AMENDMENT TO FRANCHISE AGREEMENT FOR SOLID WASTE COLLECTION AND DIVERSION SERVICES

WHEREAS, City and Contractor entered into a Franchise Agreement for Solid Waste Collection and Diversion Services (the "Agreement") dated February 1, 2011, and wish to modify the Agreement as provided below.

Now, therefore, in consideration of the mutual covenants, conditions and consideration contained herein, the City and Contractor hereby agree as set forth below:

1. <u>Initial Term of Agreement</u>. Section 5.01 of the Agreement is hereby replaced by the following:

"The initial term of this Agreement shall be for a period commencing on February 1, 2011 and terminating at midnight on December 31, 2030."

2. <u>Contamination in Recyclables or Compostable Materials Containers.</u> Section 6.03.2 is hereby added to the Agreement:

"6.03.2 CONTRACTOR is not obligated to collect Containers which are contaminated. For purposes of this Agreement, a Container is contaminated when, based on visual or digital inspection, (i) a Recyclables Container has more than 10% non-Recyclables (volume of the container) or any amount of Unacceptable Waste, or (ii) a Compostable Materials Container has more than 3% non-Compostable Materials (volume of the container) or any amount of Unacceptable Waste.

If CONTRACTOR elects to collect a contaminated Container, it may send (by mail and e-mail) a notice of violation. If the Customer has received at least two (2) notices of violation for a particular service (i.e., Recyclables or Compostable Materials), CONTRACTOR may charge the Customer the Contamination Rate set forth in Exhibit 3 for each subsequent violation; provided, however, CONTRACTOR must have photographic evidence of the contamination (which will be provided to the Customer). It will be assumed that Customers receive notices of violation on the third day after mailing. The Contamination Fee may be included on the Customer's regular invoice or billed separately. CONTRACTOR may dispose of the contents of a contaminated Container it elects to collect.

Customers may contact CONTRACTOR at the telephone number indicated on CONTRACTOR invoices and all notices regarding any questions or disputes. Contamination videos or images will be made available to Customers. Contamination

Fees will be credited to Customers billed in error, including where there are blurry images, no visible contamination, incorrect Container association (Customer will be exempt from receiving any charges until Container is appropriately linked to the correct address), and where CONTRACTOR failed to follow the protocol set forth in Exhibit 3 attached hereto.

If the customer has not had a violation in 1 year since their most recent incident, the fee will reset to the lowest incident fee.

Changes in the nature of what materials are accepted as Recyclables and Compostables must be mutually agreed and public education, agreed upon between CONTRACTOR and the City, must be conducted before any Contamination Fee is imposed on a customer resulting from improper disposal of the changed materials."

3. Overage Fees. The following is hereby added as Section 6.03.3 of the Agreement:

"For purposes of this Agreement, a container has an "overage" when materials exceed the "water line" of the container. CONTRACTOR may charge overage fees as set forth in the Agreement. When CONTRACTOR charges an overage fee, it will send the Customer a notice (by mail or e-mail) of the violation and have photographic evidence of the overage (which will be provided to the Customer). It will be assumed that Customers receive notices of the violation on the third day after mailing. The overage fee may be included on the Customer's regular invoice or billed separately. Customers may contact CONTRACTOR at the telephone number indicated on CONTRACTOR invoices and all notices regarding any questions or disputes. Overage fees will be credited to Customers billed in error, including where there are blurry images, no visible overage, or incorrect Container association (Customer will be exempt from receiving any charges until Container is appropriately linked to the correct address)."

4. The following is hereby added as Section 6.08.2.1 of the Agreement:

"If a category of Recyclables has had a Negative Value for at least three months, and CONTRACTOR does not have the ability to stockpile such material at its processing facility due to permitting or space constraints, then CONTRACTOR may petition the City to either temporarily dispose of such material or, if there is a current market, obtain additional compensation from the City to continue to process and divert. For purposes of this section, material will have a Negative Value if the average price (see table below), plus any applicable CRV, for the most recent three-month period prior to the petition is negative.

CONTRACTOR petitions under this section will include documentation reasonably necessary for City to verify CONTRACTOR's calculations including verification of CONTRACTOR'S inability to stockpile the material. CONTRACTOR will give City staff at least 10 days' notice of a petition. The City will then have 60 days after submittal to respond to a properly submitted CONTRACTOR petition. If a CONTRACTOR petition is based on negatively valued materials, the City may elect to either permit

CONTRACTOR to temporarily dispose of the materials or require that CONTRACTOR continue to process and divert but permit CONTRACTOR to receive additional compensation.

The additional compensation would be made through the annual adjustments to CONTRACTOR's rates for the applicable customer base generating the materials. Any annual adjustments to the rates resulting from the application of this Section must be finalized no later than October 1st each calendar year and may increase rates by no more than .5% each year. The notice of annual rate increase shall include explanation of any portions of the increase that are attributable to this section. The additional compensation would equal tons of the commodity received since CITY's approval of CONTRACTOR's petition (based on most recent composition analysis) x dollar amount by which the commodity's value is negative for such period. Values of the categories of Recyclables will be determined as follows:

Category	Single stream materials	Index/Value
Mixed Paper	Phone books; magazines; gloss inserts and pamphlets; newspaper; mail; uncoated paperboard; uncoated printing; writing and office paper	PPW Mixed Paper #54
Cardboard	Old corrugated containers/cardboard (uncoated)	PPW OCC #11
Aluminum beverage cans	Aluminum cans - empty	SMP for Aluminum Cans (Sorted, Baled, picked up)
Steel/tin cans	Steel and tin cans - empty	SMP for Steel Cans (Sorted, Baled, picked up)
Plastic #1	PET bottles with the symbol #1 - with screw tops only – empty	SMP for PET curbside
Plastic #2 Natural	Natural HDPE bottles with the symbol #2 - empty	SMP for Natural HDPE (baled, picked up)
Plastic #2 Colored	Colored HDPE bottles with the symbol #2 - empty	SMP for Colored HDPE (baled, picked up)
Plastic #5	PP plastic bottles and tubs with the symbol #5 - empty	SMP PP post-consumer
Glass	Glass food and beverage containers - brown, clear and green – empty	SMP 3 Mix

If an index above is discontinued, the parties will mutually agree on a replacement index. If City has approved CONTRACTOR's temporary disposal of materials as provided above, then CONTRACTOR will give City monthly updates as to the value for the previous month. If the value becomes positive, on average, for a three-month period, then

CONTRACTOR will resume processing and diverting such material beginning with the month following that three-month period."

5. <u>Contractor's Personnel</u>. The following is hereby added as Section 16.10 of the Agreement:

"CONTRACTOR will hire and retain one additional outreach/compliance staff member dedicated to Emeryville's customers. This person will focus on public outreach and education in preparation for SB 1383 regulations (when finalized), as well as a protocol for reporting and record maintenance of the field reviews and public education activities they will be performing. This person will also assist the City with the identification of Tier 1 and Tier 2 commercial edible food generators and the provision of information on the available food recovery programs, generator requirements, and food recovery organizations and services. Depending on the state of the requirements in the future, it may be appropriate to lower the amount of required staff dedicated to these activities as less issues are identified. CONTRACTOR and City will mutually agree on any decrease in staffing. Implementation of all other requirements of SB 1383, when finalized, will be subject to Section 21.01. However CONTRACTOR agrees that once the SB 1383 requirements for color changes to carts and bins are finalized, it will provide City with cost estimates for replacement of all carts and bins, in addition to costs for replacement of just lids, taking into account the normal annual costs of cart and lid replacement regularly borne by CONTRACTOR."

6. <u>Compliance with Law</u>. Section 24.01 of the Agreement is hereby replaced by the following:

"Compliance with Law. CONTRACTOR shall comply, at its expense, fully and faithfully with all local, state, and federal laws, ordinances, regulations and permit requirements, including CITY Legislation, as they may be amended from time to time, applicable to its performance under this Agreement; including, but not limited to, local, state, and federal laws, ordinances, and regulations related to Collection, Disposal, and processing of Solid Waste; laws, ordinances, and regulations related to privacy and protecting the confidentiality of personal information of customers; and laws, ordinances, and regulations related to protection or contamination of the environment."

- 7. Rates. Exhibit 1 (Approved Rates and Charges) of the Agreement is hereby replaced by the Exhibit 1 attached hereto. With regard to the RRI adjustment that would occur on January 1, 2021 pursuant to Section 12.09.1 of the Agreement, instead of such adjustment, the Collection Services rates, fees and surcharges will be increased by 10%. RRI adjustments for other years will otherwise occur pursuant to Section 12.09.1.
- 8. <u>Notice</u>. The second CONTRACTOR notice address in Section 32.07.2 is hereby replaced by the following:

Waste Management Attn. Legal Counsel

222 S. Mill Avenue, Suite 333 Tempe, AZ 85281

- 9. <u>Refuse Rate Index</u>. Exhibit 2 (Refuse Rate Index) of the Agreement is hereby replaced by the Exhibit 2 attached hereto.
- 10. <u>Liquidated Damages</u>. The following liquidated damages are hereby added to Section 23.03:
 - "vv. Failure to properly notify a customer of an incident of contamination (Section 6.03.2) or an incident of overage charge (Section 6.03.3): \$100 per incident
 - ww. Failure to properly credit a customer billed in error for an overage (Section 6.03.3) or contamination charge (Section 6.03.2): \$100 per incident"
- 11. Except as otherwise provided in this Amendment, all other terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the CITY and CONTRACTOR have duly authorized execution of this Amendment, and have executed the Amendment as of the dates set forth below.

CITY OF EMERYVILLE

Docusigned by:
Clivistine Daniel

Christine Daniel City Manager

WASTE MANAGEMENT OF ALAMEDA COUNTY, INC.

Barry Skolnick, President

APPROVED AS TO FORM:

Michael Luina

EXHIBIT 1 Approved Rates and Charges

City of Emeryville Residential MSW Rates Effective 1/1/2021

	SED CO	Form OLLECTION S		TES		
A. SFD	COLLECTION SERVICE - CURBSIDE - Month					
1	Solid Waste Cart Sizes (gallons)	10	20	32	64	96
2	SFD Collection Service Rate	\$8.86	\$13.43	\$22.23	\$44.46	\$66.67
B. SUB	SCRIPTION BACKYARD CART COLLECTION	SERVICE-Month	ly Charge Includ	ling Franchise F	ees	
1	Per Cart:	\$16.89				
	Solid Waste Cart Sizes (gallons)	10	20	32	64	96
2	Backyard Collection Charge	\$25.75	\$30.32	\$39.12	\$61.35	\$83.56
C. ADD	ITIONAL SERVICES (Note: The additional se	rvice fees include	e franchise fees.)		
1	Cart Sizes (gallons)	10	20	32	64	96
2	Extra Curbside Cart -Per Pickup-Normal Collection Day	Not Available	Not Available	\$6.24	\$10.25	\$15.53
3	Special Curbside Cart-Per Pickup-Other than Normal Collection Day	Not Available	Not Available	\$22.23	\$44.46	\$66.67
4	Tags for extra service (formerly known as Bag-it Bags)	\$31.21	Per Packet of	<u>5</u>		
5	Excess Gallonage Rate	\$0.45	Each addition	al gallon		
D. CO	NTAMINATION PROCESS AND RATES					
	*Contamination rates for recycle and gre	en waste carts	-			
	Incidents 1 and 2	Warning				
	Incident 3	\$25.00				
	Incident 4+	\$50.00				
	* Customers who have gone 1 year since mos	t recent contamina	ation fee will reset	to the lowest inc	ident fee.	

	COMM	ERCIAL CART	Form 2 SOLID WASTE	Collection Se	rvice Rates	
	OCIVIIII		on Frequency X Per			
umber Carts	1	2	3	4	5	6
32 GALLC	ON CART SOLID WA	STE COLLECTION S	ERVICE RATES-In	cluding Franchise	Fees	
	CART SOLID V	VASTE COLLECTION	SERVICE RATE:	\$30.29	Per 32 gallon equiva	lent.
1	\$30.29	\$60.58	\$90.87	\$121.16	\$151.45	\$181.74
2	\$60.58	\$121.16	\$181.74	\$242.32	\$302.90	\$363.48
3	\$90.87	\$181.74	\$272.61	\$363.48	\$454.35	\$545.22
4	\$121.16	\$242.32	\$363.48	\$484.64	\$605.80	\$726.96
5	\$151.45	\$302.90	\$454.35	\$605.80	\$757.25	\$908.70
6	\$181.74	\$363.48	\$545.22	\$726.96	\$908.70	\$1,090.44
7	\$212.03	\$424.06	\$636.09	\$848.12	\$1,060.15	\$1,272.18
8	\$242.32	\$484.64	\$726.96	\$969.28	\$1,211.60	\$1,453.92
9	\$272.61	\$545.22	\$817.83	\$1,090.44	\$1,363.05	\$1,635.66
10	\$302.90	\$605.80	\$908.70	\$1,211.60	\$1,514.50	\$1,817.40
. 64 GALL	ON SOLID WASTE O	CART COLLECTION S	SERVICE RATES-In	cluding Franchise	e Fees	
1	\$60.58	\$121.16	\$181.74	\$242.32	\$302.90	\$363.48
2	\$121.16	\$242.32	\$363.48	\$484.64	\$605.80	\$726.96
3	\$181.74	\$363.48	\$545.22	\$726.96	\$908.70	\$1,090.44
4	\$242.32	\$484.64	\$726.96	\$969.28	\$1,211.60	\$1,453.92
5	\$302.90	\$605.80	\$908.70	\$1,211.60	\$1,514.50	\$1,817.40
6	\$363.48	\$726.96	\$1,090.44	\$1,453.92	\$1,817.40	\$2,180.88
7	\$424.06	\$848.12	\$1,272.18	\$1,696.24	\$2,120.30	\$2,544.36
8	\$484.64	\$969.28	\$1,453.92	\$1,938.56	\$2,423.20	\$2,907.84
9	\$545.22	\$1,090.44	\$1,635.66	\$2,180.88	\$2,726.10	\$3,271.32
10	\$605.80	\$1,211.60	\$1,817.40	\$2,423.20	\$3,029.00	\$3,634.80
. 96 GALL	ON SOLID WASTE	CART COLLECTION	SERVICE RATES-II	ncluding Franchis	e Fees	
1 T	\$90.87	\$181.74	\$272.61	\$363.48	\$454.35	\$545.22
2	\$181.74	\$363.48	\$545.22	\$726.96	\$908.70	\$1,090.44
3	\$272.61	\$545.22	\$817.83	\$1,090.44	\$1,363.05	\$1,635.66
4	\$363.48	\$726.96	\$1,090.44	\$1,453.92	\$1,817.40	\$2,180.88
5	\$454.35	\$908.70	\$1,363.05	\$1,817.40	\$2,271.75	\$2,726.10
6	\$545.22	\$1,090.44	\$1,635.66	\$2,180.88	\$2,726.10	\$3,271.32
7	\$636.09	\$1,272.18	\$1,908.27	\$2,544.36	\$3,180.45	\$3,816.54
8	\$726.96	\$1,453.92	\$2,180.88	\$2,907.84	\$3,634.80	\$4,361.76
9	\$817.83	\$1,635.66	\$2,453.49	\$3,271.32	\$4,089.15	\$4,906.98
10	\$908.70	\$1,817.40	\$2,726.10	\$3,634.80	\$4,543.50	\$5,452.20
				RATES-Per Collec	tion-Including Franch	ise Fees
Extra Colle	ection Service			Special Collection	n Service	
	as regular collection	on			nal Collection Day)	
32	\$6.97			32	\$12.13	,
64	\$13.94	-		64	\$24.26	
96	\$20.91	-		96	\$36.39	

C	OMMERCIAL RE				Service Rates	
		Collection	r Frequency X P	er Week		
Number of	1	2	3	4	5	6
Carts	RECYCLING/ORGANIC	S CART COLL	ECTION SERVICE	CE RATES -Including	Franchise Fees-5	0% of the
olid Waste Rat		O OAK OOLL				
	YCLING/ORGANICS C	OLLECTION S	ERVICE RATE:	\$15.15	per 32 gallon equi	valent.
1	\$15.15	\$30.30	\$45.45	\$60.60	\$75.75	\$90.90
2	\$30.30	\$60.60	\$90.90	\$121.20	\$151.50	\$181.80
3	\$45.45	\$90.90	\$136.35	\$181.80	\$227.25	\$272.70
4	\$60.60	\$121.20	\$181.80	\$242.40	\$303.00	\$363.6
5	\$75.75	\$151.50	\$227.25	\$303.00	\$378.75	\$454.5
6	\$90.90	\$181.80	\$272.70	\$363.60	\$454.50	\$545.4
7	\$106.05	\$212.10	\$318.15	\$424.20	\$530.25	\$636.3
8	\$121.20	\$242.40	\$363.60	\$484.80	\$606.00	\$727.2
9	\$136.35	\$272.70	\$409.05	\$545.40	\$681.75 \$757.50	\$818.1 \$909.0
10	\$151.50 ALLON RECYCLING/O	\$303.00	\$454.50	\$606.00		
			\$90.90	\$121.20	\$151.50	\$181.8
1	\$30.30	\$60.60	\$181.80	\$242.40	\$303.00	\$363.6
2	\$60.60	\$121.20		\$363.60	\$454.50	\$545.4
3	\$90.90	\$181.80	\$272.70		\$606.00	\$727.2
4	\$121.20	\$242.40	\$363.60	\$484.80		\$909.0
5	\$151.50	\$303.00	\$454.50	\$606.00	\$757.50	
6	\$181.80	\$363.60	\$545.40	\$727.20	\$909.00	\$1,090
7	\$212.10	\$424.20	\$636.30	\$848.40	\$1,060.50	\$1,272
8	\$242.40	\$484.80	\$727.20	\$969.60	\$1,212.00	\$1,454
9	\$272.70	\$545.40	\$818.10	\$1,090.80	\$1,363.50	\$1,636
10	\$303.00	\$606.00	\$909.00	\$1,212.00	\$1,515.00	\$1,818
C. 96 G	ALLON RECYCLING/	ORGANICS CAF	RT COLLECTION	N SERVICE RATES -I		
1	\$45.45	\$90.90	\$136.35	\$181.80	\$227.25	\$272.
2	\$90.90	\$181.80	\$272.70	\$363.60	\$454.50	\$545.
3	\$136.35	\$272.70	\$409.05	\$545.40	\$681.75	\$818.
4	\$181.80	\$363.60	\$545.40	\$727.20	\$909.00	\$1,090
5	\$227.25	\$454.50	\$681.75	\$909.00	\$1,136.25	\$1,363
6	\$272.70	\$545.40	\$818.10	\$1,090.80	\$1,363.50	\$1,636
7	\$318.15	\$636.30	\$954.45	\$1,272.60	\$1,590.75	\$1,908
8	\$363.60	\$727.20	\$1,090.80	\$1,454.40	\$1,818.00	\$2,181
9	\$409.05	\$818.10	\$1,227.15	\$1,636.20	\$2,045.25	\$2,454
10	\$454.50	\$909.00	\$1,363.50	\$1,818.00	\$2,272.50	\$2,727
	IAL CART RECYCLING			A SERVICE RATES-	Per Collection-Incl	uding
ranchise Fee						
Extra Collection	on Service_			Special Collection		
Same day as	regular collection)			(Other than normal		4
32	\$3.48			32	\$6.05	4
64	\$6.96			64	\$12.10	_
96	\$10.44			96	\$18.15	
E. CONTAMIN	ATION PROCESS ANI	RATES				
	*Contamination rate		nd green waste	carts		
			7			
	Incidents 1 and 2	Warning				

Incidents 1 and 2	Warning
Incident 3	\$25.00
Incident 4+	\$50.00

^{*} Customers who have gone 1 year since most recent contamination fee will reset to the lowest incident fee.

Small Business Recyclable and Compostable Materials:

CONTRACTOR shall provide Small Business Customers* with up to one (1) cubic yard of capacity for Recyclables Collection and sixty-four (64) gallons of capacity for Compostable Materials Collection, or some combination thereof as requested by the Customer at no additional charge to the Customer. Such capacity shall be provided, using a one (1) cubic yard Bin and a combination of Carts, or a combination of Carts at the sole discretion of the Customer. Total Recyclables and Compostable Materials capacity shall not exceed two hundred sixty-four (264) gallons unless additional capacity is subscribed to by the Small Business Customer.

*Small Business. A Commercial establishment that is located within the Service Area and uses a two (2) cubic yard Bin Collected once per week or lesser service for Solid Waste Collection.

Definition 1.78 and contract section 9.01.4

\$214.03

7

1.5 \$198.59 \$397.17 \$595.76 \$794.34 \$992.93 \$1,191.5 2 \$264.78 \$529.56 \$794.34 \$1,059.12 \$1,323.90 \$1,588.6 3 \$397.17 \$794.34 \$1,191.51 \$1,588.68 \$1,985.85 \$2,383.0 4 \$529.56 \$1,059.12 \$1,588.68 \$2,118.24 \$2,647.80 \$3,177.3 6 \$794.34 \$1,588.68 \$2,383.02 \$3,177.36 \$3,971.70 \$4,766.0				Form 4			
1		COMMERCIAL	BIN SOLID	WASTE COL	LECTION S	ERVICE RATES	
A. COMMERCIAL BIN SOLID WASTE COLLECTION SERVICE RATES -Including Franchise Fees Commercial Bin SOLID WASTE Rate: \$132.39 Per Cubic Yard			Collection	n Frequency X F	Per Week		
Commercial Bin SOLID WASTE Rate: \$132.39 Per Cubic Yard 1 \$132.39 \$264.78 \$397.17 \$529.56 \$661.95 \$794.34 1.5 \$198.59 \$397.17 \$595.76 \$794.34 \$992.93 \$1,191.5 2 \$264.78 \$529.56 \$794.34 \$1,059.12 \$1,323.90 \$1,588.6 3 \$397.17 \$794.34 \$1,191.51 \$1,588.68 \$1,985.85 \$2,383.0 4 \$529.56 \$1,059.12 \$1,588.68 \$2,118.24 \$2,647.80 \$3,177.3 6 \$794.34 \$1,588.68 \$2,383.02 \$3,177.36 \$3,971.70 \$4,766.0 7 \$926.73 \$1,853.46 \$2,780.19 \$3,706.92 \$4,633.65 \$5,560.3 Extra Collection Service (Same day as requiar collection) \$30.58 \$1.5 \$54.46 \$54.58 \$1.5 \$72.09 \$38.89 3 \$91.73 \$4 \$140.31 \$4 \$140.31 \$1.234 \$4 \$140.31 \$1.234	Container Size	1	2	3	4	5	6
1 \$132.39 \$264.78 \$397.17 \$529.56 \$661.95 \$794.34 1.5 \$198.59 \$397.17 \$595.76 \$794.34 \$992.93 \$1,191.5 2 \$264.78 \$529.56 \$794.34 \$1,059.12 \$1,323.90 \$1,588.6 3 \$397.17 \$794.34 \$1,191.51 \$1,588.68 \$1,985.85 \$2,383.0 4 \$529.56 \$1,059.12 \$1,588.68 \$2,118.24 \$2,647.80 \$3,177.3 6 \$794.34 \$1,588.68 \$2,383.02 \$3,177.36 \$3,971.70 \$4,766.0 7 \$926.73 \$1,853.46 \$2,780.19 \$3,706.92 \$4,633.65 \$5,560.3 B. COMMERCIAL BIN SOLID WASTE SPECIAL AND EXTRA SERVICE RATES -Per Collection -Including Franchise Fellowship	A. COMMERCIA	AL BIN SOLID WAS	TE COLLECTIO	N SERVICE RA	TES -Including	Franchise Fees	
1.5 \$198.59 \$397.17 \$595.76 \$794.34 \$992.93 \$1,191.5 2 \$264.78 \$529.56 \$794.34 \$1,059.12 \$1,323.90 \$1,588.6 3 \$397.17 \$794.34 \$1,191.51 \$1,588.68 \$1,985.85 \$2,383.0 4 \$529.56 \$1,059.12 \$1,588.68 \$2,118.24 \$2,647.80 \$3,177.3 6 \$794.34 \$1,588.68 \$2,383.02 \$3,177.36 \$3,971.70 \$4,766.0 7 \$926.73 \$1,853.46 \$2,780.19 \$3,706.92 \$4,633.65 \$5,560.3 B. COMMERCIAL BIN SOLID WASTE SPECIAL AND EXTRA SERVICE RATES -Per Collection -Including Franchise Foliation - Including Franchise		Comme	ercial Bin SOLII	O WASTE Rate:	\$132.39	Per Cubic Yard	
2 \$264.78 \$529.56 \$794.34 \$1,059.12 \$1,323.90 \$1,588.66 3 \$397.17 \$794.34 \$1,191.51 \$1,588.68 \$1,985.85 \$2,383.0 4 \$529.56 \$1,059.12 \$1,588.68 \$2,118.24 \$2,647.80 \$3,177.3 6 \$794.34 \$1,588.68 \$2,383.02 \$3,177.36 \$3,971.70 \$4,766.0 7 \$926.73 \$1,853.46 \$2,780.19 \$3,706.92 \$4,633.65 \$5,560.3 B. COMMERCIAL BIN SOLID WASTE SPECIAL AND EXTRA SERVICE RATES -Per Collection -Including Franchise Following Service (Same day as regular collection) 1 \$30.58 1.5 \$45.86 2 \$61.15 3 \$91.73 4 \$112.34 4 \$140.31	1	\$132.39	\$264.78	\$397.17	\$529.56	\$661.95	\$794.34
3 \$397.17 \$794.34 \$1,191.51 \$1,588.68 \$1,985.85 \$2,383.0 4 \$529.56 \$1,059.12 \$1,588.68 \$2,118.24 \$2,647.80 \$3,177.3 6 \$794.34 \$1,588.68 \$2,383.02 \$3,177.36 \$3,971.70 \$4,766.0 7 \$926.73 \$1,853.46 \$2,780.19 \$3,706.92 \$4,633.65 \$5,560.3 B. COMMERCIAL BIN SOLID WASTE SPECIAL AND EXTRA SERVICE RATES -Per Collection -Including Franchise Fellow Fell	1.5	\$198.59	\$397.17	\$595.76	\$794.34	\$992.93	\$1,191.51
4 \$529.56 \$1,059.12 \$1,588.68 \$2,118.24 \$2,647.80 \$3,177.3 6 \$794.34 \$1,588.68 \$2,383.02 \$3,177.36 \$3,971.70 \$4,766.0 7 \$926.73 \$1,853.46 \$2,780.19 \$3,706.92 \$4,633.65 \$5,560.3 B. COMMERCIAL BIN SOLID WASTE SPECIAL AND EXTRA SERVICE RATES -Per Collection -Including Franchise Following Service (Same day as regular collection) 1 \$30.58 1.5 \$45.86 2 \$61.15 3 \$91.73 4 \$122.30	2	\$264.78	\$529.56	\$794.34	\$1,059.12	\$1,323.90	\$1,588.68
6 \$794.34 \$1,588.68 \$2,383.02 \$3,177.36 \$3,971.70 \$4,766.00 \$7 \$926.73 \$1,853.46 \$2,780.19 \$3,706.92 \$4,633.65 \$5,560.30 \$8. COMMERCIAL BIN SOLID WASTE SPECIAL AND EXTRA SERVICE RATES -Per Collection -Including Franchise Following Extra Collection Service (Same day as regular collection) 1 \$30.58	3	\$397.17	\$794.34	\$1,191.51	\$1,588.68	\$1,985.85	\$2,383.02
Total	4	\$529.56	\$1,059.12	\$1,588.68	\$2,118.24	\$2,647.80	\$3,177.36
B. COMMERCIAL BIN SOLID WASTE SPECIAL AND EXTRA SERVICE RATES -Per Collection -Including Franchise Fermion	6	\$794.34	\$1,588.68	\$2,383.02	\$3,177.36	\$3,971.70	\$4,766.04
Special Collection Service (Same day as regular collection)	7	\$926.73	\$1,853.46	\$2,780.19	\$3,706.92	\$4,633.65	\$5,560.38
Common Collection	B. COMMERCIA	L BIN SOLID WAST	E SPECIAL ANI	D EXTRA SERVI	CE RATES -Per	Collection -Including F	ranchise Fees
1 \$30.58 1.5 \$45.86 2 \$61.15 3 \$91.73 4 \$122.30 1 \$54.46 1.5 \$72.09 2 \$83.89 3 \$112.34 4 \$140.31	Extra Collection	Service			Special Collec	tion Service	
1.5 \$45.86 2 \$61.15 2 \$83.89 3 \$91.73 4 \$122.30 4 \$140.31	(Same day as re	gular collection)			(Other than no	rmal Collection Day)	
2 \$61.15 3 \$91.73 4 \$122.30 2 \$83.89 3 \$112.34 4 \$140.31	1	\$30.58			1	\$54.46	
3 \$91.73 4 \$122.30 3 \$112.34 4 \$140.31	1.5	\$45.86			1.5	\$72.09	
4 \$122.30 4 \$140.31	2	\$61.15			2	\$83.89	2
4	3	\$91.73			3	\$112.34	
6 \$183.45 6 \$206.04	4	\$122.30			4	\$140.31	
	6	\$183.45			6	\$206.04	

7

\$235.85

			Form 5	001 507101	LOFDWOF BATE	:e
	COMMERCIAL				SERVICE RATE	-5
Container		Collecti	on Frequency X Pe			
Size	1	2	3	4	5	6
	IAL BIN RECYCLING			RATES -Including		
Com	Bin Recycling/Organ	ics Rate 50% of So	OLID WASTE Rate:	\$66.20	Per Cubic Yard	
1	\$66.20	\$132.40	\$198.60	\$264.80	\$331.00	\$397.20
1.5	\$99.30	\$198.60	\$297.90	\$397.20	\$496.50	\$595.80
2	\$132.40	\$264.80	\$397.20	\$529.60	\$662.00	\$794.40
3	\$198.60	\$397.20	\$595.80	\$794.40	\$993.00	\$1,191.60
4	\$264.80	\$529.60	\$794.40	\$1,059.20	\$1,324.00	\$1,588.80
6	\$397.20	\$794.40	\$1,191.60	\$1,588.80	\$1,986.00	\$2,383.20
7	\$463.40	\$926.80	\$1,390.20	\$1,853.60	\$2,317.00	\$2,780.40
B. COMMERC	CIAL BIN RECYCLING	GORGANICS SPE	CIAL AND EXTRA S	ERVICE RATES -F	Per Collection -Includi	ing Franchise
ees						
xtra Collect	ion Service			Special Collectio		
Same day as	regular collection)			(Other than norm	nal Collection Day)	
1	\$15.29			1	\$27.26	
1.5	\$22.93			1.5	\$36.07	
2	\$30.58			2	\$41.95	
3	\$45.87			3	\$56.18	
4	\$61.15			4	\$70.14	
6	\$91.73	,		6	\$103.03	
				_	0447.00	

\$107.02 E. CONTAMINATION PROCESS AND RATES

7

*Contamination rates for recycle and green waste bins

Incidents 1 and 2	Warning
Incident 3	\$75.00
Incident 4+	\$100.00

^{*} Customers who have gone 1 year since most recent contamination fee will reset to the lowest incident fee.

\$117.93

Small Business Recyclable and Compostable Materials:

CONTRACTOR shall provide Small Business Customers* with up to one (1) cubic yard of capacity for Recyclables Collection and sixtyfour (64) gallons of capacity for Compostable Materials Collection, or some combination thereof as requested by the Customer at no additional charge to the Customer. Such capacity shall be provided, using a one (1) cubic yard Bin and a combination of Carts, or a combination of Carts at the sole discretion of the Customer. Total Recyclables and Compostable Materials capacity shall not exceed two hundred sixty-four (264) gallons unless additional capacity is subscribed to by the Small Business Customer.

* Small Business. A Commercial establishment that is located within the Service Area and uses a two (2) cubic yard Bin Collected once per week or lesser service for Solid Waste Collection.

Definition 1.78 and contract section 9.01.4

Form 6 COMMERCIAL COMPACTOR SOLID WASTE COLLECTION SERVICE RATES

A. COMMERCIAL COMPACTOR BIN SOLID WASTE COLLECTION SERVICE RATES -Including Franchise Fees-2 Times the Uncompacted Rate

	Commercial C	ompactor SOLID	WASTE Rate:	\$264.78	Per Cubic Yard				
Collection Frequency X Per Week									
Container Size	1	2	3	4	5	6			
1	\$264.78	\$529.56	\$794.34	\$1,059.12	\$1,323.90	\$1,588.68			
1.5	\$397.17	\$794.34	\$1,191.51	\$1,588.68	\$1,985.85	\$2,383.02			
2	\$529.56	\$1,059.12	\$1,588.68	\$2,118.24	\$2,647.80	\$3,177.36			
3	\$794.34	\$1,588.68	\$2,383.02	\$3,177.36	\$3,971.70	\$4,766.04			
4	\$1,059.12	\$2,118.24	\$3,177.36	\$4,236.48	\$5,295.60	\$6,354.72			
6	\$1,588.68	\$3,177.36	\$4,766.04	\$6,354.72	\$7,943.40	\$9,532.08			
7	\$1,853.46	\$3,706.92	\$5,560.38	\$7,413.84	\$9,267.30	\$11,120.76			

B. COMMERCIAL COMPACTOR BIN SOLID WASTE SPECIAL & EXTRA SERVICE RATES-Per Collection-Including Franchise Fees

Extra Collection	n Service	Special (Special Collection Service		
(Same day as re	egular collection)	(Other th	nan nor	mal Collection Day)	
1	\$61.15		1	\$108.96	
1.5	\$91.73	1	.5	\$144.21	
2	\$122.30		2	\$167.79	
3	\$183.45		3	\$224.66	
4	\$244.60		4	\$280.61	
6	\$366.90		6	\$412.12	
7	\$428.05		7	\$471.67	

Form 7

COMMERCIAL COMPACTOR BIN RECYCLING/ORGANICS COLLECTION SERVICE RATES

A COMMERCIAL COMPACTOR BIN RECYCLING/ORGANICS COLLECTION SERVICE RATES -Including Franchise Fees-2 Times the Uncompacted Rate

	Comm	ercial Bin RECYCLIN	G/ORGANICS Rate:	\$132.40	Per Cubic Yard				
Container Size	Collection Frequency X Per Week								
Olitaillei Size	1	2	3	4	5	6			
1	\$132.40	\$264.80	\$397.20	\$529.60	\$662.00	\$794.40			
1.5	\$198.60	\$397.20	\$595.80	\$794.40	\$993.00	\$1,191.60			
2	\$264.80	\$529.60	\$794.40	\$1,059.20	\$1,324.00	\$1,588.80			
3	\$397.20	\$794.40	\$1,191.60	\$1,588.80	\$1,986.00	\$2,383.20			
4	\$529.60	\$1,059.20	\$1,588.80	\$2,118.40	\$2,648.00	\$3,177.60			
6	\$794.40	\$1,588.80	\$2,383.20	\$3,177.60	\$3,972.00	\$4,766.40			
7	\$926.80	\$1,853.60	\$2,780.40	\$3,707.20	\$4,634.00	\$5,560.80			

B. COMMERCIAL COMPACTOR BIN RECYCLING/ORGANICS SPECIAL & EXTRA SERVICE RATES-Per Collection-Including Franchise Fees

Extra Collection Service		Special Collection	n Service_
(Same day as r	egular collection)	(Other than norm	al Collection Day)
1	\$30.58	1	\$54.46
1.5	\$45.87	1.5	\$72.09
2	\$61.15	2	\$83.89
3	\$91.73	3	\$112.34
4	\$122.31	4	\$140.31
6	\$183.46	6	\$206.04
7	\$214.04	7	\$235.85

Form 8 COMMERCIAL ROLL OFF SOLID WASTE COLLECTION SERVICE RATES

A. ROLL-OFF SOLID WASTE BOX COLLECTION SERVICE RATES -Including Franchise Fees

	Uncomp	acted Rate equals:	\$33.30	Per Cubic Yard
	Box Size	Pickup /Return	Flashers	Delivery
6	CY BOX	\$666.00	\$30.42	\$60.81
14	CY BOX	\$666.00	\$30.42	\$60.81
. 20	CY BOX	\$666.00	\$30.42	\$60.81
30	CY BOX	\$999.00	\$30.42	\$60.81
40	CY BOX	\$1,332.00	\$30.42	\$60.81
50	CY BOX \$1,665.00		\$30.42	\$60.81
	EXCESS DISPOSA	AL RATE PER TON:	\$106.91	Over 3 Tons

Note: All Commercial Roll-Off Box per pull service rates consist of collection rates, disposal costs up to the first six thousand (6,000) pounds of material and franchise fees only; disposal costs for material in excess of six thousand (6,000) pounds will be based on actual disposal costs plus the applicable franchise fee. The total customer rate will be the pull rate and any applicable disposal costs on excess material along with the franchise fee.

B. COMPACTED ROLL-OFF SOLID WASTE BOX COLLECTION SERVICE RATES-Including Franchise Fees

Compac	ted Rates Are 2X the U	ncompacted Rate:	\$66.60	Per Cubic Yard
	Box Size	Pickup/Return		
15	CY BOX	\$999.00		
20	CY BOX	\$1,332.00		
24	CY BOX	\$1,598.40		
30	CY BOX	\$1,998.00		
34	CY BOX	\$2,264.40		
35	CY BOX	\$2,331.00	ė	
40	CY BOX	\$2,664.00		
	EXCESS DISPOSA	AL RATE PER TON:	\$106.91	Over 5 Tons

Note: All Commercial Compacted Roll-Off Box per pull service rates consist of collection rates, disposal costs up to the first ten thousand (10,000) pounds of material and franchise fees only; disposal costs for material in excess of ten thousand (10,000) pounds will be based on actual disposal costs plus the applicable franchise fee. The total customer rate will be the pull rate and any applicable disposal costs on excess material along with the franchise fee.

Form 9 COMMERCIAL ROLL OFF RECYCLING COLLECTION SERVICE RATES

A. COMMERCIAL ROLL-OFF RECYCLING BOX COLLECTION SERVICE RATES -Including Franchise Fees-50% of Solid Waste Rate

	Uncom	pacted Rate equals:	\$16.65	Per Cubic Yard
*****	Box Size	Pickup /Return	Flashers	Delivery
6	CY BOX	\$333.00	\$30.42	\$60.81
14	CYBOX	\$333.00	\$30.42	\$60.81
20	CY BOX	\$333.00	\$30.42	\$60.81
30	CY BOX	\$499.50	\$30.42	\$60.81
40	CY BOX	\$666.00	\$30.42	\$60.81
50	CYBOX	\$832.50	\$30.42	\$60.81
	EXCESS DISPOS	AL RATE PER TON:	\$53.44	Over 3 Tons

Note: All Commercial Roll-Off Box per pull service rates consist of collection rates, recycling weights up to the first six thousand (6,000) pounds of material and franchise fees only; costs for recyclable materials in excess of six thousand (6,000) pounds will be based on 50% of the solid waste disposal fee plus the applicable franchise fee. The total customer rate will be the pull rate and any applicable costs on excess material along with the franchise fee.

B. COMMERCIAL COMPACTED ROLL-OFF RECYCLING BOX COLLECTION SERVICE RATES -Including Franchise Fees

Compacted Rates Are 2X the Uncompacted Rate: \$33.30 Per Cubic Yard Box Size Pickup/Return 15 CY BOX \$499.50 20 CY BOX \$666.00 24 CY BOX \$799.20 30 CY BOX \$999.00 34 CY BOX \$1,132.20 35 CY BOX \$1,165.50 40 CY BOX \$1,332.00

Note: All Commercial Compacted Roll-Off Box per pull service rates consist of collection rates, recycling weights up to the first ten thousand (10,000) pounds of material and franchise fees only; costs for recyclable materials in excess of ten thousand (10,000) pounds will be based on 50% of the solid waste disposal fee plus the applicable franchise fee. The total customer rate will be the pull rate and any applicable costs on excess material along with the franchise fee.

\$53,44

Over 5 Tons

EXCESS DISPOSAL RATE PER TON:

Form 10 COMMERCIAL ROLL OFF C&D COLLECTION SERVICE RATES

A. COMMERCIAL ROLL-OFF C&D BOX COLLECTION SERVICE RATES -Including Franchise Fees-75% of Solid Waste Rate

	Uncomp	\$24.98	Per Cubic Yard	
	Box Size	Pickup /Return	Flashers	Delivery
6	CY BOX	\$499.60	\$30.42	\$60.81
14	CY BOX	\$499.60	\$30.42	\$60.81
20	CY BOX	\$499.60	\$30.42	\$60.81
30	CY BOX	\$749.40	\$30.42	\$60.81
40	CY BOX	\$999.20	\$30.42	\$60.81
50	CY BOX	\$1,249.00	\$30.42	\$60.81
	EXCESS DISPOSA	AL RATE PER TON:	\$80.16	Over 3 Tons

Note: All Commercial Roll-Off Box per pull service rates consist of collection rates, C&D weights up to the first six thousand (6,000) pounds of material and franchise fees only; costs for C&D materials in excess of six thousand (6,000) pounds will be based on 75% of the solid waste disposal fee plus the applicable franchise fee. The total customer rate will be the pull rate and any applicable costs on excess material along with the franchise fee.

Form 11 COMMERCIAL ROLL OFF ORGANICS COLLECTION SERVICE RATES

A. COMMERCIAL ROLL-OFF ORGANICS BOX COLLECTION SERVICE RATES -Including Franchise Fees-75% of Solid Waste Rate

		Uncompacted Rate equals:	\$24.98	Per Cubic Yard
	Box Size	Pickup /Return	Flashers	Delivery
6	CY BOX	\$499.60	\$30.42	\$60.81
14	CY BOX	\$499.60	\$30.42	\$60.81
20	CY BOX	\$499.60	\$30.42	\$60.81
30	CY BOX	\$749.40	\$30.42	\$60.81
40	CY BOX	\$999.20	\$30.42	\$60.81
50	CY BOX	\$1,249.00	\$30.42	\$60.81
		EXCESS DISPOSAL RATE PER TON:	\$80.16	Over 3 Tons

Note: All Commercial Roll-Off Box per pull service rates consist of collection rates, organics weights up to the first six thousand (6,000) pounds of material and franchise fees only; costs for organics materials in excess of six thousand (6,000) pounds will be based on 50% of the solid waste disposal fee plus the applicable franchise fee. The total customer rate will be the pull rate and any applicable costs on excess material along with the franchise fee.

B. COMMERCIAL COMPACTED ROLL-OFF ORGANICS BOX COLLECTION SERVICE RATES -Including Franchise Fees

(Compacted Rates A	\$49.96	Per Cubic Yard	
	Box Size	Pickup/Return		
15	CY BOX	\$749.40		
20	CYBOX	\$999.20		
24	CYBOX	\$1,199.04		
30	CYBOX	\$1,498.80		
34	CYBOX	\$1,698.64		
35	CYBOX	\$1,748.60		
40	CY BOX	\$1,998.40		
		EXCESS DISPOSAL RATE PER TON:	\$80.16	Over 5 Tons

Note: All Commercial Compacted Roll-Off Box per pull service rates consist of collection rates, organics weights up to the first ten thousand (10,000) pounds of material and franchise fees only; costs for organics materials in excess of ten thousand (10,000) pounds will be based on 50% of the solid waste disposal fee plus the applicable franchise fee. The total customer rate will be the pull rate and any applicable costs on excess material along with the franchise fee.

Form 12
MAXIMUM RATES
ANCILL ADV EFES

ANCILLARY FEES		
he following fees shall be adjusted annually using the RRI as set forth	in Article 1	2.
SERVICE TYPE	RATE	
Additional Cart Exchange	\$65.75	Each Additional Occurrence
Additional Cart Replacement	\$65.75	Each Additional Cart
Additional Bin Exchange	\$131.49	Each Additional Occurrence
Additional Bin Replacement	\$788.92	Each Additional Bin
Additional Bulky Goods Collection Curbside	\$65.75	Each Additional Cubic Yard
Additional Bulky Goods ("Over the water line")	\$65.75	Per Cubic Yard
Bin Overage Rate ("Over the water line")	\$65.75	Per Bin Per Occurrence
Roll Off Relocation Fee	\$83.55	
Roll Off Dry Run / Cancellation Fee	\$142.36	
Roll Off Placement Fee	\$60.81	
Roll Off Flasher Fee	\$30.42	Per Pull
Roll Off Demurrage Fee (After 7 Calendar Days)	\$34.91	Per Week
Washout of Roll Off Box at Time of Service	\$157.78	
Washout of Roll Off Compactor at Time of Service	\$157.78	
Steam Cleaning of Roll Off Box at Time of Service	\$394.46	
Steam Cleaning of Roll Off Compactor at Time of Service	\$394.46	
Overage of Solid Waste, Recyclables (except OCC) and Compostable Materials in Carts (Included Residential and Commercial Customers)	\$0.67	per gallon
Cardboard (OCC) Overage for all Residential and Commercial Cart Customers	No Charge	
Overage of MSW, Recyclables and Compostable Materials in Bins (Includes SFD, MFD and Commercial Customers)	\$52.59	per cubic yard
Supplementary Recyclables and Compostables Capacity per Gallon for Small Business Customers	\$0.33	per gallon
Supplementary Recycling Capacity per Cubic Yard (For Small Business Customers)	\$52.59	per cubic yard
Disputed Material	\$52.59	per cubic yard
Contractor's Job Truck	\$256.38	per Hour plus Disposal @ \$50.00 per CY
Collection of Bagster Bag and Contents	\$266.32	per bag
Handy Hauler	\$177.33	
The following fee shall be adjusted annually using the CPI as set forth	n in Exhibit	2.
Lock Sale Fee – Bin or Enclosure	\$30.98	
The following fees shall not be a	adjusted an	nually.
Non Sufficient Funds (NSW) Fee	\$25.00	
Commercial Finance Charge (on accounts over 30 days past due)	1.50%	
Residential Finance Charge (on accounts over 45 days past due)	1.50%	
Note: These Ancillary rates and fees	include Fra	nchise Fees

EXHIBIT 2 Refuse Rate Index (RRI)

The "Refuse Rate Index" adjustment shall be calculated in the following manner:

The expenses of collection services for the designated fiscal period shall be prepared in a format set forth in the Operating Cost Statement, provided below.

The expenses of collection services shall be broken down into the following six Cost Categories: Local 70 & 1546 Labor and Benefits, CNG Fuel, Vehicle Replacement, Vehicle Maintenance, All Other and Disposal.

The Data Sources below will be used to calculate the "RRI Percentage Change" for each Cost Category. The RRI Percentage Change will be based on the year over year average change ending in September in each Data Source. In the event any index is discontinued, a successor index shall be selected by the parties that is most closely equivalent to the discontinued index as recommended by the BLS. The Labor and Benefits cost category is changed based on the year over year change in the hourly wage rate, pension contribution cost and health & welfare premium costs. The Disposal cost category is changed based on the change in the disposal rate per ton calculated in accordance with the terms of the City's Disposal Services Agreement.

For each RRI adjustment, each Cost Category will be assigned an Item Weight percentage based on its proportionate share of all expenses in the Operating Cost Statement for Waste Management of Alameda County, Inc.

The Weighted Percentage Change for each Cost Category will equal the RRI Percentage Change x its Item Weight.

The annual RRI adjustment will be the sum of each Cost Category's Weighted Percentage Change.

See below sample calculation.

Item#	Category	Data Source	RRI Percentage Change	Item Weight	Weighted Percentage Change
1	Local 70 & 1546 Union Labor & Benefits	Union Wage & Benefit Calculation	3.02%	26.19%	0.79%
2	CNG Index	PG&E Schedule G-NGV1 https://www.pge.com/tariffs/GRF SHTML#GNGV!	-1.34%	2.45%	-0.03%
3	Series ID: pcu336211336211 Vehicle Replacement Truck, bus, car and other vehicle bodies, for sale separately		1.53%	3.97%	0.06%
4	Vehicle Maintenance	Series ID: pcu3339243339243 Parts and attachments for industrial work trucks	0.88%	1.18%	0.01%
CPI All Items (Including non- union labor & benefits)		Series ID: cuura422sa0 as of 1/1/18 replaced by Series ID: CUURS49BSA0 Consumer Price Index, All Urban Consumers, All Items Bay Area	3.22%	34.12%	1.10%
6	Disposal	Disposal rate under the CITY's Disposal Service Agreement	2.84%	32.09%	0.91%

Note that in accordance with Section 12.09.3 of the Agreement, the RRI adjustment shall never be more than 5% nor less than 0% during the term of the Agreement.

Union	Rate		Prior Period	Cu	rrent Period	Prior Period	 Prior Period	С	urrent Period	Increase
Local 70		Hourly	ge Current Wage Rate nthly Cost	Houri	age Current y Wage Rate onthly Cost	# Employees at end of period	Costs		Costs	
Wages	Hrly	\$	38.13	\$	39.46	250	\$ 19,827,600	\$	20,521,566	
Pension	Hrly	\$	12.51	\$	12.95	250	\$ 6,505,200	\$	6,732,882	
Health & Welfare	Monthly	\$	2,123.00	\$	2,123.00	250	\$ 6,369,000	\$	6,369,000	
Local 1546										
Wages	Hrly	\$	44.42	\$	45.97	50	\$ 4,619,680	\$	4,781,369	
Pension	Hrly	\$	8.86	\$	9.30	50	\$ 921,440	\$	967,512	
Health & Welfare	Hrly	\$	12.62	\$	13.25	50	\$ 1,312,590	\$	1,378,220	
							\$ 39,555,510	\$	40,750,549	3.02

Operating Cost Statement:

The following costs will be included in the Operating Cost Statement:

Labor and Benefits:

All labor accounts for WMAC's employees domiciled at 172-98th Avenue, Oakland, CA. who are members of Local 70, Local 1546 Salaries, Wages – hourly & overtime, Bonuses, Commissions, Other Compensation, Compensated Absences & Vacation, Severance, Health & Welfare Insurance Premiums, Pension & Retirement Benefits, Workers Compensation costs, Payroll Taxes Other employee costs including safety gear, related to the services provided under this Contract.

CNG Fuel:

All fuel costs (CNG, diesel, gas).

Vehicle Replacement:

Collection and collection related vehicle depreciation accounts.

Vehicle lease and rental accounts related to collection or collection

related vehicles.

Vehicle Maintenance:

All collection and collection related vehicle paint, Tires, Parts & Supplies, Lubricants, Third Party Services, Other Maintenance

accounts.

All Other:

All other expense accounts related to the services provided under this Agreement not included above. This category includes, but not limited to, all insurance (e.g., general liability, fire, truck damage, and extended coverage); rent on property; truck licenses and permits; real and personal property taxes; telephone and other utilities; employee uniforms; safety equipment; general yard repairs and maintenance; office supplies; printing; postage; trade association dues and subscription; seminars & education; advertising; travel costs; taxes; and miscellaneous other items.

Disposal:

All disposal accounts.

Exhibit 3 Contamination Notification and Surcharge Protocol

Exhibit 3

Contamination Notification and Surcharge Protocol

Utilizing the Emeryville Public Education Budget as outlined in this agreement, WMAC will work with CITY staff to develop outreach communication. Avenues of outreach include new start service brochures, web site updates, social media, emails, bill inserts, postcards, letters, auto-dials, bus ads, and other media.

Communication and Outreach plan

Three Months Before Go Live Date

- Introduction letter (example provided below) will be sent out to all customers explaining the new contract requirements regarding contamination. The letter will feature a discussion on the importance of recycling right. It will also include insert of what goes where brochure and/or link.
- WM will update its local website with warning/charge program
- City will update its website



Image is an example for illustrative purposes.

Two Months Before Go Live Date

- Social Media / Facebook ads begin
- Reminder postcards

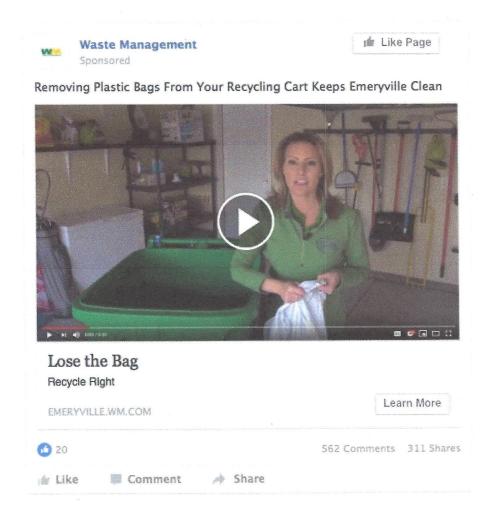


Image is an example for illustrative purposes.

One Month Before Go Live Date

- Start WM SmartTruckSM technology warning notifications (example provided below). Notices are sent to customers with audited instances of contamination as a lead up to Warning/Charge program. It is designed to educate them how to avoid a future charge.
- Send one-time "good job" communication



Waste Management of Alameda County Inc. 172 98th Avenue Oakland, CA 94603

Unique ID# 25252525252 John Doe Sandwiches 10 Main Street Emeryville, CA94602

Date: 1/5/20 Incident: 15252

Dear <*Service Name*>

During a recent service call to <"Service Address"> we noticed your recycling container was contaminated with more than 10% of unacceptable material. Garbage can ruin an otherwise good load of recyclable material. The enclosed photo shows what we found on <*Incident Date*>.

Emeryville customers are subject to a "contamination surcharge" as provided below:

- 1st and 2nd Incident: Warning
 3st Incident: \$25 for Carts; \$75 for Bins
 4st and following Incidents: \$50 for Carts; \$100 for Bins

To avoid a contamination surcharge, please place only recyclable material in the recycling container. Remember to keep all materials loose and recycle only empty bottles and cans and dry paper and cardboard. Proper use of your container is essential to meeting the recycling goals of our community. Please follow these simple guidelines:

- Put material in correct containers
- Do not overfill containers lids must close to keep paper dry
- Secure adequate container sizes never mix trash with recyclables
- For a list of acceptable items, visit: RORR.com/resources/for-business

If you need service assistance, please call 800-321-8226. Working together, we can keep our community green.

To receive future service notifications, including holiday reminders, weather alerts, and more via email or text, use your Customer ID #<*Customer Key*> to update your contact information at wm.com/mypreferences.

Waste Management of Alameda County Inc. 510-613-8700



Image is an example for illustrative purposes.

Email

Notices required by Section 6.03.2 of the Agreement may be sent by email. Emails will be sent to any customer that have valid email addresses on their accounts. Email messages will include a link to a video that shows the contamination (example provided below). The emails are sent after the incident is reviewed and registered.



THINK GREEN!

Your Recycling Had Garbage in Itl

Dear Valued Customer.

While servicing your Recycling container, we noticed garbage in it (visible in the video link below). Garbage can ruin an otherwise good load of recyclable materials. Below are some recycling tips to help you keep your container free from contaminants.

Remember to keep all materials loose (bagged material is treated as garbage) and recycle only empty cans and bottles and clean paper and cardboard. Continued contamination of your recycling container could adversely impact your services.

Proper use of your containers is essential to meeting the recycling goals of our community. Please follow these simple guidelines:

- Put materials in the correct containers (see lists below)
- Do not overfill containers lids must close Secure adequate container sizes never mix trash with recyclables

If you need service assistance, please call LOCAL CALL CENTER #. Working together, we can keep our community green.



Service Details

Customer ID:

Service Address:

Service Date

Incident #:

Accepted Recycling Items



Recycle all empty bottles, cans, paper and cardboard. Keep foods and liquids out of recycling. Keep loose plastic bags and bagged recyclables out of recycling.

Image is an example for illustrative purposes.

One Week Before Go Live Date

- Postcard goes out reminding customers how to stay clear of additional charges
- City may use materials to link to City tweets or other communications

IMPORTANT NOTICE

Stay Clear of Additional Charges





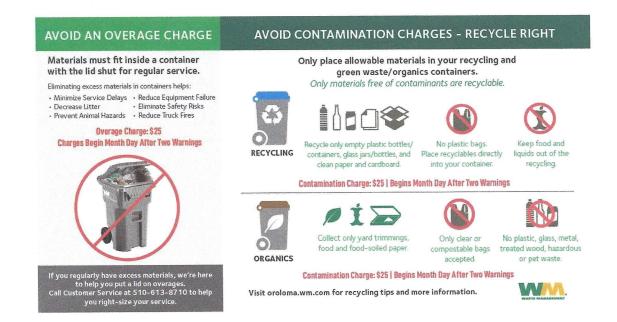
Set Your Service Notification Preferences Using Your Customer ID# Below. Go to WM.com - MyAccount/ManageMyPreferences

CUSTOMER ID# <Customer Unique>

- <Service Name>
- <Service House#> <Service Street Name>
- <Service City>, <Service State> <Service Zip>

To avoid additional charges, keep your recycling containers clear of contamination and ensure all container lids are closed.

Example postcard front for illustrative purposes.



Example postcard back for illustrative purposes.

Go Live

- Program starts
- Start charging after 2 warnings

Schedule of Notifications and Fees

Commercial/MFD

	Carts	Bins	
Incident 1 and 2	Warning	Warning	
Incident 3	\$25		\$75
Incident 4+	\$50		\$100

• Customers who have gone 1 year since most recent contamination fee will reset to the lowest incident fee (example cart customer would be back at a \$25 charge).

Ongoing communications

- Bill Inserts
- SmartTruckSM notifications mailed/emailed
- Any New Accounts that start service after the original launch will receive information on how to avoid contamination in new service brochures and 2 warnings before charging



Example Bill insert for illustrative purposes.

Quality Control

- Our service consultants are trained to carefully identify service issues.
- We have standard protocols for assessing multiple situations.
- A specialized auditor reviews the image for the existence of a particular issue such as a damaged container, excess material, contamination or skipped service.
- A report is generated and sent to the local operations staff for corrective action or customer communication.

Contamination Quality Control

- What contamination quality control is in place to ensure accuracy?
 - O Drop-down menu of contaminant choices & visual aid designed to produce consistency among auditors. Identified contaminant is stated in notification letter. Below are examples of current drop-down menus we utilize:

Drop-down Menu Commercial Contamination Identification - Recycling



Drop-down Menu Commercial Contamination Identification - Green Waste / Organics

COMMERCIAL CONTAMINATION IDENTIFICATION



When reviewing video for contamination, select up to 3 items visible in the video, from the drop-down list of possible contaminants. Below is an image of each contaminant along with any special instructions regarding use.

GREEN WASTE / ORGANICS



Drop-down Menu Residential Contamination Identification - Recycling

RESIDENTIAL CONTAMINATION IDENTIFICATION



When reviewing video for contamination, select up to 3 items visible in the video, from the drop-down list of possible contaminants. Below is an image of each contaminant along with any special instructions regarding use.

RECYCLING

Clothing/ Textiles	Pallets/ Wood	
Electronics	Plastic Bagged Materials	
Film Plastics	Plastic Bags	
Foam Packaging/ Cups	Plastic Bucket/Item	
Food	Soil/Rocks	
Gloves	Tank/ Canister Propane	
HHW (Household Hazardous Waste)	Tanglers	
Metal Objects	Yard Waste	

Drop-down Menu Residential Contamination Identification - Green Waste / Organics

RESIDENTIAL CONTAMINATION IDENTIFICATION



When reviewing video for contamination, select up to 3 items visible in the video, from the drop-down list of possible contaminants. Below is an image of each contaminant along with any special instructions regarding use.

GREEN WASTE / ORGANICS



Customer Right to Appeal / Dispute Process:

- If the customer believes there is a mistake, they can contact WM via the number on the letter or invoice.
- Customer Experience representatives will review the video or image and email a link to the customer
- Credits will be issued for the following reasons
 - o Blurry images
 - o No visible contamination
 - Did not meet the audit guidelines
 - Not customers bin in the picture customer will be exempt from further incident charges until the bin is appropriately linked to the correct address.