Tubes	\$5,880	\$7,565	\$5,471	\$18,915
Parts & Supplies (fluid, oil, etc.)	\$30,371	\$73,863	\$45,145	\$149,380
Taxes & Licenses	\$15,750	\$15,750	\$10,503	\$42,003
Equipment Rental	\$0	\$0	\$0	\$0
Materials and Supplies	\$0	\$0	\$0	\$0
Hardware	\$105	\$105	\$105	\$315
Oil & Lube	\$4,569	\$4,569	\$4,570	\$13,709
Outside Repairs	\$3,787	\$1,615	\$5,038	\$10,440
Truck Washing	\$2,589	\$2,589	\$2,589	\$7,766
Shop Cleaning	\$61	\$61	\$61	\$182
Shop Supplies	\$6,025	\$6,025	\$6,026	\$18,076
Shop Small Tools	\$462	\$462	\$463	\$1,388
Other (Please List)	\$0	\$0	\$0	\$0
<b>Total Vehicle-Related Costs</b>	<b>\$69,599</b>	<b>\$112,605</b>	<b>\$79,971</b>	<b>\$262,174</b>
<b>Fuel Costs</b>	<b>\$40,326</b>	<b>\$39,910</b>	<b>\$43,502</b>	<b>\$123,737</b>
<b>Net Processing Costs</b>	<b>PER TON</b>			
Organics Processing Costs	\$91.41	\$0	\$826,013	\$826,013
C&D Materials Processing Costs	\$99.47	\$0	\$0	\$0
Reusable Materials Processing Costs/Used Cookin	\$0.00	\$0	\$1,820	\$1,820
<b>Total Net Processing Costs</b>		<b>\$0</b>	<b>\$1,820</b>	<b>\$827,833</b>
<b>Other Costs</b>				
Liability & Property Damage Insurance	\$30,021	\$30,021	\$30,028	\$90,069
Equipment Insurance	\$0	\$0	\$0	\$0
Training & Safety Programs	\$2,129	\$2,129	\$2,205	\$6,463
Uniforms	\$6,600	\$6,600	\$6,602	\$19,802
Yard Rent	\$79,438	\$79,438	\$52,972	\$211,849
Other (Please List) Multifamily Vouchers C&D and compost give away Used Cookin	\$12,000	\$990	\$48,000	\$60,990
<b>Total Other Costs</b>	<b>\$130,188</b>	<b>\$119,178</b>	<b>\$139,806</b>	<b>\$389,173</b>
<b>Direct Depreciation</b>				
Container Depreciation	\$ 16,795.80	\$ 35,536.45	\$ 24,107.70	\$ 76,439.95
Route Vehicle Depreciation	\$ 182,840.60	\$ 183,840.60	\$ 127,411.82	\$ 494,093.02
Other Depreciation	\$ -	\$ -	\$ -	\$0
<b>Total Direct Depreciation</b>	<b>\$199,636</b>	<b>\$219,377</b>	<b>\$151,520</b>	<b>\$570,533</b>



## Detailed Collection Cost Proposal Information

## Castro Valley Sanitary District Base Services

Proposer Name: Alameda County Industries CA, Inc

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

		Last 12 Months of Rate Period One From July 1, 2019 through June 30, 2020			
BIN COSTS		Garbage	Recyclable Materials	Organic Materials	Subtotal
<b>Labor-Related Costs (include regular &amp; pool personnel)</b>					
Regular Wages		\$ 87,431.38	\$ 43,694.89	\$ 44,199.58	\$175,326
Overtime Wages		\$ 34,397.34	\$ 17,190.49	\$ 17,389.04	\$68,977
Holiday Wages		\$ 4,601.65	\$ 2,299.73	\$ 2,328.29	\$9,228
Vacation Wages		\$ 7,669.42	\$ 3,832.89	\$ 3,877.16	\$15,379
Sick Leave Wages		\$ 4,601.65	\$ 2,299.73	\$ 2,328.29	\$9,228
Workers Compensation Insurance Premiums		\$ 14,059.60	\$ 7,026.46	\$ 7,107.61	\$28,194
Workers Compensation Claims		\$ -	\$ -	\$ -	\$0
Health & Welfare		\$ 33,643.26	\$ 16,813.63	\$ 17,007.83	\$67,465
Pension/ Retirement Benefits		\$ 31,785.08	\$ 15,884.98	\$ 16,068.45	\$63,739
Payroll Taxes		\$ 10,664.24	\$ 5,329.58	\$ 5,391.14	\$21,385
Other (Please List)		\$ -	\$ -	\$ -	\$0
<b>Total Labor Related-Costs</b>		<b>\$228,854</b>	<b>\$114,372</b>	<b>\$115,693</b>	<b>\$458,919</b>
<b>Vehicle-Related Costs (do not include depreciation)</b>					
Tires & Tubes		\$3,554	1,776.22	1,796.73	\$7,127
Parts & Supplies (fluid, oil, etc.)		\$11,944	5,969.31	6,038.26	\$23,952
Taxes & Licenses		\$3,488	1,743.27	1,763.40	\$6,995
Equipment Rental		\$0	-	-	\$0
Materials and Supplies		\$0	-	-	\$0
Hardware		\$22	10.89	11.01	\$44
Oil & Lube		\$949	474.14	479.61	\$1,902
Outside Repairs		\$1,625	811.87	821.25	\$3,258
Truck Washing		\$537	268.60	271.71	\$1,078
Shop Cleaning		\$13	6.30	6.37	\$25
Shop Supplies		\$1,251	625.18	632.40	\$2,509
Shop Small Tools		\$96	47.98	48.53	\$193
Other (Please List)		\$0	-	-	\$0
<b>Total Vehicle-Related Costs</b>		<b>\$23,479</b>	<b>\$11,734</b>	<b>\$11,869</b>	<b>\$47,082</b>
<b>Fuel Costs</b>		<b>\$8,286</b>	<b>4,141.27</b>	<b>4,189.10</b>	<b>\$16,617</b>
<b>Net Processing Costs</b>	<b>PER TON</b>				
Organics Processing Costs	\$91.41	\$0	\$0	\$97,350	\$97,350
C&D Materials Processing Costs	\$99.47	\$0	\$0	\$0	\$0
Reusable Materials Processing Costs	\$0.00	\$0	\$0	\$0	\$0
<b>Total Net Processing Costs</b>		<b>\$0</b>	<b>\$0</b>	<b>\$97,350</b>	<b>\$97,350</b>
<b>Other Costs</b>					
Liability & Property Damage Insurance		\$6,233	3,115.12	3,151.10	\$12,499
Equipment Insurance		\$0	-	-	\$0
Training & Safety Programs		\$473	236.49	239.22	\$949
Uniforms		\$1,370	684.84	692.75	\$2,748
Yard rent		\$17,593	8,792.54	8,894.10	\$35,280
Other (Please List)		\$0	-	-	\$0
<b>Total Other Costs</b>		<b>\$25,670</b>	<b>\$12,829</b>	<b>\$12,977</b>	<b>\$51,476</b>
<b>Direct Depreciation</b>					
Container Depreciation		\$ 15,991.41	\$ 991.35	\$ 4,317.87	\$ 21,300.63
Route Vehicle Depreciation		\$ 35,819.01	\$ 17,900.99	\$ 18,107.74	\$ 71,827.74
Other Depreciation		\$ -	\$ -	\$ -	\$0
<b>Total Direct Depreciation</b>		<b>\$51,810</b>	<b>\$18,892</b>	<b>\$22,426</b>	<b>\$93,128</b>

## Detailed Collection Cost Proposal Information

## Castro Valley Sanitary District Base Services

Proposer Name: Alameda County Industries CA, Inc

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

		Last 12 Months of Rate Period One From July 1, 2019 through June 30, 2020			
BIN COSTS		Garbage	Recyclable Materials	Organic Materials	Subtotal
<b>Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>					
From General and Administrative (6E)		\$63,885	\$31,927	\$32,296	\$128,108
From Vehicle Maintenance (6E)		\$15,274	\$7,633	\$7,722	\$30,629
From Container Maintenance (6E)		\$13,729	\$6,861	\$6,940	\$27,530
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>		<b>\$92,888</b>	<b>\$46,422</b>	<b>\$46,958</b>	<b>\$186,267</b>
<b>Allocated Costs - Depreciation and Start-Up Costs</b>					
From General and Administrative (6E)		\$9,385	\$4,690	\$4,745	\$18,820
From Vehicle Maintenance (6E)		\$102	\$51	\$52	\$206
From Container Maintenance (6E)		\$1,223	\$611	\$618	\$2,453
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>		<b>\$10,711</b>	<b>\$5,353</b>	<b>\$5,415</b>	<b>\$21,478</b>
<b>Total Cost of Operations</b>		<b>\$441,698</b>	<b>\$213,743</b>	<b>\$316,877</b>	<b>\$972,319</b>
Profit (Enter % Operating Ratio; i.e. 95%):	89 %	\$54,592	\$26,418	\$39,165	\$120,174
<b>Pass-Through Costs</b>					
Disposal Cost	\$ 91.87	\$298,965	\$0	\$0	\$298,965
	per ton				
Recyclables Processing Costs	\$132.00	\$0	\$144,253	\$0	\$144,253
Interest Expense		\$ 14,035.07	\$ 5,117.80	\$ 6,074.94	\$25,228
<b>Direct Lease Costs</b>					
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>
<b>Allocated Lease Costs</b>					
From General and Administrative (6E)		\$0	\$0	\$0	\$0
From Vehicle Maintenance (6E)		\$0	\$0	\$0	\$0
From Container Maintenance (6E)		\$0	\$0	\$0	\$0
<b>Total Allocated Lease Costs</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Pass-Through Costs</b>		<b>\$313,000</b>	<b>\$149,371</b>	<b>\$6,075</b>	<b>\$468,446</b>
<b>Total Cost</b>		<b>\$809,290</b>	<b>\$389,532</b>	<b>\$362,117</b>	<b>\$1,560,939</b>

Detailed Collection Cost Proposal Information

Proposer Name: Alameda County Industries CA, Inc

Castro Valley Sanitary District Base Services

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

		Last 12 Months of Rate Period One From July 1, 2019 through June 30, 2020				
DROP-BOX COSTS		Garbage	Recyclable Materials	Organic Materials	C&D Materials	Subtotal
<b>Labor-Related Costs (include regular &amp; pool personnel)</b>						
Regular Wages		\$ 70,045.22	\$ 5,861.00	\$ 1,245.93	\$ 10,138.12	\$87,290
Overtime Wages		\$ 27,557.26	\$ 2,305.84	\$ 490.18	\$ 3,988.55	\$34,342
Holiday Wages		\$ 3,686.59	\$ 308.47	\$ 65.58	\$ 533.59	\$4,594
Vacation Wages		\$ 6,144.32	\$ 514.12	\$ 109.29	\$ 889.31	\$7,657
Sick Leave Wages		\$ 3,686.59	\$ 308.47	\$ 65.58	\$ 533.59	\$4,594
Workers Compensation Insurance Premiums		\$ 11,263.78	\$ 942.49	\$ 200.35	\$ 1,630.28	\$14,037
Workers Compensation Claims		\$ -	\$ -	\$ -	\$ -	\$0
Health & Welfare		\$ 26,953.14	\$ 2,255.29	\$ 479.43	\$ 3,901.11	\$33,589
Pension/ Retirement Benefits		\$ 25,464.46	\$ 2,130.73	\$ 452.95	\$ 3,685.65	\$31,734
Payroll Taxes		\$ 8,543.60	\$ 714.88	\$ 151.97	\$ 1,236.57	\$10,647
Other (Please List)		\$ -	\$ -	\$ -	\$ -	\$0
<b>Total Labor Related-Costs</b>		<b>\$183,345</b>	<b>\$15,341</b>	<b>\$3,261</b>	<b>\$26,537</b>	<b>\$228,484</b>
<b>Vehicle-Related Costs (do not include depreciation)</b>						
Tires & Tubes		\$ 1,243.57	\$ 104.05	\$ 22.12	\$ 210.70	\$1,580
Parts & Supplies (fluid, oil, etc.)		\$ 6,503.26	\$ 544.16	\$ 115.68	\$ 1,738.63	\$8,902
Taxes & Licenses		\$ 2,794.55	\$ 233.83	\$ 49.71	\$ 404.47	\$3,483
Equipment Rental		\$ -	\$ -	\$ -	\$ -	\$0
Materials and Supplies		\$ -	\$ -	\$ -	\$ -	\$0
Hardware		\$ 12.42	\$ 1.04	\$ 0.22	\$ 4.04	\$18
Oil & Lube		\$ 540.50	\$ 45.23	\$ 9.61	\$ 176.02	\$771
Outside Repairs		\$ 7,767.04	\$ 649.90	\$ 138.16	\$ 194.01	\$8,749
Truck Washing		\$ 306.21	\$ 25.62	\$ 5.45	\$ 99.72	\$437
Shop Cleaning		\$ 7.18	\$ 0.60	\$ 0.13	\$ 2.34	\$10
Shop Supplies		\$ 712.69	\$ 59.63	\$ 12.68	\$ 232.09	\$1,017
Shop Small Tools		\$ 54.71	\$ 4.58	\$ 0.97	\$ 17.81	\$78
Other (Please List)		\$ -	\$ -	\$ -	\$ -	\$0
<b>Total Vehicle-Related Costs</b>		<b>\$19,942</b>	<b>\$1,669</b>	<b>\$355</b>	<b>\$3,080</b>	<b>\$25,045</b>
<b>Fuel Costs</b>		<b>\$ 6,714.19</b>	<b>\$ 561.81</b>	<b>\$ 119.43</b>	<b>\$ 1,675.34</b>	<b>\$9,071</b>
<b>Net Processing Costs</b>	<b>PER TON</b>					
Organics Processing Costs	\$91.41	\$0	\$0	\$6,673	\$0	\$6,673
C&D Materials Processing Costs	\$99.47	\$0	\$0	\$0	\$59,085	\$59,085
Reusable Materials Processing Costs	\$0.00	\$0	\$0	\$0	\$0	\$0
<b>Total Net Processing Costs</b>		<b>\$0</b>	<b>\$0</b>	<b>\$6,673</b>	<b>\$59,085</b>	<b>\$65,758</b>
<b>Other Costs</b>						
Liability & Property Damage Insurance		\$ 3,551.09	\$ 297.14	\$63	\$1,156	\$ 5,067.83
Equipment Insurance		\$ -	\$ -	\$0	\$0	\$0
Training & Safety Programs		\$ 251.85	\$ 21.07	\$4	\$85	\$362
Uniforms		\$ 780.71	\$ 65.33	\$14	\$254	\$1,114
Yard Rent		\$ 14,094.91	\$ 1,179.38	\$251	\$2,040	\$ 17,565.06
Other (Please List)		\$ -	\$ -	\$0	\$0	\$0
<b>Total Other Costs</b>		<b>\$18,679</b>	<b>\$1,563</b>	<b>\$332</b>	<b>\$3,536</b>	<b>\$24,109</b>
<b>Direct Depreciation</b>						
Container Depreciation		\$ 17,018.00	\$ 1,423.97	\$ 302.71	\$ -	\$ 18,744.68
Route Vehicle Depreciation		\$ 26,397.02	\$ 2,208.76	\$ 469.54	\$ 3,820.62	\$ 32,895.93
Other Depreciation		\$ -	\$ -	\$0	\$0	\$0
<b>Total Direct Depreciation</b>		<b>\$43,415</b>	<b>\$3,633</b>	<b>\$772</b>	<b>\$3,821</b>	<b>\$51,641</b>

## Detailed Collection Cost Proposal Information

Proposer Name: Alameda County Industries CA, Inc

## Castro Valley Sanitary District Base Services

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

DROP-BOX COSTS		Last 12 Months of Rate Period One From July 1, 2019 through June 30, 2020				
		Garbage	Recyclable Materials	Organic Materials	C&D Materials	Subtotal
<b>Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>						
From General and Administrative (6E)		\$51,181	\$4,283	\$910	\$7,408	\$63,782
From Vehicle Maintenance (6E)		\$12,237	\$1,024	\$218	\$1,771	\$15,249
From Container Maintenance (6E)		\$10,999	\$920	\$196	\$1,592	\$13,707
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>		<b>\$74,416</b>	<b>\$6,227</b>	<b>\$1,324</b>	<b>\$10,771</b>	<b>\$92,738</b>
<b>Allocated Costs - Depreciation and Start-Up Costs</b>						
From General and Administrative (6E)		\$7,519	\$629	\$134	\$1,088	\$9,370
From Vehicle Maintenance (6E)		\$82	\$7	\$1	\$12	\$102
From Container Maintenance (6E)		\$980	\$82	\$17	\$142	\$1,221
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>		<b>\$8,581</b>	<b>\$718</b>	<b>\$153</b>	<b>\$1,242</b>	<b>\$10,694</b>
<b>Total Cost of Operations</b>		<b>\$355,092</b>	<b>\$29,712</b>	<b>\$12,989</b>	<b>\$109,746</b>	<b>\$507,540</b>
Profit (Enter % Operating Ratio; i.e. 95%):	89 %	\$43,888	\$3,672	\$1,605	\$13,564	\$62,730
<b>Pass-Through Costs</b>						
Disposal Cost	\$ 91.87 per ton	\$165,535	\$0	\$0	\$0	\$165,535
Recyclables Processing Costs	\$132.00	\$0	\$45,329	\$0	\$0	\$45,329
Interest Expense		\$ 11,760.81	\$ 984.08	\$ 209.20	\$ 1,034.98	\$13,989
<b>Direct Lease Costs</b>						
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>	<b>\$0</b>
<b>Allocated Lease Costs</b>						
From General and Administrative (6E)		\$0	\$0	\$0	\$0	\$0
From Vehicle Maintenance (6E)		\$0	\$0	\$0	\$0	\$0
From Container Maintenance (6E)		\$0	\$0	\$0	\$0	\$0
<b>Total Allocated Lease Costs</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Pass-Through Costs</b>		<b>\$177,296</b>	<b>\$46,313</b>	<b>\$209</b>	<b>\$1,035</b>	<b>\$224,853</b>
<b>Total Cost</b>		<b>\$576,276</b>	<b>\$79,697</b>	<b>\$14,804</b>	<b>\$124,346</b>	<b>\$795,123</b>

Detailed Collection Cost Proposal Information

Castro Valley Sanitary District Base Services

Proposer Name: Alameda County Industries CA, Inc to proposer: Input data in yellow shaded areas only.

		Last 12 Months of Rate Period One From July 1, 2019 through June 30, 2020	
BULKY COSTS		Bulky Items	Subtotal
<b>Labor-Related Costs (include regular &amp; pool personnel)</b>			
Regular Wages		\$ 175,454.40	\$175,454
Overtime Wages		\$ 69,027.45	\$69,027
Holiday Wages		\$ 9,234.44	\$9,234
Vacation Wages		\$ 15,390.74	\$15,391
Sick Leave Wages		\$ 9,234.44	\$9,234
Workers Compensation Insurance Premiums		\$ 28,214.35	\$28,214
Workers Compensation Claims		\$ -	\$0
Health & Welfare		\$ 67,514.19	\$67,514
Pension/ Retirement Benefits		\$ 63,785.25	\$63,785
Payroll Taxes		\$ 21,400.64	\$21,401
Other (Please List)		\$ -	\$0
<b>Total Labor Related-Costs</b>		<b>\$459,256</b>	<b>\$459,256</b>
<b>Vehicle-Related Costs (do not include depreciation)</b>			
Tires & Tubes		2,133.54	\$2,134
Parts & Supplies (fluid, oil, etc.)		11,725.63	\$11,726
Taxes & Licenses		7,000.00	\$7,000
Equipment Rental		-	\$0
Materials and Supplies		-	\$0
Hardware		46.72	\$47
Oil & Lube		2,030.88	\$2,031
Outside Repairs		4,014.99	\$4,015
Truck Washing		1,150.54	\$1,151
Shop Cleaning		26.98	\$27
Shop Supplies		2,677.82	\$2,678
Shop Small Tools		205.59	\$206
Other (Please List) Multifamily Vouchers C&D		-	\$0
<b>Total Vehicle-Related Costs</b>		<b>\$31,013</b>	<b>\$31,013</b>
<b>Fuel Costs</b>		<b>39,115.38</b>	<b>\$39,115</b>
<b>Net Processing Costs</b>	<b>PER TON</b>		
Organics Processing Costs	\$91.41	\$0	\$0
C&D Materials Processing Costs	\$99.47	\$75,658	\$75,658
Reusable Materials Processing Costs Textiles	\$0.00	\$10,000	\$10,000
<b>Total Net Processing Costs</b>		<b>\$85,658</b>	<b>\$85,658</b>
<b>Other Costs</b>			
Liability & Property Damage Insurance		13,342.55	\$13,343
Equipment Insurance		-	\$0
Training & Safety Programs		1,046.35	\$1,046
Uniforms		2,933.40	\$2,933
Yard Rent		35,305.97	\$35,306
Other (Please List)		2,100.00	\$2,100
<b>Total Other Costs</b>		<b>\$54,728</b>	<b>\$54,728</b>
<b>Direct Depreciation</b>			
Container Depreciation		\$ -	\$0
Route Vehicle Depreciation		\$ 44,019.58	\$44,020
Other Depreciation		\$ -	\$0
<b>Total Direct Depreciation</b>		<b>\$44,020</b>	<b>\$44,020</b>

Detailed Collection Cost Proposal Information  
 Proposer Name: Alameda County Industries CA, Inc

Castro Valley Sanitary District Base Services

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

PROPOSED ALLOCATED COST	Last 12 Months of Rate Period One From July 1, 2019 through June 30, 2020			
	General and	Vehicle	Container	Subtotal
	Administrative	Maintenance	Maintenance	
<b>Labor-Related Costs (include non-route personnel only)</b>				
Regular Wages	\$ 353,379.32	\$ 111,905.95	\$ 87,727.20	\$553,012
Overtime Wages	\$ 46,945.80	\$ 44,026.16	\$ 34,513.73	\$125,486
Holiday Wages	\$ 19,601.35	\$ 5,889.79	\$ 4,617.22	\$30,108
Vacation Wages	\$ 32,668.92	\$ 9,816.31	\$ 7,695.37	\$50,181
Sick Leave Wages	\$ 19,601.35	\$ 5,889.79	\$ 4,617.22	\$30,108
Workers Compensation Insurance Premiums	\$ 50,505.23	\$ 17,995.29	\$ 14,107.17	\$82,608
Workers Compensation Claims	\$ -	\$ -	\$ -	\$0
Health & Welfare	\$ 204,931.91	\$ 31,303.99	\$ 34,246.33	\$270,482
Pension/ Retirement Benefits	\$ 27,903.68	\$ 15,927.73	\$ 31,892.62	\$75,724
Payroll Taxes	\$ 36,412.85	\$ 13,640.37	\$ 10,700.32	\$60,754
Other (Please List)				\$0
<b>Total Labor Related-Costs</b>	<b>\$791,950</b>	<b>\$256,395</b>	<b>\$230,117</b>	<b>\$1,278,462</b>
<b>Vehicle-Related Costs</b>				
Tires & Tubes	1,250.00	1,375.00	1,375.00	\$4,000
Parts & Supplies (fluid, oil, etc.)	1,000.00	1,100.00	1,100.00	\$3,200
Taxes & Licenses	500.00	550.00	-	\$1,050
Equipment Rental	-	-	-	\$0
Materials and Supplies	-	-	-	\$0
Hardware	-	-	-	\$0
Oil & Lube	-	-	-	\$0
Outside Repairs	-	-	-	\$0
Truck Washing	-	-	-	\$0
Shop Cleaning	-	-	-	\$0
Shop Supplies	-	-	-	\$0
Shop Small Tools	-	-	-	\$0
Other (Please List)	-	-	-	\$0
<b>Total Vehicle-Related Costs</b>	<b>\$2,750</b>	<b>\$3,025</b>	<b>\$2,475</b>	<b>\$8,250</b>
<b>Fuel Costs</b>	<b>\$ 5,735.29</b>	<b>\$ 5,735.29</b>	<b>\$ 5,735.29</b>	<b>\$17,206</b>
<b>Other Costs</b>				
Liability & Property Damage Insurance	\$0			\$0
Equipment Insurance	\$0			\$0
Rent	\$0			\$0
Utilities	\$20,000			\$20,000
Telephone	\$9,600			\$9,600
Non-vehicle Related Supplies	\$15,000			\$15,000
Non-vehicle Related Taxes & Licenses	\$0			\$0
Training & Safety Programs	\$0			\$0
Initial Public Education & Outreach Efforts	\$0			\$0
Misc. Operational Materials (Sign Boards, NCN's Etc.)	\$45,000			\$45,000
Uniforms	\$0			\$0
Bad Debt	\$26,134			\$26,134
Performance Bond	\$50,452			\$50,452
Corporate Overhead Charge (Please List)	\$60,000			\$60,000
Performance reviews Audits	\$24,000			\$24,000
Internet Connection	\$13,000			\$13,000
Accounting	\$38,400			\$38,400
Business License	\$5,000			\$5,000
Yard Maintenance	\$2,000			\$2,000
<b>Total Other Costs</b>	<b>\$308,586</b>	<b>\$0</b>	<b>\$0</b>	<b>\$250,186</b>
<b>Total Labor, Vehicle, Fuel, and Other Costs</b>	<b>\$1,109,022</b>	<b>\$265,155</b>	<b>\$238,327</b>	<b>\$1,554,105</b>
<b>Depreciation (non-route specific) and Start-Up Costs</b>				
Vehicle Depreciation (non-route vehicles)	\$ 5,195.06	\$ -	\$ 16,707.71	\$21,903
Other Depreciation	\$ 91,325.00	\$ 1,400.00		\$92,725
Interest Expense	\$ 26,146.58	\$ 379.25	\$ 4,526.00	\$31,052
Procurement Cost Reimbursement	\$25,000			\$25,000
Start-up Costs	\$15,259			\$15,259
<b>Total Depreciation and Start-Up Costs</b>	<b>\$162,925</b>	<b>\$1,779</b>	<b>\$21,234</b>	<b>\$185,938</b>
<b>Lease Costs</b>				
Facility Costs: _____ (describe)				\$0
Lease Costs: _____ (describe)				\$0
<b>Total Lease Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Costs to be Allocated</b>	<b>\$1,271,947</b>	<b>\$266,934</b>	<b>\$259,561</b>	<b>\$1,740,043</b>

Detailed Collection Cost Proposal Information  
 Proposer Name: Alameda County Industries CA, Inc

Castro Valley Sanitary District Base Services

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

Last 12 Months of Rate Period One From July 1, 2019 through June 30, 2020					
		General and Administrative	Vehicle Maintenance	Container Maintenance	Subtotal
<b>PROPOSED ALLOCATED COST</b>					
<b>Labor, Vehicle, Fuel, &amp; Other Costs Allocated Out</b>					
	Percentage				
To Cart Garbage (6A)	26.01%	\$288,454	\$68,966	\$61,988	\$419,408
To Cart Recyclable Materials (6A)	26.45%	\$293,384	\$70,145	\$63,048	\$426,577
To Cart Organic Materials (6A)	18.50%	\$205,170	\$49,054	\$44,091	\$298,315
To Bin Garbage (6B)	5.76%	\$63,885	\$15,274	\$13,729	\$92,888
To Bin Recyclable Materials (6B)	2.88%	\$31,927	\$7,633	\$6,861	\$46,422
To Bin Organic Materials (6B)	2.91%	\$32,296	\$7,722	\$6,940	\$46,958
To Drop Box Garbage (6C)	4.61%	\$51,181	\$12,237	\$10,999	\$74,416
To Drop Box Recyclable Materials (6C)	0.39%	\$4,283	\$1,024	\$920	\$6,227
To Drop Box Organic Materials (6C)	0.08%	\$910	\$218	\$196	\$1,324
To Drop Box C&D Materials (6C)	0.67%	\$7,408	\$1,771	\$1,592	\$10,771
To Bulky Item Service (6D)	11.73%	\$130,125	\$31,111	\$27,964	\$189,200
<b>Total Labor, Vehicle, Fuel &amp; Other Costs Allocated Out</b>	<b>100.00%</b>	<b>\$1,109,022</b>	<b>\$265,155</b>	<b>\$238,327</b>	<b>\$1,612,505</b>
<b>Depreciation and Start-Up Costs Allocated Out</b>					
To Cart Garbage (6A)	26.01%	\$42,376	\$463	\$5,523	\$48,362
To Cart Recyclable Materials (6A)	26.45%	\$43,101	\$471	\$5,617	\$49,189
To Cart Organic Materials (6A)	18.50%	\$30,141	\$329	\$3,928	\$34,399
To Bin Garbage (6B)	5.76%	\$9,385	\$102	\$1,223	\$10,711
To Bin Recyclable Materials (6B)	2.88%	\$4,690	\$51	\$611	\$5,353
To Bin Organic Materials (6B)	2.91%	\$4,745	\$52	\$618	\$5,415
To Drop Box Garbage (6C)	4.61%	\$7,519	\$82	\$980	\$8,581
To Drop Box Recyclable Materials (6C)	0.39%	\$629	\$7	\$82	\$718
To Drop Box Organic Materials (6C)	0.08%	\$134	\$1	\$17	\$153
To Drop Box C&D Materials (6C)	0.67%	\$1,088	\$12	\$142	\$1,242
To Bulky Item Service (6D)	11.73%	\$19,116	\$209	\$2,491	\$21,817
<b>Total Depreciation and Start-Up Costs Allocated Out</b>	<b>100.00%</b>	<b>\$162,925</b>	<b>\$1,779</b>	<b>\$21,234</b>	<b>\$185,938</b>
<b>Lease Costs Allocated Out</b>					
To Cart Garbage (6A)	26.01%	\$0	\$0	\$0	\$0
To Cart Recyclable Materials (6A)	26.45%	\$0	\$0	\$0	\$0
To Cart Organic Materials (6A)	18.50%	\$0	\$0	\$0	\$0
To Bin Garbage (6B)	5.76%	\$0	\$0	\$0	\$0
To Bin Recyclable Materials (6B)	2.88%	\$0	\$0	\$0	\$0
To Bin Organic Materials (6B)	2.91%	\$0	\$0	\$0	\$0
To Drop Box Garbage (6C)	4.61%	\$0	\$0	\$0	\$0
To Drop Box Recyclable Materials (6C)	0.39%	\$0	\$0	\$0	\$0
To Drop Box Organic Materials (6C)	0.08%	\$0	\$0	\$0	\$0
To Drop Box C&D Materials (6C)	0.67%	\$0	\$0	\$0	\$0
To Bulky Item Service (6D)	11.73%	\$0	\$0	\$0	\$0
<b>Total Lease Costs Allocated Out</b>	<b>100.00%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Allocated Out</b>		<b>\$1,271,947</b>	<b>\$266,934</b>	<b>\$259,561</b>	<b>\$1,798,443</b>

**Castro Valley Sanitary District Base Services**  
 Note to proposer: Input data in yellow shaded areas only.

**Disposal/Processing Cost Proposal**  
**Proposer Name: Alameda County Industries CA, Inc**

Please provide all costs as \$/ton effective for Rate Period One (May 1, 2019 to June 30, 2020).  
 Include processing residue disposal costs in "Disposal/Processing Cost"

	Rate Period One (May 1, 2019 through June 30, 2020)			
	Garbage	Recyclable Materials	Organic Materials	Construction and Demolition
Disposal/Processing Cost (\$/ton)	\$ 91.87	\$ 130.83	\$50.00	\$99.47
Disposal/Processing Facility Regulatory Fees & Taxes (list separately)				
<b>MRF Regulatory Fee San Leandro</b>		\$1.17	\$1.17	
_____				
_____				
_____				
_____				
<b>Total Regulatory Fees (\$/ton)</b>				
<b>Total Disposal/Processing Cost (\$/ton)</b>	\$0.00	\$1.17	\$1.17	\$0.00
Processor Fee and Curbside Supplemental Revenues from CRV (\$/ton) (show as a negative value)	<b>\$91.87</b>	<b>\$132.00</b>	<b>\$51.17</b>	<b>\$99.47</b>
Revenues from the Sale of Materials (\$/ton) (show as a negative value)				
<b>Net Disposal/Processing Cost (\$/ton)*</b>	<b>\$91.87</b>	<b>\$132.00</b>	<b>\$51.17</b>	<b>\$99.47</b>

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

	Rate Period One (May 1, 2019 through June 30, 2020)			
	Garbage	Recyclable Materials	Organic Materials	Construction and Demolition
<b>Transfer Costs (if applicable)</b>			\$0.00	
Transfer Station Cost (\$/ton)**			40.24	
Transfer Station Regulatory Fees & Taxes (list separately)				
_____				
_____				
_____				
_____				
<b>Total Regulatory Fees (\$/ton)</b>	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Transfer Cost (\$/ton)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$40.24</b>	<b>\$0.00</b>

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

	Rate Period One (May 1, 2019 through June 30, 2020)			
	Garbage	Recyclable Materials	Organic Materials	Construction and Demolition
<b>Total Disposal/Processing Costs</b>				
<b>Total Net Disposal/Processing Costs Including Transfer</b>	<b>\$91.87</b>	<b>\$132.00</b>	<b>\$91.41</b>	<b>\$99.47</b>



**EXHIBIT G3:  
INITIAL RATES FOR COLLECTION SERVICES**

---



<b>Single-Family Collection Rates</b>			
<b>Service Level</b>	<b>Garbage</b>	<b>Recyclables</b>	<b>Organics</b>
Curbside 20-Gallon*	\$30.79	Included	Included
Curbside 32-Gallon*	\$47.74	Included	Included
Curbside 64-Gallon*	\$82.91	Included	Included
Curbside 96-Gallon*	\$118.07	Included	Included
Garbage Exempt (REC & ORG)	N/A	\$12.57	\$12.57
Extra 20-Gallon	\$22.36	N/A	N/A
Extra 32-Gallon**	\$34.76	\$19.38	\$19.38
Extra 64-Gallon**	\$60.98	\$19.38	\$19.38
Extra 96-Gallon**	\$87.24	\$19.38	\$19.38
Backyard Service (Additional)	\$28.41	Included	Included
Extra 20-Gallon Backyard	\$30.89	N/A	N/A
Extra 32-Gallon Backyard**	\$43.31	\$19.38	\$19.38
Extra 64-Gallon Backyard**	\$74.64	\$19.38	\$19.38
Extra 96-Gallon Backyard**	\$106.00	\$19.38	\$19.38

Notes:  
 \*Canyonlands customers do not receive organics service.  
 \*\*First extra recyclables container is included, price shown is for each container beyond first two.  
 See Exhibit B1 for specific service availability

<b>Multi-Family Two/Three* Material Bundle Collection Rates</b>						
<b>Service Level</b>	<b>Frequency</b>					
	<b>1x/week</b>	<b>2x/week</b>	<b>3x/week</b>	<b>4x/week</b>	<b>5x/week</b>	<b>6x/week</b>
20-Gallon Cart	\$30.79	\$61.57	\$92.36	\$123.14	\$153.93	\$184.71
32-Gallon Cart	\$47.76	\$95.51	\$143.27	\$191.03	\$238.78	\$286.54
64-Gallon Cart	\$82.92	\$165.84	\$248.76	\$331.68	\$414.61	\$497.53
96-Gallon Cart	\$118.11	\$236.22	\$354.33	\$472.44	\$590.55	\$708.66
1-Cubic Yard Bin	\$339.34	\$678.62	\$1,018.17	\$1,357.61	\$1,491.94	\$1,790.26
1.5-Cubic Yard Bin	\$484.02	\$924.84	\$1,365.77	\$1,806.68	\$2,144.78	\$2,565.44
2-Cubic Yard Bin	\$628.55	\$1,170.60	\$1,712.81	\$2,254.99	\$2,796.56	\$3,339.27
3-Cubic Yard Bin	\$902.84	\$1,716.65	\$2,529.96	\$3,343.18	\$4,153.18	\$4,969.64

Notes:  
 \*Multi-Family cart rates include recyclables and organics service in an amount at least equivalent to weekly gallons of subscribed garbage service.

<b>Multi-Family Garbage Only Collection Rates</b>						
<b>Service Level</b>	<b>Frequency</b>					
	<b>1x/week</b>	<b>2x/week</b>	<b>3x/week</b>	<b>4x/week</b>	<b>5x/week</b>	<b>6x/week</b>
20-Gallon Cart	\$20.88	\$41.75	\$62.62	\$83.49	\$104.37	\$125.24
32-Gallon Cart	\$31.00	\$62.00	\$93.00	\$124.01	\$155.00	\$186.01
64-Gallon Cart	\$56.12	\$112.25	\$168.37	\$224.50	\$280.64	\$336.76
96-Gallon Cart	\$79.22	\$158.45	\$237.67	\$316.90	\$396.12	\$475.34
1-Cubic Yard Bin	\$202.97	\$405.87	\$609.05	\$812.11	\$810.07	\$972.01
1.5-Cubic Yard Bin	\$289.51	\$553.13	\$816.98	\$1,080.74	\$1,164.54	\$1,392.89
2-Cubic Yard Bin	\$355.73	\$624.96	\$894.35	\$1,163.71	\$1,432.46	\$1,702.35
3-Cubic Yard Bin	\$493.63	\$898.24	\$1,302.34	\$1,706.36	\$2,107.15	\$2,514.40
4-Cubic Yard Bin	\$757.78	\$1,445.88	\$2,133.96	\$2,822.09	\$3,510.06	\$4,197.36
6-Cubic Yard Bin	\$1,113.79	\$2,145.92	\$3,178.04	\$4,210.10	\$5,229.99	\$6,259.38
7-Cubic Yard Bin	\$1,299.06	\$2,502.93	\$3,706.74	\$4,910.50	\$6,100.16	\$7,300.68

Notes:  
Customers must separately subscribe to recyclables and organics collection service.

<b>Multi-Family Recyclables Only Collection Rates</b>						
<b>Service Level</b>	<b>Frequency</b>					
	<b>1x/week</b>	<b>2x/week</b>	<b>3x/week</b>	<b>4x/week</b>	<b>5x/week</b>	<b>6x/week</b>
96-Gallon Cart	\$75.46	\$150.91	\$226.37	\$301.82	\$377.28	\$452.74
1-Cubic Yard Bin	\$136.37	\$272.75	\$409.12	\$545.50	\$681.87	\$818.25
2-Cubic Yard Bin	\$272.82	\$545.64	\$818.46	\$1,091.28	\$1,364.10	\$1,636.92
3-Cubic Yard Bin	\$409.21	\$818.41	\$1,227.62	\$1,636.82	\$2,046.03	\$2,455.24
4-Cubic Yard Bin	\$530.15	\$987.76	\$1,445.39	\$1,903.05	\$2,364.10	\$2,818.28
6-Cubic Yard Bin	\$762.24	\$1,448.65	\$2,135.12	\$2,821.49	\$3,512.47	\$4,194.41
7-Cubic Yard Bin	\$878.30	\$1,679.16	\$2,479.93	\$3,280.78	\$4,081.60	\$4,882.46

Notes:  
Customers must separately subscribe to garbage and organics collection service.

<b>Multi-Family Organics Only Collection Rates</b>						
<b>Service Level</b>	<b>Frequency</b>					
	<b>1x/week</b>	<b>2x/week</b>	<b>3x/week</b>	<b>4x/week</b>	<b>5x/week</b>	<b>6x/week</b>
32-Gallon Cart	\$27.93	\$55.85	\$83.78	\$111.70	\$139.63	\$167.55
64-Gallon Cart	\$44.66	\$89.32	\$133.98	\$178.64	\$223.29	\$267.95
96-Gallon Cart	\$64.81	\$129.62	\$194.43	\$259.24	\$324.05	\$388.86
1-Cubic Yard Bin	\$252.29	\$504.48	\$756.82	\$1,009.13	\$1,107.66	\$1,329.11
1.5-Cubic Yard Bin	\$359.50	\$686.67	\$1,013.90	\$1,341.09	\$1,591.23	\$1,903.19
2-Cubic Yard Bin	\$466.80	\$868.87	\$1,271.01	\$1,673.10	\$2,074.80	\$2,477.26
3-Cubic Yard Bin	\$670.74	\$1,273.88	\$1,877.05	\$2,480.18	\$3,080.84	\$3,686.44
4-Cubic Yard Bin	\$777.92	\$1,487.60	\$2,195.41	\$2,848.27	\$3,614.76	\$4,322.58
6-Cubic Yard Bin	\$1,145.05	\$2,208.66	\$3,390.93	\$4,335.85	\$5,386.16	\$6,481.05
7-Cubic Yard Bin	\$1,322.04	\$2,426.16	\$3,530.30	\$4,634.45	\$5,738.53	\$6,842.74

Notes:  
Customers must separately subscribe to garbage and recyclables collection service.

<b>Commercial Two Material Bundle Collection Rates</b>						
<b>Service Level</b>	<b>Frequency</b>					
	<b>1x/week</b>	<b>2x/week</b>	<b>3x/week</b>	<b>4x/week</b>	<b>5x/week</b>	<b>6x/week</b>
20-Gallon Cart	\$29.16	\$58.32	\$87.48	\$116.64	\$145.80	\$174.96
32-Gallon Cart	\$48.58	\$97.15	\$145.73	\$194.30	\$242.88	\$291.45
64-Gallon Cart	\$82.01	\$164.01	\$246.02	\$328.03	\$410.04	\$492.04
96-Gallon Cart	\$120.10	\$240.21	\$360.31	\$480.41	\$600.52	\$720.62
1-Cubic Yard Bin	\$339.34	\$678.62	\$1,018.17	\$1,357.61	\$1,491.94	\$1,790.26
1.5-Cubic Yard Bin	\$484.02	\$924.84	\$1,365.77	\$1,806.68	\$2,144.78	\$2,565.44
2-Cubic Yard Bin	\$628.55	\$1,170.60	\$1,712.81	\$2,254.99	\$2,796.56	\$3,339.27
3-Cubic Yard Bin	\$902.84	\$1,716.65	\$2,529.96	\$3,343.18	\$4,153.18	\$4,969.64

<b>Commercial Garbage Only Collection Rates</b>						
<b>Service Level</b>	<b>Frequency</b>					
	<b>1x/week</b>	<b>2x/week</b>	<b>3x/week</b>	<b>4x/week</b>	<b>5x/week</b>	<b>6x/week</b>
20-Gallon Cart	\$19.22	\$38.44	\$57.66	\$76.88	\$96.10	\$115.31
32-Gallon Cart	\$31.83	\$63.65	\$95.49	\$127.31	\$159.14	\$190.96
64-Gallon Cart	\$55.21	\$110.42	\$165.63	\$220.85	\$276.07	\$331.27
96-Gallon Cart	\$81.21	\$162.42	\$243.63	\$324.84	\$406.05	\$487.26
1-Cubic Yard Bin	\$202.97	\$405.87	\$609.05	\$812.11	\$810.07	\$972.01
1.5-Cubic Yard Bin	\$289.51	\$553.13	\$816.98	\$1,080.74	\$1,164.54	\$1,392.89
2-Cubic Yard Bin	\$355.73	\$624.96	\$894.35	\$1,163.71	\$1,432.46	\$1,702.35
3-Cubic Yard Bin	\$493.63	\$898.24	\$1,302.34	\$1,706.36	\$2,107.15	\$2,514.40
4-Cubic Yard Bin	\$757.78	\$1,445.88	\$2,133.96	\$2,822.09	\$3,510.06	\$4,197.36
6-Cubic Yard Bin	\$1,113.79	\$2,145.92	\$3,178.04	\$4,210.10	\$5,229.99	\$6,259.38
7-Cubic Yard Bin	\$1,299.06	\$2,502.93	\$3,706.74	\$4,910.50	\$6,100.16	\$7,300.68

Notes:  
Customers must separately subscribe to recyclables and organics collection service.

<b>Commercial Recyclables Only Collection Rates</b>						
<b>Service Level</b>	<b>Frequency</b>					
	<b>1x/week</b>	<b>2x/week</b>	<b>3x/week</b>	<b>4x/week</b>	<b>5x/week</b>	<b>6x/week</b>
32-Gallon Cart*	\$13.68	\$27.36	\$41.04	\$54.72	\$68.40	\$82.08
64-Gallon Cart*	\$27.37	\$54.74	\$82.11	\$109.48	\$136.85	\$164.22
96-Gallon Cart	\$75.46	\$150.91	\$226.37	\$301.82	\$377.28	\$452.74
1-Cubic Yard Bin	\$136.37	\$272.75	\$409.12	\$545.50	\$681.87	\$818.25
2-Cubic Yard Bin	\$272.82	\$545.64	\$818.46	\$1,091.28	\$1,364.10	\$1,636.92
3-Cubic Yard Bin	\$409.21	\$818.41	\$1,227.62	\$1,636.82	\$2,046.03	\$2,455.24
4-Cubic Yard Bin	\$530.15	\$987.76	\$1,445.39	\$1,903.05	\$2,364.10	\$2,818.28
6-Cubic Yard Bin	\$762.24	\$1,448.65	\$2,135.12	\$2,821.49	\$3,512.47	\$4,194.41
7-Cubic Yard Bin	\$878.30	\$1,679.16	\$2,479.93	\$3,280.78	\$4,081.60	\$4,882.46

Notes:  
\*Garbage exempt service only  
Customers must separately subscribe to garbage and organics collection service.

<b>Commercial Organics Only Collection Rates</b>						
<b>Service Level</b>	<b>Frequency</b>					
	<b>1x/week</b>	<b>2x/week</b>	<b>3x/week</b>	<b>4x/week</b>	<b>5x/week</b>	<b>6x/week</b>
32-Gallon Cart	\$27.91	\$55.83	\$83.74	\$111.65	\$139.57	\$167.48
64-Gallon Cart	\$44.66	\$89.32	\$133.98	\$178.64	\$223.29	\$267.95
96-Gallon Cart	\$64.82	\$129.65	\$194.47	\$259.29	\$324.11	\$388.94
1-Cubic Yard Bin	\$252.29	\$504.52	\$756.81	\$1,009.11	\$1,107.62	\$1,329.06
1.5-Cubic Yard Bin	\$359.49	\$686.65	\$1,013.86	\$1,341.04	\$1,591.16	\$1,903.14
2-Cubic Yard Bin	\$466.79	\$868.85	\$1,270.95	\$1,673.04	\$2,074.73	\$2,477.18
3-Cubic Yard Bin	\$670.73	\$1,275.58	\$1,877.01	\$2,480.11	\$3,080.76	\$3,686.32
4-Cubic Yard Bin	\$777.89	\$1,487.54	\$2,195.33	\$2,848.21	\$3,614.62	\$4,322.43
6-Cubic Yard Bin	\$1,145.04	\$2,208.58	\$3,272.13	\$4,335.70	\$5,385.95	\$6,480.82
7-Cubic Yard Bin	\$1,321.99	\$2,426.06	\$3,530.16	\$4,634.27	\$5,738.31	\$6,842.46

Notes:  
Customers must separately subscribe to garbage and recyclables collection service.

<b>Roll-Off Collection Rates (Per Pull)</b>				
<b>Service Level</b>	<b>Material</b>			
	<b>Garbage</b>	<b>REC</b>	<b>ORG</b>	<b>C&amp;D</b>
6-Cubic Yard Drop Box	\$257.76	\$257.76	\$257.76	\$257.76
14-Cubic Yard Drop Box	\$338.00	\$338.00	\$338.00	\$338.00
20-Cubic Yard Drop Box	\$467.94	\$467.94	\$467.94	\$467.94
30-Cubic Yard Drop Box	\$798.34	\$798.34	\$798.34	\$798.34
40-Cubic Yard Drop Box	\$1,064.28	\$1,064.28	\$1,064.28	\$1,064.28
20-Cubic Yard Compactor	\$935.68	\$935.68	\$935.68	\$935.68
30-Cubic Yard Compactor	\$1,389.48	\$1,389.48	\$1,389.48	\$1,389.48
40-Cubic Yard Compactor	\$1,852.62	\$1,852.62	\$1,852.62	\$1,852.62

Notes: All compacted and non-compacted pull rates consist of collection rates and Contract Administration Fees only; processing charges will be based on actual processing costs plus a 10% Contract Administration Fee. The total customer rate will be the pull rate (collection and Contract Administration Fee), and processing cost and the processing Contract Administration Fee.

<b>Additional Service Rates</b>		
<b>Service</b>	<b>Sector</b>	<b>Charge Per Event</b>
Extra Bag-it-Bags	SFD	\$8.94
Extra Paper Garden Bags	SFD	\$8.94
Additional Bulky Goods Collection: Yardage greater than 7 Cubic Yards (Each Cubic Yard)	SFD/CMCL/MFD	\$85.25
Additional Cart Exchange (Each Additional Occurance)	SFD/CMCL/MFD	\$85.25
Additional Cart Replacement (Each Additional Cart)	SFD/CMCL/MFD	\$85.25
Push Rate (Per Bin Per Month Per Collection Frequency)	CMCL/MFD	
Per Bin (0-25 Feet)	CMCL/MFD	\$0.00
Per Bin (26-49 Feet)	CMCL/MFD	\$485.92
Per Bin (50-75 Feet)	CMCL/MFD	\$733.13
Per Bin (75-100 Feet)	CMCL/MFD	\$980.36
Per Bin (101-125 Feet)	CMCL/MFD	\$1,227.59
Per Bin (126+ Feet)	CMCL/MFD	\$1,534.49
Additional Bin Exchange	CMCL/MFD	\$170.49
Additional Bin Replacement	CMCL/MFD	\$1,022.99
Cart Cleaning	CMCL/MFD	\$85.25
Bin Cleaning	CMCL/MFD	\$170.49
Excess District Clean-up Service Collection	CMCL	\$85.25
Overage charges (Over the "Water line")	CMCL/MFD	\$85.25

<b>Ancillary Fees**</b>		
<b>Service</b>	<b>Rate Information</b>	<b>Charge Per Event</b>
Customer Reactivation Fee after Involuntary Suspension of Service	Upon Reactivation	\$25.39
Lock Fee - Bin or Enclosure Greater of \$40.93 per Month per Enclosure per Service Occurrence or \$16.39 per month per Bin per Service Occurrence	Per Bin Per Month	\$16.39
Lock Fee - Bin or Enclosure Greater of \$40.93 per Month per Enclosure per Service Occurrence or \$16.39 per month per Bin per Service Occurrence	Per Enclosure Per Month	\$40.93
Roll-Off Relocation Fee	Per Event	\$84.57
Roll-Off Dry Run Fee	Per Event	\$253.74
Roll-Off Placement Fee	Per Placement	\$57.49
Roll-Off Flasher Fee	Per Pull	\$28.76
Roll-Off Demurrage Fee (After 7 Business Days)	Per Day	\$16.92
Non Sufficient Funds (NSF) Fee	Per Event	\$42.29
Commercial Finance Charge (on accounts over 30 days past due)	Per Month	1.50%
Residential Finance Charge (on accounts over 45 days past due)	Per Month	1.50%
Washout of Roll-Off Box at Time of Service	Per Cleaning	\$338.31
Washout of Roll-Off Compactor at Time of Service	Per Cleaning	\$422.88
Steam Cleaning of Roll-Off Box at Time of Service	Per Cleaning	\$507.42
Steam Cleaning of Roll-Off Compactor at Time of Service	Per Cleaning	\$592.04
Overage of Garbage, Recyclables (except OCC), and Compostables in Carts (Includes SFD, MFD and Business Customers)	Per Gallon	\$0.43
Cardboard (OCC) Overage for all SFD, MFD and Business Cart Customers	No Charge	\$0.00
Overage of Garbage, Recyclables and Compostables in Bins (Includes SFD, MFD and Business Customers)	Per Cubic Yard	\$67.67
Supplementary Recyclables Capacity per Gallon	Per Gallon	\$0.43
Supplementary Recyclables Capacity per Cubic Yard (For Customers with 1-3 CY Bins)	Per Cubic Yard	\$67.67
Supplementary Organics Capacity per Gallon	Per Gallon	\$0.80
Supplementary Organics Capacity per Cubic Yard (For Customers with 1-3 CY Bins)	Per Cubic Yard	\$125.19
Extra Collection (normal collection day)	Weekly Equivalent Rate	\$1.10
Special Collection (other than normal collection day)	Weekly Equivalent Rate	\$1.10
MFD and Business Front Load Compactor Bins	2 x the Approved Front Load Bin Uncompacted Disposal Rate Plus the Contract Administration Fee percentage on the additional Disposal Charge	2x
Contractor's Job Truck	Per Hour Plus Disposal @ \$76.31 Per Cubic Yard	\$329.83
Contractor's Job Truck	\$76.31 Per Cubic Yard Plus Per Hour Rate	\$76.31
Notes:		
***Ancillary Fees include Contract Administration Fees		



<b>Emergency Service Rates***</b>	
<b>Service</b>	<b>Per Hour rate</b>
Driver	\$332.46
Supervisor	\$437.33
Helper	\$298.37
Rear End Loader	\$170.49
Commercial Front End Loader	\$170.49
Roll-Off	\$170.49
Flat Bed Truck	\$127.89
Notes:	
***Emergency Rates do not include Contract Administration Fees as these revenues are not subject to Contract Administration fees	



**EXHIBIT G4:  
IMPLEMENTATION PLAN AND SCHEDULE**

---

*To be finalized and inserted prior to the Commencement Date.*



**EXHIBIT G5:  
APPROVED SUBCONTRACTORS**

---



**EXHIBIT G5**  
**APPROVED SUBCONTRACTORS**

In accordance with Section 3.3 of the Agreement, the DISTRICT has approved the following Subcontractors to manage the specified services and otherwise assist the CONTRACTOR in the performance of the requirements of this Agreement.

<b>Approved Facility or Subcontractor</b>	<b>Services</b>
Waste Management of Alameda County, Davis Street Transfer Station	C&D Processing Services
Napa Recycling and Composting Facility	Organic Materials Processing Services

*This page intentionally left blank*



**EXHIBIT H:  
ANTICIPATED REQUIRED POSITIONS**

---



## EXHIBIT H MAXIMUM ANTICIPATED POSITIONS

Positions detailed in this Exhibit H are the maximum anticipated positions needed for the provision of the Collection, Processing, and other related services required by this Agreement.

**Table 1** represents management positions, classified as salary, exempt. For positions where the employee has been identified, the name is listed.

**Table 2** represents non-management positions, classified as hourly, non-exempt. CONTRACTOR will be hiring for these positions as per Section 5.7.B of the Agreement.

**Table 1: Management Positions**

<b>Position</b>	<b>Name</b>	<b>Classification</b>	<b>FTE</b>
General Manager	Chris Valbusa	Management, Exempt	.4
Route Supervisor	TBA	Management, Exempt	1
<b>Total Management Positions</b>			<b>1.4</b>

**Table 2: Non-Management Positions**

<b>Position</b>	<b>Name</b>	<b>Classification</b>	<b>FTE</b>
Accounting Clerk	TBA	Non-Management, Non-Exempt	2
Dispatcher	TBA	Non-Management, Non-Exempt	1
Customer Service Representatives	TBA	Non-Management, Non-Exempt	3
Recycling Coordinator	TBA	Non-Management, Non-Exempt	.5
Drivers Including Container Distribution and Pool	TBA	Non-Management, Non-Exempt	23.03
Maintenance Personnel	TBA	Non-Management, Non-Exempt	1.42
<b>Total Non-Management Positions</b>			<b>30.95</b>

*This page intentionally left blank*

**EXHIBIT I:  
ENVIRONMENTALLY PREFERABLE PURCHASING  
POLICY**

---



# Environmentally Preferred Purchasing policy

## Alameda County Industries (ACI)

Updated: May 2018

### STATEMENT OF POLICY

It is the policy of ACI to:

- Institute practices that reduce waste by increasing product efficiency and effectiveness;
- Purchase products that minimize environmental impacts, toxics, pollution, and hazards to worker and community safety;
- Purchase products whenever suitable of intended use that reduce greenhouse gas emissions in their production, shipping, use and discard; and
- Purchase products whenever suitable for intended use that include recycled content, are durable and long-lasting, conserve energy and water, use agricultural fibers and residues, use unbleached or chlorine free manufacturing processes, are lead-free and mercury-free, and use wood from sustainably harvested forests.

### PURPOSE

This Policy is adopted in order to:

- Conserve natural resources,
- Minimize environmental impacts such as pollution and use of water and energy,
- Eliminate or reduce toxics that create hazards to workers and our community,
- Support strong recycling markets,
- Reduce materials that are landfilled,
- Increase the use and availability of environmentally preferable products that protect the environment,
- Provide for environmentally preferable purchasing compliance when required in our franchise contracts,
- Create a model for successfully purchasing environmentally preferable products that encourages other purchasers in our community to adopt similar goals.

### STRATEGIES FOR IMPLEMENTATION

Source Reduction

- Institute practices that reduce waste, encourage reuse, and result in the purchase of fewer products.
- Purchase remanufactured products such as toner cartridges, tires and furniture to the extent that these items meet the needs of ACI.
- Consider short-term and long-term costs in comparing product alternatives. This includes evaluation of total costs expected during the time a product is owned, including, but not limited to, acquisition, extended warranties, operation, supplies, maintenance and replacement parts, disposal costs and expected lifetime compared to other alternatives.
- Purchase products that are durable, long lasting, reusable or refillable and avoid purchasing one-time use or disposable products.
- Request vendors eliminate packaging or use the minimum amount necessary for product protection. Vendors shall be encouraged to take back packaging for reuse. A vendor's willingness to take back packaging may be used as part of the consideration in the bid process.
- Specify a preference for packaging that is reusable, recyclable or compostable, when suitable uses and programs exist.
- Encourage vendors to take back and reuse pallets and other shipping materials.
- Encourage suppliers of electronic equipment, including but not limited to computers, monitors, printers, and copiers, to take back equipment for reuse or environmentally sound recycling when ACI discards or replaces such equipment, whenever possible. Suppliers may be required to state their take back, reuse or recycling programs during the bidding process.
- Consider provisions in contracts with suppliers of non-electronic equipment that require suppliers to take back equipment for reuse or environmentally sound recycling when ACI discards or replaces such equipment, whenever possible. Suppliers may be required to state their take back, reuse or recycling programs during the bidding process.
- Promote electronic distribution of documents rather than printing or copying.
- When producing paper documents, print and copy all documents on both sides to reduce the use and purchase of paper.
- Reduce the number and type of equipment needed to perform office functions to save energy and reduce purchasing and maintenance costs. Eliminate desktop printers, redundant network printers and reduce the number of fax machines leased or owned by ACI. Consider lease or purchase of multi-function devices.
- Ensure all imaging equipment is installed with energy and resource-efficient settings set as default.

#### Recycled Content Products

- Purchase products with recycled content such as office paper, janitorial paper, and non-paper office products, that contain post-consumer content suitable for the intended use and where available from local vendors.
- Purchase multi-function devices, copiers and printers compatible with the use of recycled content and remanufactured products.



- Purchase re-refined lubricating and industrial oil for use in vehicles and other equipment, as long as it is certified by the American Petroleum Institute (API) and appropriate for use in such equipment. This section does not preclude the purchase of virgin-oil products for exclusive use in vehicles whose warranties expressly prohibit the use of products containing recycled oil.
- Ensure pre-printed recycled content papers intended for distribution that are purchased or produced contain a statement that the paper has recycled content.

#### Energy Efficient and Water Saving Products

- Purchase energy-efficient equipment with the most up-to-date energy efficiency functions when replacing or upgrading these fixtures.
- Replace inefficient interior lighting with energy-efficient equipment when replacing or upgrading these fixtures.
- Replace inefficient exterior lighting when upgrading or replacing these fixtures and minimize exterior lighting where possible to avoid unnecessary lighting of architectural and landscape features while providing adequate illumination for safety and accessibility.
- Purchase U. S. EPA Energy Star certified products when available and appropriate.
- Purchase U.S. EPA WaterSense labeled water-saving products when available and when upgrading or replacing these fixtures.
- Green Building Products and Practices
- Consider Green Building practices for design, construction, and operation as described in the LEED Rating Systems for all building and renovations undertaken by ACI.

#### Toxics and Pollution Prevention Products and Practices

- Manage pest problems through prevention and physical, mechanical and biological controls when ACI and its contractors maintain buildings and landscapes. ACI may either adopt and implement an Organic Pest Management (OPM) policy and practices or adopt and implement an Integrated Pest Management (IPM) policy and practices using the least toxic pest control as a last resort.
- Purchase or require janitorial contractors to supply, industrial and institutional cleaning products that meet Green Seal certification standards for environmental preference and performance when renewing service agreements.
- Purchase paper, paper products, and janitorial paper products that are unbleached or are processed without chlorine or chlorine derivatives whenever possible.
- Purchase products and equipment with no lead or mercury whenever possible. For products that contain lead or mercury, ACI should give preference to those products with lower quantities of these metals and to vendors with established lead and mercury recovery programs. In addition, whenever lead- or mercury-containing products require disposal, ACI will dispose/recycle those products in the most environmentally safe manner possible.
- When possible, purchase or specify personal computers, displays, imaging equipment and televisions that meet, at a minimum, all Electronic Product Environmental Assessment Tool

(EPEAT) environmental criteria designated as "required" as contained in the IEEE 1680 family of Environmental Assessment Standards.

- When possible, purchase or specify office furniture that meets the California Bureau of Electronic and Appliance Repair, Home Furnishings and Thermal Insulation (BEARHFTI) and Department of Consumer Affairs standard Technical Bulletin 117-2013 for testing upholstered furniture flammability without the use of flame retardant chemicals.
- When possible, purchase or specify commercial carpeting that meets NSF/ANSI 140 Standard for Sustainable Carpet Assessment and recycle old carpet that is removed when replacing flooring.
- When possible, purchase or specify non-carpet floor coverings that meet NSF/ANSI 332 Standard for Resilient Flooring including vinyl, linoleum and rubber flooring when replacing flooring.
- When replacing vehicles, consider less-polluting alternatives to diesel such as compressed natural gas, bio-based fuels, hybrids, electric batteries, and fuel cells, as available and when appropriate.

#### RESPONSIBILITIES

- The health and safety of workers and citizens is of utmost importance and takes precedence over all other practices. Nevertheless, ACI recognizes its duty to act in a fiscally responsible as well as a timely manner.
- Nothing contained in this policy shall be construed as requiring a department, purchaser or contractor to procure products that do not perform adequately for their intended use, exclude adequate competition, risk the health or safety of workers and citizens, or are not available at a reasonable price in a reasonable period of time.
- Nothing contained in this policy shall be construed as requiring ACI, department, purchaser, or contractor to take any action that conflicts with local, state or federal requirements.
- ACI has made significant investments in developing a successful recycling system and recognizes that recycled content products are essential to the continuing viability of that recycling system and for the foundation of an environmentally sound production system. Therefore, to the greatest extent practicable, recycled content shall be included in products that also meet other specifications, such as chlorine free or bio-based.

#### IMPLEMENTATION

- The General Manager and/or Controller shall implement this policy in coordination with other appropriate ACI personnel.
- Upon request, buyers making the selection from competitive bids shall be able to provide justification for product choices that meet the environmentally preferable purchasing criteria in this policy.

- Include businesses certified by the California Green Business Program in purchasing requests for products and services.
- Encourage vendors to comply with applicable sections of this policy for products and services provided to ACI.

## PROGRAM EVALUATION

- The General Manager and/or Controller shall periodically evaluate the success of this policy implementation.

## DEFINITIONS

“California Green Business Program” is a partnership of governments and businesses that certifies the environmental performance of government agencies and businesses.

“Buyer” means anyone authorized to purchase or contract for purchases on behalf of this jurisdiction or its subdivisions.

“The Carpet and Rug Institute” (CRI) is the national trade association representing the carpet and rug industry. CRI has developed and administered the “Green Label” indoor air quality testing and labeling program for carpet, adhesives, cushion materials and vacuum cleaners.

“Contractor” means any person, group of persons, business, consultant, designing architect, association, partnership, corporation, supplier, vendor or other entity that has a contract with ACI or serves in a subcontracting capacity with an entity having a contract with ACI for the provision of goods or services.

“Electronic Product Environmental Assessment Tool” (EPEAT) is a procurement tool to help institutional purchasers in the public and private sectors evaluate, compare and select personal computers, displays, imaging equipment and televisions based on their environmental attributes.

“Energy Star” means the U.S. EPA’s energy efficiency product labeling program.

“Energy-Efficient Product” means a product that is in the upper 25% of energy efficiency for all similar products, or that is at least 10% more efficient than the minimum level that meets Federal standards.

“Green Seal” is an independent, non-profit environmental labeling organization. Green Seal standards for products and services meet the U.S. EPA’s criteria for third-party certifiers. The Green Seal is a registered certification mark that may appear only on certified products.

“Integrated Pest Management” is an ecosystem-based strategy that focuses on long-term prevention of pests or their damage through a combination of techniques such as biological control, habitat manipulation, modification of cultural practices, and use of resistant varieties. Pesticides are used only

after monitoring indicates they are needed according to established guidelines, and treatments are made with the goal of removing only the target organism. Pest control materials are selected and applied in a manner that minimizes risks to human health, beneficial and nontarget organisms, and the environment.

“LEED Rating System” means the most recent version of the Leadership in Energy and Environmental Design (LEED) Rating System, approved by the U.S. Green Building Council, and designed for rating new and existing commercial, institutional, and residential buildings.

“NSF/ANSI” means NSF International follows the American National Standards Institute (ANSI) standards development process. Standards are developed by joint committees (balanced stakeholder groups of public health, industry and user representatives).

“Organic Pest Management” prohibits the use and application of toxic chemical pesticides and strives to prevent pest problems through the application of natural, organic horticultural and maintenance practices. All pest control products shall be in keeping with, but not limited to, those products on the approved list of California Certified Organic Farmers (CCOF).

“Post-consumer Material” means a finished material which would normally be disposed of as a solid waste, having reached its intended end-use and completed its life cycle as a consumer item, and does not include manufacturing or converting wastes.

“Pre-consumer Material” means material or by-products generated after manufacture of a product is completed but before the product reaches the end-use consumer. Pre-consumer material does not include mill and manufacturing trim, scrap, or broke which is generated at a manufacturing site and commonly reused on-site in the same or another manufacturing process.

“Recovered Material” means fragments of products or finished products of a manufacturing process, which has converted a resource into a commodity of real economic value, and includes pre-consumer and post-consumer material but does not include excess resources of the manufacturing process.

“Recycled Content” means the percentage of recovered material, including pre-consumer and post-consumer materials, in a product.

“Recycled Content Standard” means the minimum level of recovered material and/or post-consumer material necessary for products to qualify as “recycled products.”

“Recycled Product” means a product that contains post-consumer and recovered material.

“Remanufactured Product” means any product diverted from the supply of discarded materials by refurbishing and marketing said product without substantial change to its original form.

“Reused Product” means any product designed to be used many times for the same or other purposes without additional processing except for specific requirements such as cleaning, painting or minor repairs.

“Source Reduction” refers to products that result in a net reduction in the generation of waste compared to their previous or alternate version and includes durable, reusable and remanufactured products; products with no, or reduced, toxic constituents; and products marketed with no, or reduced, packaging.

“Water-Saving Products” are those that are in the upper 25% of water conservation for all similar products, or at least 10% more water-conserving than the minimum level that meets the Federal standards.

“WaterSense” means a partnership program by the U.S. Environmental Protection Agency. Independent, third-party licensed certifying bodies certify that products meet EPA criteria for water efficiency and performance by following testing and certification protocols specific to each product category. Products that are certified to meet EPA specifications are allowed to bear the WaterSense label.

#### EFFECTIVE DATES

- This policy shall remain in effect and may be revised from time to time.



**EXHIBIT J:  
SPECIAL ASSESSMENT PROCESS FOR  
DELINQUENT ACCOUNTS**

---





**EXHIBIT J**  
**SPECIAL ASSESSMENT PROCESS FOR DELINQUENT ACCOUNTS**

The following schedule describes the process for collecting amounts owed from delinquent accounts through a special assessment process as described in Section 4.8 of the Agreement. This schedule reflects the DISTRICT approved process as of the Effective Date. Such schedule and process may be adjusted at any time during the Term, without amendment, by the DISTRICT Contract Manager.

<b>Responsible Party</b>	<b>Task</b>	<b>Sample Timeline</b>
DISTRICT	Notify CONTRACTOR, request timeline, draft letters, 1 <sup>st</sup> list	12/6/16
CONTRACTOR	Send 1 <sup>st</sup> Letter	1/31/17
DISTRICT	Confirm DISTRICT schedule and process w/ staff & CONTRACTOR	2/15/17
CONTRACTOR	Send 2 <sup>nd</sup> Letter	2/28/17
CONTRACTOR	Send 3 <sup>rd</sup> Letter	3/31/17
DISTRICT	Draft "Final Request for Payment & Notice of Admin Hearing" and "Request for Admin Hearing" form	4/7/17
CONTRACTOR	Send 4 <sup>th</sup> Letter	4/28/17
CONTRACTOR	CONTRACTOR to provide list of delinquent account-holders	4/28/17
DISTRICT	Deliver to USPS office	5/8/17
CONTRACTOR	Last day to pay delinquent bill at CONTRACTOR offices	4pm, 5/31/17
CONTRACTOR	No payment allowed to post to past delinquent accounts	6/6/17
DISTRICT	Deadline for "Request for Admin Hearing" forms & documents; date & time stamp every request received	2pm, 6/7/17
DISTRICT	Request Customer account info from CONTRACTOR	6/8/17
DISTRICT	Review account info & request forms; Determine what account info will be included in Board packet	6/13/17
CONTRACTOR	Send list to DISTRICT for Board packet; DISTRICT verify property info	6/14/17
CONTRACTOR	Send Final List to DISTRICT for Admin Hearing	7/10/17
DISTRICT	Conduct Administrative Hearing	7/11/17
DISTRICT	Follow up on any directives from DISTRICT	TBD
DISTRICT	Approved list spot-checked & submitted to County	7/18/17

*This page intentionally left blank*

**EXHIBIT K:  
MAP OF CANYONLANDS AREA**

---



# Castro Valley Sanitary District Canyonlands Annexation Boundary

**Legend**  
CVSan Canyonlands Annexation Boundary  
Castro Valley Sanitary District



Oakland

Dublin

Pleasanton

Pleasanton

Hayward

Union City

Fremont

Fremont



**EXHIBIT L:  
GUARANTY AGREEMENT**

---





## EXHIBIT L GUARANTY AGREEMENT

THIS GUARANTY (the "Guaranty") is given as of the 13 day of June, 2018, by Alameda County Industries, Inc., ("GUARANTOR"), to the Castro Valley Sanitary District, a California special district ("DISTRICT").

THIS GUARANTY is made with reference to the following facts and circumstances:

A. Alameda County Industries CV, Inc. ("CONTRACTOR") is a corporation organized under the laws of the State of California, all of the issued and outstanding stock of which is owned by the stockholders of GUARANTOR.

B. GUARANTOR is a corporation organized under the laws of the State of California.

C. CONTRACTOR and DISTRICT have negotiated an Agreement for Recycling, Organics, and Garbage Collection and Processing Services (such agreement, as it may be amended, modified or waived from time to time, the "Agreement"), under which CONTRACTOR is to provide specified services to DISTRICT. A copy of this Agreement is attached hereto and incorporated herein by this reference.

D. It is a requirement of the Agreement, and a condition to DISTRICT's entering into the Agreement, that GUARANTOR guaranty CONTRACTOR's performance of the Agreement.

E. GUARANTOR is providing this Guaranty to induce DISTRICT to enter into the Agreement.

NOW, THEREFORE, in consideration of the foregoing, GUARANTOR agrees as follows:

1. **Guaranty of the Agreement.** GUARANTOR hereby irrevocably and unconditionally guarantees to the DISTRICT the complete and timely performance, satisfaction and observation by CONTRACTOR of each and every term and condition of the Agreement which CONTRACTOR is required to perform, satisfy or observe. In the event that CONTRACTOR fails to perform, satisfy or observe any of the terms or conditions of the Agreement, GUARANTOR will promptly and fully perform, satisfy or observe them in the place of the CONTRACTOR. GUARANTOR hereby guarantees prompt payment to DISTRICT of each and every sum due from CONTRACTOR to DISTRICT under the Agreement, as and when due from time to time, and the prompt performance of every other task and duty required to be performed by the CONTRACTOR under the Agreement.

2. **GUARANTOR's Obligations Are Absolute.** The obligations of the GUARANTOR hereunder are direct, immediate, absolute, continuing, unconditional and unlimited and, with respect to any payment obligation of CONTRACTOR under the Agreement, shall constitute a guarantee of payment and not of collection, and are not conditioned upon the genuineness, validity, regularity or enforceability of the Agreement.

3. **Waivers and Subordination.** The GUARANTOR shall have no right to terminate this Guaranty or to be released, relieved, exonerated or discharged from its obligations under Section 1 hereof for any reason whatsoever, including, without limitation: (1) the insolvency, bankruptcy, reorganization or cessation of existence of the CONTRACTOR; (2) any amendment,

## EXHIBIT L GUARANTY AGREEMENT

modification or waiver of any provision of the Agreement or the extension of its Term (as defined in the Agreement); (3) the actual or purported rejection of the Agreement by a trustee in bankruptcy, or any limitation on any claim in bankruptcy resulting from the actual or purported termination of the Agreement; (4) any waiver, extension, release or modification with respect to any of the obligations of the Agreement guaranteed hereunder or the impairment or suspension of any of DISTRICT's rights or remedies against CONTRACTOR; or (5) any merger or consolidation of the CONTRACTOR with any other organization, or any sale, lease or transfer of any or all the assets of the CONTRACTOR.

The GUARANTOR hereby waives any and all rights, benefits and defenses under California Civil Code Sections 2809, 2815, 2819, 2845, 2849, 2850, 2787 to 2855, inclusive, 2899 and 3433 and under or based upon, directly or indirectly, California Code of Civil Procedure §§ 580a, 580b, 580d and 726, if applicable, and all other rights permitted to be waived by California Civil Code Section 2856(a) including, without limitation, the right to require DISTRICT to (a) proceed against CONTRACTOR, (b) proceed against or exhaust any security or collateral DISTRICT may hold now or hereafter hold, or (c) pursue any other right or remedy for GUARANTOR's benefit, and agree that DISTRICT may proceed against GUARANTOR for the obligations guaranteed herein without taking any action against CONTRACTOR or any other guarantor or pledgor and without proceeding against or exhausting any security or collateral DISTRICT may hold now or hereafter hold. DISTRICT may unqualifiedly exercise in its sole discretion any or all rights and remedies available to it against CONTRACTOR or any other guarantor or pledgor without impairing DISTRICT's rights and remedies in enforcing this Guaranty.

The GUARANTOR hereby waives and agrees to waive at any future time at the request of DISTRICT, to the extent now or then permitted by applicable law, any and all rights which the GUARANTOR may have or which at any time hereafter may be conferred upon it, by statute, regulation or otherwise, to avoid any of its obligations under, or to terminate, cancel, quit or surrender this Guaranty. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not affect the liability of the GUARANTOR hereunder: (a) at any time or from time to time, without notice to the GUARANTOR, the time for CONTRACTOR's performance of or compliance with any of its obligations under the Agreement is extended, or such performance or compliance is waived; (b) the Agreement is modified or amended in any respect; (c) any other indemnification with respect to CONTRACTOR's obligations under the Agreement or any security therefor is released or exchanged in whole or in part or otherwise dealt with; (d) any assignment of the Agreement is effected which does not require DISTRICT's approval; or (e) any termination or suspension of the Agreement arising by reason of a default by CONTRACTOR.

The GUARANTOR hereby expressly waives diligence, presentment, demand for payment or performance, protest and all notices whatsoever, including, but not limited to, notices of non-payment or non-performance, notices of protest, notices of any breach or default, and notices of acceptance of this Guaranty. If all or any portion of the obligations guaranteed hereunder are paid or performed, GUARANTOR's obligations hereunder shall continue and remain in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from DISTRICT as a preference, fraudulent transfer or otherwise, irrespective

**EXHIBIT L**  
**GUARANTY AGREEMENT**

8. **Severability.** If any portion of this Guaranty is held to be invalid or unenforceable, such invalidity shall have no effect upon the remaining portions of this Guaranty, which shall be severable and continue in full force and effect.

9. **Binding on Successors.** This Guaranty shall inure to the benefit of DISTRICT and its successors and assigns and shall be binding upon GUARANTOR and its successors and assigns.

10. **Authority.** GUARANTOR represents and warrants that it has the corporate power to give this guaranty, that its execution of this Guaranty has been authorized by all necessary action under its Articles of Incorporation and by-laws, and that the person signing this Guaranty on its behalf has authority to do so.

11. **Notices.** Notice shall be given in writing, deposited in the U.S. mail, registered or certified, first class postage prepaid, addressed as follows:

To DISTRICT:           Solid Waste Supervisor  
                                  Castro Valley Sanitary District  
                                  21040 Marshall St  
                                  Castro Valley, CA

With a copy to District Contract Manager and City Attorney at the same address.

To GUARANTOR:       Corporate Secretary  
                                  Alameda County Industries, Inc.  
                                  610 Aladdin Avenue  
                                  San Leandro, CA 94577-4302

The parties may change the address to which notice is to be sent by giving the other party notice of the change as provided in this Section.

IN WITNESS WHEREOF, GUARANTOR has executed this Guaranty on the day and year first above written.

Alameda County Industries, Inc.

By:   
Louis Pellegrini  
Vice President

By:   
Douglas H. Button  
Corporate Secretary

## EXHIBIT L GUARANTY AGREEMENT

of (a) any notice of revocation given by GUARANTOR or CONTRACTOR prior to such avoidance or recovery, or (b) payment in full of any obligations then outstanding.

The GUARANTOR expressly subordinates and waives its rights to subrogation, reimbursement, contribution or indemnity with respect to performance by GUARANTOR of the obligations of CONTRACTOR guaranteed hereby, until such time as DISTRICT receives payment or performance in full of all such obligations.

**4. Term.** This Guaranty is not limited to any period of time, but shall continue in full force and effect until all of the terms and conditions of the Agreement have been fully performed by CONTRACTOR, and GUARANTOR shall remain fully responsible under this Guaranty without regard to the acceptance by DISTRICT of any performance bond or other collateral to assure the performance of CONTRACTOR's obligations under the Agreement. GUARANTOR shall not be released of its obligations hereunder so long as there is any claim by DISTRICT against CONTRACTOR arising out of the Agreement based on CONTRACTOR's failure to perform which has not been settled or discharged.

**5. No Waivers by DISTRICT.** No delay on the part of DISTRICT in exercising any rights under this Guaranty or failure to exercise such rights shall operate as a waiver of such rights. No notice to or demand on GUARANTOR shall be a waiver of any obligation of GUARANTOR or right of DISTRICT to take other or further action without notice or demand. No modification or waiver by DISTRICT of any of the provisions of this Guaranty shall be effective unless it is in writing and signed by DISTRICT and by GUARANTOR, nor shall any waiver by DISTRICT be effective except in the specific instance or matter for which it is given.

**6. Attorney's Fees.** In addition to the amounts guaranteed under this Guaranty, GUARANTOR agrees to pay actual attorney's fees and all other costs and expenses reasonably incurred by DISTRICT in enforcing this Guaranty, or in any action or proceeding arising out of or relating to this Guaranty, including any action instituted to determine the respective rights and obligations of the parties hereunder.

**7. Governing Law; Jurisdiction.** This Guaranty is and shall be deemed to be a contract entered into in and pursuant to the laws of the State of California and shall be governed and construed in accordance with the laws of California without regard to its conflicts of laws rules for all purposes, including, but not limited to, matters of construction, validity and performance. As the Agreement is made and performed in Alameda County, GUARANTOR agrees that any action brought by DISTRICT to enforce this Guaranty may be brought in Alameda Superior Court or the Northern District of California as applicable. GUARANTOR has appointed the following person as its agent for service of process in California:

David Cohen  
Cohen & Ostler, APC  
455 N. Whisman Road, Suite 100  
Mountain View, CA 94043