



## **AGENDA REGULAR MEETING**

**City Council of the Town of Colma  
Colma Community Center  
1520 Hillside Boulevard  
Colma, CA 94014**

**Wednesday, April 27, 2016  
7:00 PM**

### **PLEDGE OF ALLEGIANCE AND ROLL CALL**

### **ADOPTION OF AGENDA**

### **PRESENTATIONS**

- Introduction of New Facility Attendants Princess Saria and Mathew Yu, and Recreation Leaders Daisy Esquivias, David Locon and Sergio Alvarez
- Recognition of William Healy's 90<sup>th</sup> Birthday

### **PUBLIC COMMENTS**

Comments on the Consent Calendar and Non-Agenda Items will be heard at this time.  
Comments on Agenda Items will be heard when the item is called.

### **CONSENT CALENDAR**

1. Motion to Accept the Minutes from the April 13, 2016 Regular Meeting.

### **NEW BUSINESS**

#### **2. FRANCHISE AGREEMENT FOR RECYCLABLES, ORGANIC WASTE AND GARBAGE COLLECTION AND PROCESSING SERVICES**

*Consider:* Motion to Adopt a Resolution Authorizing an Exclusive Franchise Agreement with Allied Waste Services of North America, LLC for the Collection and Processing of Recyclables and Organics, and the Collection and Disposal of Garbage, from August 31, 2016 through August 31, 2026.

#### **3. 2016-17 WATER CONSERVATION INCENTIVE PROGRAM**

*Consider:* Motion to Adopt a Resolution Establishing the Authorized Subsidy at \$80,000 for the Water Conservation Incentive Program in Fiscal Year 2016-17.

## **STUDY SESSION**

### **4. 2016-17 CAPITAL IMPROVEMENT PLAN**

*This item is for discussion only; no action will be taken at this meeting.*

### **5. PRELIMINARY FISCAL YEAR 2016 – 2017 BUDGET AND FINANCIAL PLAN**

*This item is for discussion only; no action will be taken at this meeting.*

## **COUNCIL CALENDARING**

### **REPORTS**

Mayor/City Council

City Manager

## **ADJOURNMENT**

The City Council Meeting Agenda Packet and supporting documents are available for review at the Colma Town Hall, 1188 El Camino Real, Colma, CA during normal business hours (Mon – Fri 8am-5pm). Persons interested in obtaining an agenda via e-mail should call Caitlin Corley at 650-997-8300 or email a request to [ccorley@colma.ca.gov](mailto:ccorley@colma.ca.gov).

### Reasonable Accommodation

Upon request, this publication will be made available in appropriate alternative formats to persons with disabilities, as required by the Americans with Disabilities Act of 1990. Any person with a disability, who requires a modification or accommodation to view the agenda, should direct such a request to Brian Dossey, ADA Coordinator, at 650-997-8300 or [brian.dossey@colma.ca.gov](mailto:brian.dossey@colma.ca.gov). Please allow two business days for your request to be processed.

**MINUTES  
REGULAR MEETING**

City Council of the Town of Colma  
Colma Community Center, 1520 Hillside Boulevard  
Colma, CA 94014

**Wednesday, April 13, 2016**

Closed Session – 6:00 p.m.

Regular Session – 7:00 p.m.

**CLOSED SESSION – 6:00 p.m.**

1. In Closed Session Under Government Code § 54956.9(a) - Conference with Legal Counsel - Existing Litigation

Name of Case: Moschref v. Town of Colma, et al

2. In Closed Session Pursuant to Government Code Section 54957.6 – Conference with Labor Negotiators

Agency Negotiators: Sean Rabé, City Manager

Austris Rungis, IEDA

Employee Organizations: Colma Peace Officers Association

Colma Communications/Records Association

Unrepresented Employees: All

**CALL TO ORDER – 7:00 p.m.**

Mayor Diana Colvin called the Regular Meeting of the City Council to order at 7:09 p.m.

Council Present – Mayor Diana Colvin, Vice Mayor Helen Fisicaro, Council Members Raquel “Rae” Gonzalez, Joseph Silva and Joanne F. del Rosario were all present.

Staff Present – City Manager Sean Rabé, City Attorney Christopher Diaz, Chief of Police Kirk Stratton, Recreation Services Director Brian Dossey, Director of Public Works Brad Donohue, City Planner Michael Laughlin, and City Clerk Caitlin Corley were in attendance.

**REPORT FROM CLOSED SESSION**

Mayor Colvin stated, “No action was taken at tonight’s closed session meeting.”

**ADOPTION OF THE AGENDA**

Mayor Colvin asked if there were any changes to the agenda. None were request. The Mayor asked for a motion to adopt the agenda.

**Action:** Council Member del Rosario moved to adopt the agenda; the motion was seconded by Vice Mayor Fisicaro and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Diana Colvin, Mayor	✓				
Helen Fisicaro	✓				
Raquel "Rae" Gonzalez	✓				
Joseph Silva	✓				
Joanne F. del Rosario	✓				
	5	0			

## PRESENTATION

- Police Chief Kirk Stratton introduced new Dispatch Supervisor Amanda Velasquez.
- Seton Medical Center President and CEO John Ferrelli gave an update on the hospital.

## PUBLIC COMMENTS

Mayor Colvin opened the public comment period at 7:26 p.m. and seeing no one come forward to speak, she closed the public comment period.

## CONSENT CALENDAR

3. Motion to Accept the Minutes from the March 23, 2016 Regular Meeting.
4. Motion to Approve Report of Checks Paid for March 2016.
5. Motion to Accept Informational Report on Recreation Department Programs, Activities, Events, and Trips for the First Quarter of 2016.
6. Motion to Adopt a Resolution Amending Subchapter 3.02 of the Colma Administrative Code, Relating to After Work Hour Communications.
7. Motion to Adopt a Resolution Amending Subchapters 3.03 and 3.04 of the Colma Administrative Code, Relating to Personnel Policies, Discrimination, Harassment, and Retaliation.

**Action:** Council Member del Rosario moved to approve the Consent Calendar items #3-7; the motion was seconded by Vice Mayor Fisicaro and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Diana Colvin, Mayor	✓				
Helen Fisicaro	✓				
Raquel "Rae" Gonzalez	✓				
Joseph Silva	✓				
Joanne F. del Rosario	✓				
	5	0			

## PUBLIC HEARING

### 8. 435-455 SERRAMONTE BOULEVARD - CARMAX

City Planner Michael Laughlin presented the staff report. He made a note of two small corrections to items (q) and (t) in the second proposed resolution. Mayor Colvin opened the public comment hearing at 7:47 p.m. Keith Henderson of CarMax made a comment. Citizen Patricia Simpson asked several questions. The Mayor closed the public hearing at 7:50 p.m. Council discussion followed.

**Action:** Vice Mayor Fisicaro moved to Adopt a Resolution Adopting a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program in Compliance with the California Environmental Quality Act for an Automobile Dealership Project at 435-455 Serramonte Boulevard; the motion was seconded by Council Member del Rosario and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Diana Colvin, Mayor	✓				
Helen Fisicaro	✓				
Raquel "Rae" Gonzalez	✓				
Joseph Silva	✓				
Joanne F. del Rosario	✓				
	5	0			

**Action:** Vice Mayor Fisicaro moved to Adopt a Resolution Approving Amended Conditional Use Permit, Project Design, Sign Permit, and Tree Permit for an Automobile Dealership Project at 435-455 Serramonte Boulevard, with the proposed changes to items (q) and (t); the motion was seconded by Council Member Gonzalez and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Diana Colvin, Mayor	✓				
Helen Fisicaro	✓				
Raquel "Rae" Gonzalez	✓				
Joseph Silva	✓				
Joanne F. del Rosario	✓				
	5	0			

## NEW BUSINESS

### 9. TOWN HALL MASS GRADING AND SITE IMPROVEMENT CHANGE ORDER

Director of Public Works Brad Donohue presented the staff report. Mayor Colvin opened the public hearing at 8:09 p.m. and seeing no one come forward to speak, she closed the public hearing. Council discussion followed.

**Action:** Vice Mayor Fisicaro moved to Adopt a Resolution Authorizing Change Orders to the Construction Contract with Farallon Company, Inc. for the Mass Grading and Site Improvement Project for the Colma Town Hall Renovation Project, in the Amount of \$310,000, and Authorizing the City Manager to Negotiate and Execute Change Orders Up to

the Total Contract Amount of \$1,451,317, All Pursuant to CEQA Guideline 15303, 15331 and 15332.; the motion was seconded by Council Member Silva and carried by the following vote:

Name	Voting		Present, Not Voting		Absent
	Aye	No	Abstain	Not Participating	
Diana Colvin, Mayor	✓				
Helen Fisicaro	✓				
Raquel "Rae" Gonzalez	✓				
Joseph Silva	✓				
Joanne F. del Rosario	✓				
	5	0			

## COUNCIL CALENDARING

The next Regular City Council Meetings will be Wednesday, April 27, 2016 at 7:00 p.m. and Wednesday, May 11, 2016 at 7:00 p.m.

## REPORTS

### Joseph Silva

Council of Cities Dinner, hosted by Woodside, 3/25

City Manager Sean Rabé reported on the following topics:

- There has been an increase in unlocked vehicles being broken in to; please remember to lock your cars.
- Town Hall Construction bids have been received and the contract will be awarded at an upcoming meeting.
- Small Business Week will be April 18-21, 2016.

## ADJOURNMENT

The meeting was adjourned by Mayor Colvin at 8:51 p.m. in memory of Deborah McAdam Giubbini, Bay Area Native and friend of Vice Mayor Fisicaro.

Respectfully submitted,

Caitlin Corley  
City Clerk



# STAFF REPORT

TO: Mayor and Members of the City Council  
FROM: Roger Peters, Project Manager  
VIA: Sean Rabé, City Manager  
MEETING DATE: April 27, 2016  
SUBJECT: Franchise Agreement for Recyclables, Organic Waste and Garbage Collection and Processing Services

---

## RECOMMENDATION

Staff recommends that the City Council adopt the following resolution:

RESOLUTION AUTHORIZING AN EXCLUSIVE FRANCHISE AGREEMENT WITH ALLIED WASTE SERVICES OF NORTH AMERICA, LLC FOR THE COLLECTION AND PROCESSING OF RECYCLABLES AND ORGANICS, AND THE COLLECTION AND DISPOSAL OF GARBAGE, FROM AUGUST 31, 2016 THROUGH AUGUST 31, 2026

## EXECUTIVE SUMMARY

The proposed resolution authorizes the Town to enter into a franchise agreement requiring Allied Waste Services Of North America, LLC, doing business as Republic Services, Inc. ("Republic") to collect garbage, recyclable materials, food waste and yard trimmings ("discarded materials") from all residential and commercial properties in Colma and to transport the discarded materials to approved facilities for processing, transformation, re-use or disposal. The proposed agreement provides that:

- Republic will be the only authorized solid waste hauler in Colma;
- Republic will provide services and programs previously described, including,
  - for residents, curbside collection of garbage, recyclable materials and organic waste, free periodic collection of household hazardous waste, used batteries, oil, oil filters, and bulky goods, and
  - for businesses, bin and roll-off box collection services as well as technical assistance aimed at increasing diversion rates;
- Republic must meet the following diversion goals: 24% from 2018 to 2020; 31% from 2020 to 2022; 37% from 2022 to 2024; 43% from 2024 to 2026;
- Republic's sole compensation for all services will be revenues from rates approved by the City Council and proceeds from the sale of recyclable materials;

- At the start of the contract term, the maximum rates that Republic may charge are stated in Exhibit D to the Franchise Agreement; and
- Thereafter, the rates may increase or decrease by a formula based on increases or decreases in the Consumer Price Index for the San Francisco-San Jose Metropolitan area, up to a maximum adjustment of 5% per year.

The services and programs to be provided by Republic are well-documented in previous Staff Reports<sup>1</sup> and will not be repeated here. The focus of this Staff Report will be on proposed substantive changes to the draft franchise agreement that staff has negotiated since the City Council meeting on February 24 and on satisfaction of the Council's conditions of approval that are set forth in Resolution 2016-09.

Attached to this Staff Report are the proposed Franchise Agreement, Exhibit A, "Town Services," and Exhibit D, the "Maximum Rates" that Republic may charge customers. The other exhibits described in the Franchise Agreement are posted on the Town's website.

## **FISCAL IMPACT**

Staff estimates that the Town will receive approximately \$50,000 per year in franchise fees during the term of the contract, which should offset the Town's costs of regulating and monitoring the performance of the contractor.

In addition, Republic will pay the Town a rebate of \$20 per ton of recyclable materials processed at its Newby Island Recovery Park during the entire term of the agreement. Republic estimates that the rebate will be \$13,000 to \$18,000 each year.

## **BACKGROUND**

In 2010, the Town granted Allied Waste Services of North America, LLC, the exclusive right to serve most residences and businesses north of Serramonte Boulevard for five years; South San Francisco Scavenger Company (SSFSC), the right to serve most residences and businesses south of Serramonte Boulevard; and Recology Peninsula Services ("Recology"), the right to serve ten businesses in the central part of town. Later, Allied was acquired by Republic Services, Inc. as a wholly-owned subsidiary, and is now doing business as Republic Services of Daly City ("Republic"). The franchise agreements to Republic, Scavenger and Recology will expire on August 30, 2016. Last year, the City Council directed staff to request proposals for an exclusive franchise agreement with one company to provide all garbage and recycling collection and processing services within the town. At its February 24, 2016 meeting, the Council directed staff to negotiate a franchise agreement with Republic based on the proposal that Republic had submitted and the draft franchise agreement that the Town had suggested in its Request for Proposals.

---

<sup>1</sup> See, Staff Reports for City Council meetings on March 11, October 28, and November 12 in 2015 and February 24, 2016, which are posted on the Town's website.



## ANALYSIS

### Proposed Substantive Changes

#### *Rebates on Processed Recyclables*

In its Proposal, Republic stated<sup>2</sup> that it will pay the Town a rebate of \$20 per ton of recyclable materials processed at its Newby Island Recovery Park during the entire term of the agreement. The rebate will be paid quarterly throughout the year and is in addition to the franchise fee required by the Town. Republic estimates that the rebate will be \$13,000 to \$18,000 each year.

#### *Deferral of First Rate Increase*

Staff has negotiated a change to the date when the first rate increase will occur, deferring the date of the first rate increase from January 1, 2017 to September 1, 2017.

The Request for Proposals published by the Town specified that the new contract would take effect April 1, 2016, the day after the existing franchise agreements were scheduled to expire. The RFP also provided that the first rate increase could occur on January 1, 2017.

After the RFP was published, the Town and the two proposers stipulated to extend end date of the existing franchise agreements and the start date of the new franchise agreement to August 31, 2016. Thus, under the proposed contract, the new rates would have taken effect September 1, 2016 and the first rate increase would have occurred January 1, 2017.

After the Council's selection of Republic, staff met with Republic to negotiate the final version of the franchise agreement. During that process, staff seized the opportunity to negotiate a deferral of the date of the first rate increase from January 1, 2017 to September 1, 2017. The deferral of the first rate increase will eliminate any confusion that might arise from two rate changes occurring a mere four months apart and, as explained below, will slightly lower the rate increases in 2017 and 2018.

To partially make up for Republic's loss of revenues due to the deferral,<sup>3</sup> staff negotiated a one-time adjustment to the formula for calculating rate increases. The adjustment was determined by estimating the revenues that Republic would have earned if customer rates were increased as provided in the RFP.

The RFP provided that future rate increases would be calculated based on changes in the CPI for the San Francisco-San Jose Metropolitan Area. Over the past five years, the CPI change has averaged 2.6% per year.<sup>4</sup> Thus, it is reasonable to project that Republic would have been entitled to a 2.6% rate increase on January 1, 2017. To partially reimburse Republic for the loss of revenue due to the delay, staff negotiated an adjustment to the formula for rate increases so that Republic would recover half of the lost revenue in the period from September 1, 2017 to August 31, 2018, and the other half from September 1, 2018 to August 31, 2019. In short, the rate increases on September 1, 2017 and 2018 will include the normal CPI increase plus half of

---

<sup>2</sup> Proposal from Republic Services, August 31, 2015, pg. 89

<sup>3</sup> Staff has estimated that, even with the adjustments to the rate increase formula described in this Report, Republic will still lose about \$8,000 per year in lost revenues by deferring the first rate increase.

<sup>4</sup> The changes were 2.6% in 2011; 2.68% in 2012; 2.24% in 2013; 2.84% in 2014; and 2.61% in 2015.

the increase that would have occurred on January 1, 2017.<sup>5</sup> The following table shows the estimated impact of rate increases on September 1, 2017 on a sample range of services.

<i>Service Level</i>	<i>Rate before 9/1/16</i>	<i>Amount of Increase</i>	<i>New Rate on 9/1/16</i>
Res 20 gallon cart	\$19.17	\$0.52	\$19.69
Res 32 gallon cart	\$22.17	\$0.60	\$22.77
Res 64 gallon cart	\$44.34	\$1.20	\$45.54
Res 96 gallon cart	\$66.52	\$1.79	\$68.31
1 cy/wk (MSW)	\$118.76	\$3.20	\$121.96
2 cy/wk (MSW)	\$225.45	\$6.08	\$231.53
3 cy/wk (MSW)	\$325.98	\$8.79	\$334.77
Roll-off (pull only)	\$256.26	\$6.91	\$263.17
MSW per ton tip fee	\$86.65	\$2.34	\$88.99
C&D per ton pit fee	\$110.53	\$2.98	\$113.51

Note that this is an estimate only; the actual adjustment will depend on changes in the CPI. In no case, however, may customer rates ever increase by more than 5% in any year.

#### *Collection of Household Hazardous Waste (HHW), etc.*

The RFP asked that the selected contractor collect at the Corporations Yard, twice yearly and without charge, HHW, E-Waste and Universal Wastes that had been dropped-off there by residents. At the February council meeting, the author mistakenly stated that the drop-offs would be ongoing. After further investigation, staff determined that, because of environmental hazards and the requirements for handling and storing these materials, it would not be feasible to store the wastes for any length of time at the Corporations Yard. So staff negotiated an increase in the number of times that residents can drop these wastes off from two to three times a year for Republic to promptly collect and dispose of the wastes.

<sup>5</sup> The formula is straightforward. Because the rate increase is being delayed by 9 months, which is 75% of whole year, Republic should be entitled to recover 75% of the CPI increase for the delay. Instead of taking the full 75% of the “make-up” CPI in on Sept 1, 2017, Republic has agreed to split the 75% over the 2017 and 2018 increases. In 2017, the rate adjustment will be 137.5% of the annual adjustment in the Consumer Price Index (CPI). The calculation of the 2017 rate increase is shown in this table:

<i>Description</i>	<i>Calculation</i>	<i>Explanation</i>
2011-2015 Avg CPI	2.60 %	Historical average
1 <sup>st</sup> Increase	2.60 %	100% of CPI
Plus “Make-up” increase for delay	0.098 %	37.5% of CPI
Total Increase on 9/1/2017	2.70 %	

### *Bulky Waste Collection*

Staff also negotiated an increase from two to three times a year when residents may call for their bulky goods to be collected curbside.

### *New and Refurbished Containers*

The original RFP contemplated that the franchise would be awarded in September 2015 and that the new contract would start April 1, 2016, which would have given Republic over six months to purchase new wheeled carts for residential collections, to meet with and determine the needs of commercial customers, and to refurbish waste containers for commercial customers. Under the current schedule, Republic will have less than three months to complete these same tasks. Recognizing the burden of the current schedule, staff recommends changing the date for delivery of new wheeled carts to residents from September 1 to September 16, 2016 and changing the date for delivery of new or refurbished bins from September 1, 2016 to January 1, 2017.

### *Service Day*

Staff asked Republic to change the residential collection date to a Tuesday, Wednesday, or Thursday throughout the town but Republic declined, saying that the change would involve a *minimum* of 943 homes, which includes accounts outside of Colma. To maintain efficiency and maintain geographic density in its service days, Republic would need to move a full work day of the residential routes, which would affect approximately 4,700 homes. This would have a significant impact on Republic's residential customers in Daly City. Republic had committed to Daly City that its new franchise would have only a minimal impact in service day changes, and accommodating the Town's request would be in conflict with that prior commitment. Republic stated that while it cannot make the change in service day at this time, it may have that opportunity in the future and will let the Town know of it.

## **Conditions of Approval**

The resolution selecting Republic for the exclusive franchise contained several conditions of approval. This section reports on the status of those conditions.

### *Vacation Holds*

The resolution required that "vacation holds" be included in the franchise agreement. The proposed Franchise Agreement contains the following provision for suspension of service and billings for vacations and other times when the premises are vacant:<sup>6</sup>

- Single-family residential customers may suspend one-day collection service three times a year;
- Commercial customers may suspend service for two days up to six times a year;
- Multi-family residential customers may not suspend service without prior written approval from the Town.

---

6 § 3.10

### *Disclosure of Roll-off Rates*

The resolution required that all roll-off rates for box sizes and services actually provided by the selected contractor be posted on the rate schedule, approved in advance by the Town, fully disclosed in the selected contractor's rate schedules, and consistent with the rates proposed by the selected contractor in revised Proposal Forms M1 through M-8,

Page D5 of Exhibit 5 to the Franchise Agreement sets forth all of Republic's roll-off rates. Approval of the franchise agreement, which includes Exhibit D, satisfies this condition.

### *Diversion Coordinator's Hours*

The resolution requires that the minimum number of required hours for the Diversion Coordinator be tied to the diversion rates achieved by the selected contractor, e.g., if diversion was less than the goal, then the number of hours would be increased to a specified number. Section 6 of the Diversion Plan, which is Exhibit H to the Franchise Agreement provides that during the first two years, the Coordinator will dedicate 100% of his or her time (40 hours per week) to Colma and thereafter, at least 50% of his or her time (20 hours per week). This is a minimum, and the Plan calls for re-evaluation of the hours based on need and program results.

### *Liquidated Damages*

To satisfy another condition in the resolution, the franchise agreement provides for liquidated damages of \$500 per incident for failure to accurately invoice a customer in accordance with approved rates.<sup>7</sup>

### *Location of Service Center*

Paragraph 4.3.5 of the Franchise Agreement specifies that Republic shall maintain its principal office within 12 miles of the Town's Town Hall and that the office shall be open from 7:00 a.m. to 5:00 p.m. weekdays, in accordance with a condition in the resolution.

### *Contractor's Investigation*

As required by the resolution, the Franchise Agreement includes an acknowledgement from the selected contractor that it is solely responsible to conduct its own investigation and due diligence and that the Town does not warrant the accuracy of any data in the RFP.

### *Tonnage Audit Protocols*

A "Tonnage Audit Protocol" shall be included in section 2 of the Collections Operations Plan, which is Exhibit G to the Franchise Agreement. The protocol was drafted and approved by the Town's consultant and includes a process to verify tons collected, composition of loads of recyclables, the running of separate routes, weighing the vehicles, and comparing load weights to what Republic has allocated.

---

<sup>7</sup> See, *Franchise Agreement*, page 63.

### *Rates for Organic Waste Services*

In Exhibit D, the roll-off rates for collection of organic waste are 25% less than the roll-off rates for trash, as required by the resolution.

### *Transfer of Recyclables at BLTS*

The resolution requires that Republic use Blue Line Transfer Station (BLTS) to transfer recyclable materials to the Newby Island MRF, provided however that the cost for the use of BLTS is approved by the City Manager. The City Manager has determined that the use of BLTS to transfer recyclable materials would significantly increase Republic's costs, and the rates to Colma customers, and has therefore determine that this condition cannot be feasibly satisfied. If Republic used BLTS to transfer the recyclables to Newby Island, there would be an additional \$25,956 in annual transportation costs; if instead Republic used BLTS to process the recyclables, there would be an estimated loss of \$43,398 in commodity profit. In either case, Republic would not be able to use BLTS without increasing its customer rates.

### **Assurances against Unauthorized Rate Increases**

During the debate over Resolution 2016-09, council members expressed a desire that the contract contain provisions assuring that the only rate increases would be those authorized in the franchise agreement, e.g., based on the CPI. The Franchise Agreement contains these specific assurances:

Article 7 of this Agreement exclusively outlines the compensation that Contractor shall receive for providing all services set forth in this Agreement. Contractor understands and agrees that the Town will not allow any future "true-up" or any future "detailed rate review." Furthermore, the Town is not guaranteeing any level of revenue or profit. Conversely, the Town understands and agrees that under no circumstances will the Town require a "detailed rate review" that will limit any level of revenue for the Contractor.<sup>8</sup>

The agreement, however, allows for one exception. If a governmental agency imposes or increases a fee or tax related to the collection, transportation, processing or disposal of waste, Republic may request an adjustment in the Maximum Rates to reflect the new or increased fee or tax. The Town may approve or deny this request in its reasonable discretion and the approval will be contingent on the successful completion of a Proposition 218 proceeding. Moreover, any fees and taxes are a pass-through cost, which means that Republic shall not be entitled to charge any profit or markup. In addition, the agreement specifies that no other increased fees, taxes or costs shall be grounds for Republic to seek an increase in its rates.<sup>9</sup>

### **Reasons for Approving the Franchise Agreement**

The proposed Franchise Agreement is better for the Town, its residents and its businesses than the existing agreements. Residents and businesses will be receiving additional and better

---

<sup>8</sup> Recitals, page 1

<sup>9</sup> Franchise Agreement § 7.1.3.C

services that they are now receiving at a slightly lower cost. By authorizing the proposed ten-year agreement, the Council would be making a decision that is both *responsible* and *visionary*.

### **Next Steps**

Additional work is needed to finalize the technical language in the franchise agreement, execute the contracts, and conduct the Prop 218 proceeding. Staff will not initiate the Prop 218 process until after the contracts have been executed. The protest hearing would be scheduled for the next regular city council meeting following the 45th day after the Town mailed the Proposition 218 notices to property owners. The hearing would probably be at the end of June or in early July. If a majority of property owners and tenants file protests, the contract would become void; if the protest fails, then the contract would become effective on August 31, 2016.

### **Alternatives**

The alternatives are to select South San Francisco Scavenger Company, who has submitted a proposal, or to reject all proposals and start the process over again. In either case, the Town would need to negotiate an extension of the existing franchise agreements with Republic, SSFSC and Recology.

### **Documents**

Attached to this Staff Report are the draft Franchise Agreement and Exhibits A (Town Services) and D (Maximum Rates). The remaining exhibits to the Franchise Agreement, which comprise almost 80 pages, are posted online on the Town's website. In addition, Staff Reports for City Council meetings on March 11, October 28, and November 12, 2015 and on February 24, 2016, along with the original source documents, such as the Proposal from Republic and supplemental information about organics collections, environmental impacts, estimated revenues from residential and commercial services, migration from larger to smaller size containers, customer rates, and other topics are also posted on the Town's website.

### **CONCLUSION**

Staff recommends that City Council adopt a resolution to authorize the Town to execute a Franchise Agreement with Allied Waste Services of North America, LLC, doing business as Republic Services, Inc. for waste hauling services to properties within the Town of Colma. The attached resolution authorizes the City Manager and City Attorney to make technical changes to the draft Franchise Agreement that are consistent with this Staff Report.

### **ATTACHMENTS**

- A. Resolution
- B. Draft Franchise Agreement with Exhibits A and D (*Note: Due to length, exhibits B, C, and E through M are only available on the digital version of the agenda packet found on the Town's website*).

**RESOLUTION NO. 2016-\_\_**  
**OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**RESOLUTION AUTHORIZING AN EXCLUSIVE FRANCHISE AGREEMENT  
 WITH ALLIED WASTE SERVICES OF NORTH AMERICA, LLC, DBA REPUBLIC  
 SERVICES OF DALY CITY, FOR THE COLLECTION AND PROCESSING OF  
 RECYCLABLES AND ORGANICS, AND THE COLLECTION AND DISPOSAL OF  
 GARBAGE, FROM AUGUST 31, 2016 THROUGH AUGUST 31, 2026**

The City Council of the Town of Colma resolves:

**1. Background.**

(a) In 2010, the Town granted Allied Waste Services of North America, LLC, the exclusive right to serve most residences and businesses north of Serramonte Boulevard for five years; South San Francisco Scavenger Company (SSFSC), the right to serve most residences and businesses south of Serramonte Boulevard; and Recology Peninsula Services ("Recology"), the right to serve ten businesses in the central part of town. Later, Allied was acquired by Republic Services, Inc. as a wholly-owned subsidiary, and is now doing business as Republic Services of Daly City ("Republic"). The franchise agreements to Republic, Scavenger and Recology will expire on August 30, 2016.

(b) Requests for proposals were delivered to four contractors holding an exclusive franchise to collect and process solid waste in a jurisdiction in San Mateo County, Republic Services, Inc., South San Francisco Scavenger Co., Inc., Recology Peninsula Services, and Green Waste Recovery, and to Waste Management, Inc., the largest solid waste collection contractor in the country. Requests for proposals were also posted on the Town's website.

(c) The Town received written proposals from Republic and SSFSC. The City Manager's Evaluation Committee interviewed the management teams from Republic and SSFSC; visited the Blue Line Transfer Station, where SSFSC's offices, customer service center, corporation yard, materials recovery facility, transfer station, and anaerobic digestion (AD) facility are located, and the Newby Island Recyclery, where Republic's automated materials recovery facility is located; and carefully scrutinized both proposals as well as responses to specific follow-up questions about each company's proposals. The City Manager's Evaluation Committee recommended selection of Republic as the contractor to provide solid waste collection and processing services for residents and businesses in the Town of Colma.

(d) The City Council met to review the request for proposals (March 11, 2015), the qualifications, technical proposals and diversion plans submitted by Republic and Scavenger (October 28), the proposed rate schedules (November 12), the revised rate schedules (January 27, 2016) and the selection of a contractor (February 24, 2015).

(e) Award of a contract to Republic would be in compliance with the Town's Purchasing Ordinance.

## 2. Findings.

Independently exercising its own judgment, the City Council finds that Allied Waste Services of North America, LLC, dba Republic Services of Daly City has the demonstrated competence, the technical qualifications necessary for the satisfactory performance of the required services, and the best plans for providing the required services and programs, including plans for meeting the Town's diversion goals, all at fair and reasonable prices to residents and businesses in the Town of Colma, and should be awarded an exclusive franchise agreement for the collection and processing of recyclables and organics, and the collection and disposal of garbage from August 31, 2016 through August 30, 2026.

## 3. Order.

The Mayor is authorized to execute a contract on behalf of the Town of Colma with Allied Waste Services of North America, LLC, dba Republic Services of Daly City, a copy of which was attached to the Staff Report to the City Council for its April 27, 2016 meeting, with such technical amendments as may be deemed appropriate by the City Manager and the City Attorney.

### Certification of Adoption

I certify that the foregoing Resolution No. 2016-\_\_ was duly adopted at a regular meeting of the City Council of the Town of Colma held on April 27, 2016, by the following vote:

Name	Counted toward Quorum			Not Counted toward Quorum	
	Aye	No	Abstain	Present, Recused	Absent
Diana Colvin, Mayor					
Helen Fisicaro, Vice Mayor					
Joanne del Rosario					
Raquel Gonzalez					
Joseph Silva					
<i>Voting Tally</i>					

Dated \_\_\_\_\_

\_\_\_\_\_  
Diana Colvin, Mayor

Attest: \_\_\_\_\_  
Caitlin Corley, City Clerk



**FRANCHISE AGREEMENT  
FOR RECYCLABLES, ORGANIC WASTE AND GARBAGE  
COLLECTION AND PROCESSING SERVICES  
BETWEEN  
TOWN OF COLMA  
AND  
ALLIED WASTE SERVICES OF NORTH AMERICA, LLC**

## TABLE OF CONTENTS

	Page
Article 1. DEFINITIONS.....	1
1.1 AB 341 .....	1
1.2 AB 939 .....	2
1.3 AB 1826 .....	2
1.4 Affiliate .....	2
1.5 Agreement.....	2
1.6 Alternative Daily Cover (ADC).....	2
1.7 Alternative Intermediate Cover (AIC) .....	2
1.8 Applicable Law .....	3
1.9 Approved C&D Processing Facility .....	3
1.10 Approved Disposal Facility .....	3
1.11 Approved Facility(ies) .....	3
1.12 Approved Organics Processing Facility.....	3
1.13 Approved Organics Transfer Facility .....	3
1.14 Approved Recyclables Processing Facility.....	3
1.15 Approved Recyclables Transfer Facility .....	3
1.16 Bin.....	3
1.17 Biomedical Waste .....	4
1.18 Biosolids .....	4
1.19 Bulky Goods .....	4
1.20 CalRecycle .....	4
1.21 Cart.....	4
1.22 City Manager .....	4
1.23 Collect, Collected, Collection .....	4
1.24 Commencement Date.....	5
1.25 Commercial, Commercial Property .....	5
1.26 Compactor, Compaction .....	5
1.27 Compost .....	5
1.28 Composting.....	5
1.29 Construction and Demolition Debris (C&D).....	5
1.30 Containers .....	5
1.31 Contamination.....	5

## TABLE OF CONTENTS

(con't)

	<b>Page</b>
1.32 Contractor .....	6
1.33 County.....	6
1.34 Day .....	6
1.35 Debris Box .....	6
1.36 Discarded Materials .....	6
1.37 Disposal.....	6
1.38 Diversion Coordinator .....	6
1.39 Divert, Diversion.....	6
1.40 Effective Date .....	7
1.41 Electronic Waste .....	7
1.42 Emergency Condition .....	7
1.43 Environmental Laws .....	7
1.44 Excluded Waste .....	7
1.45 Food Waste .....	8
1.46 Generator.....	8
1.47 Hazardous Substance .....	8
1.48 Hazardous Waste .....	8
1.49 Holidays .....	8
1.50 Household Batteries .....	9
1.51 Household Hazardous Waste (HHW).....	9
1.52 Kitchen Food Waste Pail .....	9
1.53 Maximum Rate.....	9
1.54 Multi-Family, Multi-Family Property, MFD .....	9
1.55 Non-Collection Notice .....	9
1.56 Organic Waste.....	9
1.57 Party, Parties .....	9
1.58 Processing .....	9
1.59 Public Containers .....	10
1.60 Rate .....	10
1.61 Recyclables .....	10
1.62 Recycle, Recycling .....	10
1.63 Residential, Residential Property.....	10

## TABLE OF CONTENTS

(con't)

	<b>Page</b>
1.64 Residue.....	10
1.65 Reuse, Reusable .....	11
1.66 Service Area.....	11
1.67 Service Recipient .....	11
1.68 Single-Family, Single-Family Property, SFD.....	11
1.69 Solid Waste .....	11
1.70 Source Reduction .....	11
1.71 Source-Separated .....	12
1.72 Term.....	12
1.73 Town .....	12
1.74 Transformation.....	12
1.75 Universal Waste .....	12
1.76 Used Motor Oil .....	12
1.77 Used Oil Filter.....	12
1.78 Yard Trimmings.....	12
Article 2. GRANT AND ACCEPTANCE OF FRANCHISE .....	13
2.1 Grant and Acceptance of Franchise .....	13
2.2 Own Investigation .....	13
2.3 Term.....	13
2.4 Obligations of the Parties.....	13
2.5 Enforcement of Contractor's Exclusive Rights .....	14
2.6 Conditions to Effectiveness of Agreement .....	14
2.7 Reimbursement for Execution of Agreement .....	14
2.8 Responsibility for Materials.....	14
2.9 Exceptions.....	15
2.10 Service Recipients Options for Recyclables and Bulky Goods .....	16
Article 3. COLLECTION SERVICES.....	16
3.1 General .....	16
3.2 Contractor-required Plans .....	17
3.2.1 Transition Plan .....	17
3.2.2 Collections Operations Plan, Diversion Plan and Public Education and Outreach Plan .....	17

## TABLE OF CONTENTS

(con't)

	<b>Page</b>
3.3 SFD Residential Collection Services .....	17
3.3.1 SFD Collections .....	17
3.3.2 SFD Containers .....	17
3.3.3 Oil, Battery and CFL Collection .....	17
3.3.4 Holiday Tree Collection Program .....	18
3.3.5 On-Demand Bulky Goods .....	18
3.3.6 Back Yard or Side Yard Collection .....	18
3.4 Multifamily Residential Services .....	18
3.5 Commercial Collection Services .....	19
3.5.1 Collection .....	19
3.5.2 Containers .....	19
3.5.3 Recyclable Collection .....	19
3.5.4 Organic Waste Collection .....	20
3.6 Debris Box, Bin and Compactor Services .....	20
3.7 Construction and Demolition Debris Collection .....	20
3.8 Overage Collection .....	20
3.8.1 Solid Waste Overage Collection .....	20
3.8.2 Recyclables Overages .....	20
3.9 Bulky Good Collection .....	21
3.9.1 General .....	21
3.9.2 Illegally Dumped Bulky Goods .....	21
3.9.3 Bulky Goods Containing Hazardous Substances .....	21
3.9.4 Maximum Reuse and Recycling .....	21
3.10 Collection Stops .....	22
Contractor shall allow Customers to temporarily suspend service and billings, as provided herein .....	22
3.11 Town Services .....	22
3.11.1 Containers at Town Facilities .....	22
3.11.2 Containers at Public Locations .....	22
3.11.3 Town-Sponsored Community Events .....	22
3.11.4 Free Compost .....	22
3.11.5 HHW, E-Waste and U-Waste Collection Event .....	23

## TABLE OF CONTENTS

(con't)

	<b>Page</b>
3.12 Collection Standards .....	23
3.12.1 Containers .....	23
3.12.2 Collection Vehicles and Equipment.....	24
3.12.3 Hours of Collection.....	25
3.12.4 Holiday Service.....	26
3.12.5 Route Change.....	26
3.12.6 Non-Collection.....	26
3.12.7 Care of Private Property.....	27
3.12.8 Clean-Up and Noise.....	27
3.12.9 Personnel.....	27
3.13 Removal of Hazardous Waste.....	28
3.14 Diversion Requirements.....	28
3.14.1 Contractor Obligation .....	28
3.14.2 Diversion Rate .....	28
3.14.3 Diversion Requirements.....	29
3.14.4 Compliance with Diversion Requirements .....	29
3.14.5 Cooperation.....	30
3.15 Additional Recyclable Materials.....	30
3.16 Town's Right to Direct Changes.....	31
Article 4. BILLING, REPORTING AND CUSTOMER OUTREACH.....	31
4.1 Billing Services .....	31
4.1.1 Town Inserts.....	31
4.1.2 Delinquent Accounts.....	31
4.1.3 Billing Records .....	31
4.1.4 Town Access to Billing Information.....	32
4.2 Town of Colma Reporting Requirements .....	32
4.2.1 Quarterly Reports.....	32
4.2.2 Annual Reports .....	33
4.3 Inspection by Town; Performance Reviews .....	33
4.3.1 General.....	33
4.3.2 Performance Review .....	33
4.3.3 Performance Audits .....	34

## TABLE OF CONTENTS

(con't)

	<b>Page</b>
4.3.4 Customer Service .....	34
4.3.5 Office Location and Hours.....	34
4.3.6 Local Telephone Number .....	34
4.3.7 Emergency Telephone Number .....	34
4.3.8 Multilingual/TDD Service .....	35
4.3.9 Website .....	35
4.3.10 Service Recipient Complaints and Inquiries .....	35
4.3.11 Missed Pick-Ups .....	35
4.4 Community Relations Program.....	36
4.4.1 Initial Start-Up Public Education.....	36
4.4.2 Ongoing Public Education .....	36
4.4.3 Written Materials .....	37
4.4.4 Non-Collection Notice .....	37
4.4.5 Diversion Assistance.....	37
4.4.6 Analysis of Discarded Material Composition.....	38
4.5 Commercial Technical Assistance Program .....	38
4.6 Diversion Coordinator .....	38
4.7 Nondiscrimination.....	39
Article 5. PROCESSING AND DISPOSAL .....	39
5.1 Compliance with Permits.....	39
5.2 Permits and Approvals.....	39
5.3 Disposal Facility .....	39
5.4 Organic Waste Processing Facility .....	40
5.5 Approved Recyclables Processing Facility.....	40
5.6 Approved C&D Processing Facility .....	40
5.7 Inspections .....	40
5.8 Contingent Facility.....	40
Article 6. TOWN FEES .....	40
6.1 Franchise Fee .....	40
6.1.1 Franchise Fee Amount .....	40
6.1.2 Time and Method of Payment.....	41
6.1.3 Adjustment to Franchise Fee .....	41

## TABLE OF CONTENTS

(con't)

	<b>Page</b>
6.2 Other Fees .....	41
Article 7. CONTRACTOR'S COMPENSATION AND RATES .....	41
7.1 Rates for Solid Waste Collection.....	41
7.1.1 Establishing and Collecting Rates; Compensation of Contractor.....	41
7.1.1 Initial Rates .....	42
7.1.2 Rate Year One and Rate Year Two Adjustments .....	42
7.1.3 Subsequent Rate Adjustments.....	42
7.1.4 Applicable Law .....	44
7.2 Recyclables Rebate .....	44
7.3 Grant Funding .....	44
Article 8. INDEMNIFICATION, INSURANCE AND BOND.....	44
8.1 Indemnification .....	44
8.1.1 Indemnification and Hold Harmless - Contractor.....	44
8.1.2 AB 939, AB 341, AB 1846 and Local Ordinance Compliance .....	45
8.1.3 Defense .....	45
8.1.4 Damage by Contractor .....	45
8.2 Insurance .....	45
8.2.1 Insurance Policies .....	45
8.2.2 Minimum Scope and Limits of Insurance.....	46
8.2.3 Endorsements .....	47
8.2.4 Hazardous Substances, Environmental Impairment Liability Insurance .....	47
8.2.5 Acceptability of Insurers.....	48
8.2.6 Verification of Coverage.....	48
8.2.7 Subcontractors.....	49
8.2.8 Modification of Insurance Requirements.....	49
8.3 Performance Bond .....	49
8.3.1 Performance Bond Requirement.....	49
8.3.2 Alternative to Performance Bond .....	49
8.3.3 Town's Rights .....	49
8.4 Guaranty.....	50
Article 9. TOWN'S RIGHT TO PERFORM SERVICE .....	50



## TABLE OF CONTENTS

(con't)

	Page
9.1 Emergency Conditions.....	50
9.1.1 Emergency Operations.....	50
9.1.2 Use of Contractor's Facilities .....	50
9.1.3 Indemnification .....	51
9.1.4 Cessation of Emergency .....	51
9.1.5 Resumption of Service.....	51
9.1.6 Limitation.....	51
9.1.7 Town Termination of Agreement .....	51
9.2 Disaster Operations .....	52
9.2.1 Availability of Contractor's Personnel and Equipment .....	52
9.2.2 Temporary Possession and Employment .....	52
9.2.3 Use of Additional Equipment .....	52
9.2.4 Reimbursement .....	52
9.2.5 Indemnity .....	52
Article 10. DEFAULT, REMEDIES, AND LIQUIDATED DAMAGES .....	53
10.1 Right to Demand Assurances of Performance .....	53
10.2 Right to Terminate Upon Default .....	53
10.3 Immediate Termination.....	53
10.4 Bankruptcy or Insolvency of Contractor.....	53
10.5 Authority to Terminate .....	54
10.6 Termination Cumulative .....	54
10.7 Service Complaint and Penalties .....	54
10.8 Performance Standards and Liquidated Damages .....	54
Article 11. REPRESENTATIONS AND WARRANTIES.....	64
11.1 Contractor's Corporate Status.....	64
11.2 Contractor's Corporate Authorization .....	64
11.3 Agreement Will Not Cause Breach.....	64
11.4 No Litigation .....	64
11.5 No Adverse Judicial Decisions .....	65
11.6 No Legal Prohibition.....	65
11.7 Contractor's Ability to Perform .....	65
Article 12. MISCELLANEOUS .....	65

## TABLE OF CONTENTS

(con't)

	<b>Page</b>
12.1 Independent Contractor.....	65
12.2 Compliance with Law .....	65
12.3 Law to Govern and Interpretation.....	65
12.4 Venue .....	65
12.5 Binding on Successors .....	66
12.6 Assignment .....	66
12.7 Subcontractors.....	66
12.8 No Third Party Beneficiaries .....	66
12.9 Permits and Licenses.....	66
12.10 Ownership of Written Materials .....	66
12.11 Contractor's Records .....	67
12.12 Transition to Next Contractor .....	67
12.13 Waiver.....	67
12.14 Notices .....	67
12.15 Representatives of the Parties .....	68
12.16 Entirety.....	68
12.17 Section Headings .....	68
12.18 References to Laws .....	69
12.19 Amendment.....	69
12.20 Severability .....	69
12.21 Counterparts.....	69
12.22 Exhibits .....	69

## **LIST OF EXHIBITS**

- A. Town Services
- B. Guaranty Agreement
- C. Performance Bond
- D. Maximum Rates Approved by Town
- E. Approved Subcontractors
- F. Approved Transition Plan
- G. Approved Collections Operations Plan
- H. Approved Diversion Plan
- I. Approved Public Education and Outreach Plan
- J. Approved Processing and Disposal Plan
- K. Commercial Technical Assistance Program Form
- L Container Specifications
- M Vehicle Specifications

**FRANCHISE AGREEMENT  
FOR RECYCLABLES, ORGANIC WASTE AND GARBAGE COLLECTION AND  
PROCESSING SERVICES**

**BETWEEN THE TOWN OF COLMA  
AND  
ALLIED WASTE SERVICES OF NORTH AMERICA, LLC**

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016 by and between the TOWN OF COLMA (“Town”) a municipal corporation of the State of California, and Allied Waste Services of North America, LLC, a Delaware limited liability company, doing business as “Republic Services of Daly City” (“Contractor”). Contractor is a wholly owned subsidiary of Republic Services, Inc.

**RECITALS**

Services to be provided under this Agreement shall consist of Collection and Processing of Recyclables, Bulky Goods, Used Motor Oil and Oil Filters, Organic Waste, and other Discarded Materials, and collection and disposal of Solid Waste, but does not include Collection or Disposal or reuse of Biosolids or Excluded Waste.

This Agreement is entered into for the purpose of providing an exclusive franchise for the provision of Collection services within Colma as authorized under California Public Resources Code section 40059 and Colma Municipal Code Chapter 3 and to contract for certain other Discarded Materials services and operations as set forth herein.

Article 7 of this Agreement exclusively outlines the compensation that Contractor shall receive for providing all services set forth in this Agreement. Contractor understands and agrees that the Town will not allow any future “true-up” or any future “detailed rate review.” Furthermore, the Town is not guaranteeing any level of revenue or profit. Conversely, the Town understands and agrees that under no circumstances will the Town require a “detailed rate review” that will limit any level of revenue for the Contractor.

This Franchise Agreement for Recyclables, Organic Waste and Garbage Collection and Processing Services replaces, consolidates, and supersedes all previous permits, approvals and agreements for the provision of Solid Waste, Recyclables, and Organic Waste Collection, Processing and Disposal services.

**Article 1. DEFINITIONS**

The definitions set forth in this Article 1 shall govern the interpretation of this Agreement.

**1.1 AB 341**

“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.

## **1.2 AB 939**

“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.

## **1.3 AB 1826**

“AB 1826” means Chapter 727, Statutes of 2014 [Chesbro, AB 1826]), commonly referred to as “AB 1826”, as amended, supplemented, superseded, and replaced from time to time.

## **1.4 Affiliate**

“Affiliate” means all businesses (including corporations, limited and general partnerships and sole proprietorships) that 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 that has a direct or indirect ownership interest in Contractor and/or (iii) a business that 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 date here, 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 that the ownership interest represents.

## **1.5 Agreement**

“Agreement” means this Agreement between Town and Contractor, including all exhibits, and any future amendments hereto.

## **1.6 Alternative Daily Cover (ADC)**

“Alternative Daily Cover” means CalRecycle-approved materials other than soil used as a temporary overlay on an exposed landfill face. Generally, these materials must be processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

## **1.7 Alternative Intermediate Cover (AIC)**

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

## **1.8 Applicable Law**

“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, Processing or Disposal of Discarded Materials that are in force on the Effective Date and as may be enacted, issued or amended during the term of this Agreement. Without limiting the foregoing, Applicable Law includes Environmental Laws.

## **1.9 Approved C&D Processing Facility**

“Approved C&D Processing Facility” means the Blue Line Transfer Station at South San Francisco, CA, which is owned by the South San Francisco Scavenger Company.

## **1.10 Approved Disposal Facility**

“Approved Disposal Facility” means the Ox Mountain Landfill at Half Moon Bay, CA, which is owned by Browning-Ferris Industries of California, Inc., an Affiliate of Contractor.

## **1.11 Approved Facility(ies)**

“Approved Facility(ies)” means any one of or any combination of the: Approved Organic Waste Processing Facility; Approved Organic Waste Transfer Facility; Approved Disposal Facility; Approved Recyclables Processing Facility; and/or Approved Recyclables Transfer Facility.

## **1.12 Approved Organics Processing Facility**

“Approved Organics Processing Facility” means the West Contra Costa Sanitary Landfill Organic Materials Processing Facility at Richmond, CA, which is owned by West Contra Costa Sanitary Landfill, Inc., an Affiliate of Contractor.

## **1.13 Approved Organics Transfer Facility**

“Approved Organics Transfer Facility” means the Blue Line Transfer Station at South San Francisco, CA, which is owned by the South San Francisco Scavenger Company.

## **1.14 Approved Recyclables Processing Facility**

“Approved Recyclables Processing Facility” means the Newby Island Recovery Park at San Jose, CA, which is owned by Browning-Ferris Industries of California, Inc., an Affiliate of Contractor.

## **1.15 Approved Recyclables Transfer Facility**

“Approved Recyclables Transfer Facility” means Ox Mountain Landfill at Half Moon Bay, CA, which is owned by Contractor.

## **1.16 Bin**

“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.

### **1.17 Biomedical Waste**

"Biomedical Waste" means Discarded Materials which are likely to be infectious, pathological or biohazardous, originating from residences, hospitals, public or private medical clinics, departments of research laboratories, pharmaceutical industries, blood banks, forensic medical departments, mortuaries, veterinary facilities and other similar facilities and includes (without limitations) equipment, instruments, utensils, fomites, laboratory wastes (including pathological specimens and fomites attendant thereto), surgical facilities, equipment, bedding and utensils (including pathological specimens and disposal fomites attendant thereto), sharps (hypodermic needles, syringes, etc.), dialysis unit waste, chemotherapeutic waste, animal carcasses, offal and body parts, biological materials (vaccines, medicines, etc.), and other similar materials, but excluding any such Discarded Materials which are reasonably determined by Contractor to be noninfectious, non-pathological and non-biohazardous.

### **1.18 Biosolids**

"Biosolids" means solid, semisolid, or liquid residues generated during primary, secondary, or advanced treatment of domestic sanitary sewage.

### **1.19 Bulky Goods**

"Bulky Goods" means items whose large size precludes or complicates their handling by normal Collection, processing or Disposal methods. Bulky Goods includes, but is not limited to major appliances, carpets; mattresses; clothing; tires; reusable items like clothing placed into plastic bags; and oversized Yard Trimmings such as tree trunks and branches not exceeding two (2) feet in diameter and four (4) feet in length. Bulky Goods does not include any motor vehicle or any subassembly, major component except tires, and does not include Hazardous Waste.

### **1.20 CalRecycle**

"CalRecycle" means the California Department of Resources Recycling and Recovery or its successor.

### **1.21 Cart**

"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).

### **1.22 City Manager**

"City Manager" means the City Manager of the Town of Colma.

### **1.23 Collect, Collected, Collection**

"Collect," "Collected" or "Collection" means the Contractor taking physical possession of, and removing Discarded Materials, whether by manual, semi-automated or automated means, and transporting such materials, pursuant to this Agreement.

#### **1.24 Commencement Date**

“Commencement Date” means the date specified in Section 2.3 when the Contractor is to begin providing Collection and related services required by this Agreement.

#### **1.25 Commercial, Commercial Property**

“Commercial” or “Commercial Property” means property used for conducting business thereon, including, but not limited to, retail sales, services, wholesale operations, manufacturing and industrial operations, school facilities (both public and private), other institutions, and governmental agencies, but excluding businesses conducted upon Single-Family Property (as defined herein).

#### **1.26 Compactor, Compaction**

“Compactor”, “Compaction” means a mechanical apparatus that compresses materials, the Container that holds the compressed materials, and/or the process. Compactors include Bin Compactors of any size serviced by front-loading Collection vehicles and Debris Box Compactors of any size serviced by Debris Box or roll-off Collection vehicles.

#### **1.27 Compost**

“Compost” means the resulting material from Composting.

#### **1.28 Composting**

“Composting” means the controlled or uncontrolled biological decomposition of organic constituents such that the resulting material meets the maximum acceptable metal concentration limits specified in Section 17868.2 and pathogen reduction requirements specified in Section 17868.3 of Title 14, California Code of Regulations Chapter 3.1.

#### **1.29 Construction and Demolition Debris (C&D)**

“Construction and Demolition Debris” and “C&D” means materials resulting from construction, renovation, remodeling, repair, or demolition operations relating to or resulting from a building, structure, pavement or other improvement, including concrete, brick, bituminous concrete, rubble, wood and masonry, composition roofing and roofing paper, steel, and other metals such as copper, but excluding liquid wastes and Hazardous Wastes.

#### **1.30 Containers**

“Containers” means any and all types of receptacles including, but not limited to, Bins, Carts, Kitchen Food Waste Pails, and cylindrical or square Containers commonly available at retail for residential use, and any and all other kinds of Town-approved receptacles, irrespective of size or shape.

#### **1.31 Contamination**

“Contamination” means there is no more than ten (10) percent by volume of the “wrong” materials placed in a Container. Thus, for instance a Solid Waste Container is Contaminated if it contains a total by volume of more than 10 percent Recyclables and Organic Waste, and a



Recyclables Container is Contaminated if it contains a total by volume of more than 10 percent Solid Waste and Organic Waste.

### **1.32 Contractor**

"Contractor" means Allied Waste Services of North America, LLC.

### **1.33 County**

"County" means San Mateo County, California.

### **1.34 Day**

"Day" means calendar day unless otherwise specified in this Agreement.

### **1.35 Debris Box**

"Debris Box" means open-top Containers with a typical capacity of eight (8) to forty (40) cubic yards that are serviced by a roll-off Collection vehicle. Debris Boxes that contain putrescible materials require a lid.

### **1.36 Discarded Materials**

"Discarded Materials" means Solid Waste, Recyclables, Organic Waste, C&D Debris, Bulky Goods, and any combination of these material types properly placed for Collection by a Service Recipient or Generator for the purposes of Collection by Contractor. "Discarded Materials" does not include Excluded Waste.

### **1.37 Disposal**

"Disposal" or "Disposed" mean the ultimate disposition of unprocessed Solid Waste intended for Disposal, and Residue.

### **1.38 Diversion Coordinator**

"Diversion Coordinator" means the person or persons assigned by Contractor as set forth in Section 4.5.

### **1.39 Divert, Diversion**

"Divert" or "Diversion (or any variation thereof)" means to prevent Recyclables and Organic Waste from Disposal at landfill or transformation facilities, (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods) through Source Reduction, Reuse, Recycling, and Composting, as provided in Section 41780-41786 of AB 939, as AB 939 may be hereafter amended or superseded. Diversion includes use of Yard Trimmings for ADC or AIC, as permitted by Applicable Law.

Diversion is a broad concept that is to be inclusive of material handling and Processing changes that may occur over the Term including, but not limited to, changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology that reduce Disposal risk, decrease costs and/or are for other reasons deemed desirable by the Town.

#### **1.40 Effective Date**

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

#### **1.41 Electronic Waste**

“Electronic waste” or “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.

#### **1.42 Emergency Condition**

“Emergency Condition” means the existence of a condition or conditions which threaten or threatens the public health, safety and welfare resulting from Contractor’s failure or inability to perform its duties and obligations hereunder due to the effect upon Contractor of fire, flood, storm, earthquake, or other natural calamity, riot, insurrection, public disobedience, labor controversy, labor strike, insolvency of Contractor or similar condition. “Emergency Condition” does not include the results of failure of Contractor to comply with basic standards and procedures of Collection or other substandard performance by Contractor.

#### **1.43 Environmental Laws**

"Environmental Laws" means all federal and State statutes, and county and Town ordinances concerning public health, safety and the environment including, by way of example and not limitation, AB 341, AB 939, AB 1826, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6902 et seq.; the Federal Clean Water Act, 33 U.S.C. § 1251 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; the California Hazardous Waste Control Act, California Health and Safety Code § 25100 et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code § 25300 et seq.; the Porter-Cologne Water Quality Control Act, California Water Code § 13000 et seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code § 25249.5 et seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

#### **1.44 Excluded Waste**

“Excluded Waste” means Hazardous Substances, Hazardous Waste, Biomedical 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 Town 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.

#### **1.45 Food Waste**

"Food Waste" means a subset of Organic Waste including: (i) all kitchen and table food waste scraps, and animal, or vegetable, fruit, grain, dairy or fish waste that attends or results from the storage, preparation, cooking or handling of foodstuffs, with the exception of animal excrement, (ii) paper waste contaminated with putrescible material, and (iii) biodegradable food service ware designed to disintegrate and biodegrade quickly.

#### **1.46 Generator**

"Generator" means any Person whose act or process produces Discarded Materials as defined in the Public Resources Code, or whose act first causes any of these items to become subject to regulation.

#### **1.47 Hazardous Substance**

"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 there under to such enumerated statutes or acts currently existing or hereafter enacted; and, (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other Applicable Law currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's (PCBs), petroleum, natural gas, and synthetic fuel products, and by-products.

#### **1.48 Hazardous Waste**

"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.

#### **1.49 Holidays**

"Holidays" shall mean the observed holiday for Thanksgiving Day, Christmas Day and New Year's Day.

### **1.50 Household Batteries**

“Household Batteries” means disposable or rechargeable dry cells such as those referred to as A, AA, AAA, B, C, D, 9-volt, button type or those from laptop computers or cell phones, and commonly used as power sources for consumer electronics devices, including but not limited to zinc oxide, nickel metal hydride, alkaline, mercury, silver oxide, lithium, lithium ion and carbon zinc, but excluding automotive lead acid batteries.

### **1.51 Household Hazardous Waste (HHW)**

“Household Hazardous Waste” or “HHW” means Hazardous Waste generated at Single-Family Properties within the Town. HHW includes, but is not limited to: paint, stain, varnish, thinner, adhesives, auto products such as old fuel, batteries, household batteries, fluorescent bulbs, tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

### **1.52 Kitchen Food Waste Pail**

“Kitchen Food Waste Pail” means a plastic receptacle with a rated capacity not exceeding one and one-half (1.5) gallons, having a hinged lid, suitable for use in a SFD or MFD dwelling for temporary storage of Residential Food Waste that is approved for such purpose by the Town.

### **1.53 Maximum Rate**

“Maximum Rate” means the maximum amount, expressed as a dollar unit that the Contractor or Town may bill a Service Recipient for providing services under this Agreement, as approved by the Town.

### **1.54 Multi-Family, Multi-Family Property, MFD**

“Multi-Family”, “Multi-Family Property(ies)” or “MFD” means the parcel, and the building(s) on it containing four (4) or more individual Residential dwellings. Multi-Family Properties may have shared, centralized Collection service for all dwellings and/or individual Cart service, and are billed to one address (typically the Owner or property manager).

### **1.55 Non-Collection Notice**

"Non-Collection Notice" means a form, as approved in advance by Town, used to notify Service Recipient(s) of the reason for the non-collection of materials set out by the Service Recipient(s) for Collection by Contractor pursuant to this Agreement.

### **1.56 Organic Waste**

“Organic Waste” means Food Waste and Yard Trimmings.

### **1.57 Party, Parties**

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

### **1.58 Processing**

“Processing” means to sort, separate, prepare, treat, bale or otherwise package, compost, cure, or to take other steps necessary to re-use materials at the Approved Facilities, or to remanufacture,

reconstitute, and or create new products from Discarded Materials. Processing includes Reuse, Recycling and Composting, and excludes energy conversion processes except by prior approval of Town.

### **1.59 Public Containers**

"Public Containers" means Town-owned Containers maintained by the Town for use by the public located on or in the vicinity of streets and public rights-of-way and other public places in the Service Area as specified by the Town for placement of Discarded Materials generated by the public.

### **1.60 Rate**

"Rate" means the amount, expressed as a dollar unit, that the Contractor bills a Service Recipient for providing services under this Agreement. Contractor may, in its sole discretion, charge any amount up to and including the Maximum Rate approved by the Town Council, but in no case exceeding the Maximum Rate.

### **1.61 Recyclables**

"Recyclables" means 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); chipboard; corrugated cardboard; glass containers, all colors; aluminum (including beverage containers, foil, food containers, small pieces of scrap metal); scrap metal weighing less than 10 pounds (without cords or chains and fitting into the container); steel, tin or bi-metal cans; plastic containers, Numbers 1 to 7; plastic bags and plastic film (no. 4); aseptic beverage boxes.

### **1.62 Recycle, Recycling**

"Recycle" or "Recycling" means the process of collecting, sorting, cleansing, treating and reconstituting materials that would otherwise be disposed of in a landfill, and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace. Recycling does not include Transformation.

### **1.63 Residential, Residential Property**

"Residential", "Residential Property" means on, of or pertaining to property used for residential purposes, irrespective of whether such dwelling units are rental units or owner-occupied, or whether commercial activities are conducted thereon or therefrom, provided that such commercial activities are permitted under applicable zoning regulations and do not consist of the primary use of the property.

### **1.64 Residue**

"Residue" means unrecoverable materials remaining after Processing Discarded Materials for which there are no other options for viable use and which therefore must be disposed of in a landfill.

### **1.65 Reuse, Reusable**

“Reuse” or “Reusable” means to place back into use an object or material that would otherwise be Recycled or Disposed.

### **1.66 Service Area**

“Service Area” means the Town of Colma.

### **1.67 Service Recipient**

“Service Recipient” means occupants and/or owners of all Single-Family Property, Multi-Family Property and Commercial Property within the Town boundaries, and all such premises that may be added from time to time by means of annexation, new construction, or otherwise during the term of this Agreement. The Service Recipient may be either the occupant or owner of the property provided that the owner of the property shall be responsible for payment of Collection services if an occupant of a property, which is identified as the Service Recipient of owner’s property, fails to make such payment.

### **1.68 Single-Family, Single-Family Property, SFD**

"Single-Family," "Single-Family Property," or "SFD" means a premise used as a Residential dwelling and includes single-family dwellings and each unit of a duplex, triplex, townhouse, condominium, or mobile home park dwelling unit where individual Collection services are provided separately to each dwelling unit.

### **1.69 Solid Waste**

“Solid Waste” means solid waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated thereunder as may be amended from time to time, and Residue from Recycling, Processing, and similar processes. Excluded from the definition of Solid Waste are Source-Separated Recyclables, Source-Separated Organic Waste, Wet Materials, Dry Materials, Single Container Materials, Source-Separated C&D, Biosolids and Excluded Waste, in addition to those items specifically excluded under California Public Resources Code, Division 30, Part 1, Chapter 2, § 40191 and regulations promulgated thereunder as may be amended from time to time. Notwithstanding any provision to the contrary, Solid Waste may include *de minimis* volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of Household Hazardous Waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time.

### **1.70 Source Reduction**

“Source Reduction” means any action which causes a net reduction in the generation of Solid Waste. It includes, but is not limited to, reducing the use of non-recyclable materials, replacing Disposal materials and products with Reusable materials and products, reducing packaging, reducing the amount of Yard Trimmings generated, and increasing the efficiency of the use of paper, cardboard, glass, metal, plastic, and other materials. Source Reduction does not include steps taken after the material becomes Solid Waste or actions which would impact air or water resources in lieu of land, including, but not limited to, Transformation.

### **1.71 Source-Separated**

"Source-Separated" means materials which have been segregated for separate Collection by the Generator or Service Recipient, and placed in specific Containers for Collection as Recyclables or Organic Waste.

### **1.72 Term**

"Term" means the Term of this Agreement, including extension periods if granted, as provided for in Section 2.3.

### **1.73 Town**

"Town" means the Town of Colma, a municipal corporation organized under the laws of the State of California.

### **1.74 Transformation**

"Transformation" means incineration, pyrolysis, distillation, gasification, or biological conversion other than Composting.

### **1.75 Universal Waste**

"Universal Waste" or "U-waste" means all wastes defined by Title 22, Subsections 66273.1 through 66273.9 of the California Code of Regulations or successor regulations. These include, but are not limited to, Household Batteries, fluorescent light bulbs, mercury switches, and E-Waste.

### **1.76 Used Motor Oil**

"Used Motor Oil" means used motor oil from automobiles and other light duty vehicles intended for personal use which is removed from vehicles at Single-Family Properties and not as a part of a for-profit or other business activity. Used Motor Oil does not include transmission fluid.

### **1.77 Used Oil Filter**

"Used Oil Filter" means a used motor oil filter from automobiles and other light duty vehicles intended for personal use which is removed from vehicles at Single-Family Properties and not as a part of a for-profit or other business activity.

### **1.78 Yard Trimmings**

"Yard Trimmings" means those Discarded Materials 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, small pieces of unpainted and untreated wood, and other types of organic waste. Yard Trimmings is a subset of Organic Waste. 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.

## **Article 2. GRANT AND ACCEPTANCE OF FRANCHISE**

### **2.1 Grant and Acceptance of Franchise**

Except as otherwise set forth in this Agreement, Town hereby grants to Contractor, and Contractor hereby accepts and agrees to perform, the exclusive franchise to Collect all Discarded Materials generated from any Residential Property, Multifamily Residential Property, and on any Commercial Property located within the Service Area, and to handle and to transport such Discarded Materials to Approved Facility(ies) designated by Town, except as herein otherwise provided, all in accordance with the Solid Waste Management Plan of the County of San Mateo, California, and subject to the terms and conditions thereof.

### **2.2 Own Investigation**

Contractor's acknowledges, agrees and recognizes that it accepts this exclusive franchise based on its investigation and research of the Town, and that any information provided by the Town during the negotiation of this Agreement, including but not limited to information regarding past Discarded Materials, Customer information, account information, tonnage information, and current service levels, was provided by the Town for the convenience of Contractor and other proposers. The Town neither warrants nor accepts responsibility for the accuracy of such information. Contractor was and remains responsible for conducting its own investigation and research and independently verifying all material facts and information necessary for it to enter into this Agreement. Contractor acknowledges, agrees and recognizes that it has fully and independently apprized itself of the facts prior to entering into this Agreement.

### **2.3 Term**

- A. The Term of this Agreement shall be from 12:01 AM, August 31, 2016, to August 31, 2026, inclusive, subject to approval of Town Council and evidence of compliance with Article 7, unless earlier terminated pursuant to Article 10 of this Agreement.
- B. The Term of this Agreement may be extended by written agreement of the parties twice for succeeding terms of two (2) years each, provided that Contractor is in compliance with all terms and conditions of this Agreement, including the diversion requirements set forth in Section 3.14, by notice to Contractor at least one year before expiration of any term. Nothing in this Agreement shall be interpreted as requiring Town to renew or extend this Agreement.

### **2.4 Obligations of the Parties**

In addition to the specific performance required under this Agreement, Town and Contractor shall:

- A. Provide timely notice to one another of a perceived failure to perform any obligations under this Agreement and access to information demonstrating the Party's failure to perform.
- B. Provide timely access to the Town's and the Contractor's designated representative(s) and complete and timely responses to requests of the other Party.



- C. Provide timely notice of matters which may affect either Party's ability to perform under the Agreement.

## **2.5 Enforcement of Contractor's Exclusive Rights**

Contractor shall use reasonable efforts to enforce the exclusive rights and privileges granted to Contractor pursuant to this Agreement to prevent third parties from providing unauthorized services in Town. In the event that Contractor reasonably believes a third party is providing such services in Town, it shall notify Town thereof, together with the basis of such belief and consult with Town before pursuing its legal remedies to protect its exclusive rights and privileges under this Agreement. Town may, but is not obligated to, assist the Contractor in protecting its exclusive rights and privileges under this Agreement.

## **2.6 Conditions to Effectiveness of Agreement**

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

- A. **Furnishings of Insurance and Performance Bond.** Contractor has furnished evidence of the insurance and performance bond required by Article 7 that is satisfactory to the Town.
- B. **Absence of Litigation.** To the best of Contractor's knowledge, after reasonable investigation, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality decided, pending or threatened against Contractor wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:
  - i. Materially adversely affect the performance by Contractor of its obligations hereunder;
  - ii. Adversely affect the validity or enforceability of this Agreement; or,
  - iii. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

- 2.7 **Reimbursement for Execution of Agreement.** Contractor shall pay Town up to One Hundred Thousand Dollars (\$100,000.00) to offset Town's costs in evaluating Solid Waste Collection service currently being provided to Town, to develop this Agreement, and to negotiate the Agreement. Town shall notify Contractor of the amount requested on the Commencement Date which shall be paid to Town within thirty (30) days.

## **2.8 Responsibility for Materials**

Once Discarded Materials are placed in the Contractor's or other approved Containers and at the Collection location, or is otherwise set-out for Collection in an approved manner, the responsibility for their proper handling shall transfer directly from the Generator to Contractor, with the exception of Hazardous Waste if the Contractor can identify the Generator. Once

Discarded Materials are deposited by Contractor at an Approved Facility, such materials shall become the responsibility of the owner or operator of the Approved Facility. Responsibility for Hazardous Waste that has been inadvertently collected by the Contractor shall remain with the Contractor if it cannot identify the Generator, and Contractor shall assume all responsibility for its proper disposal.

## **2.9 Exceptions**

The exclusive franchise granted to Contractor to perform Collection services does not extend to any of the following and Town expressly reserves the right to allow other service providers, by contract or otherwise, to perform any or all of the following in Service Area:

- A. Collection of Discarded Materials from locations within the Service Area that are not within the Town's jurisdiction for services provided under this Agreement under Applicable Law.
- B. The self-haul of materials as permitted by the Colma Municipal Code.
- C. Collection and processing of any recyclable materials not specifically included in the definition of Recyclables.
- D. Collection of Discarded Materials from Town facilities, should Town decide to provide for collection outside of the Agreement.
- E. Collection of E-Waste as permitted by the Colma Municipal Code.
- F. Collection of grease wastes from grease traps or grease interceptors.
- G. Collection of used cooking oil.
- H. Collection of waste material that is greater than fifty percent (50%) liquid (excluding Used Motor Oil).
- I. C&D Debris generated at a property located within the Service Area by a construction, remodeling or demolition services business and hauled from the Premise by the business as an incidental part of a total service provided by that business. Such materials shall be transported in vehicles and Containers owned or leased by the business providing the full service, using its own employees and not a subcontractor, affiliated company, or third party.
- J. Recyclables or Bulky Goods that are source separated by a Service Recipient and which the Service Recipient sells or donates or for which the Service Recipient is otherwise compensated in a manner resulting in a net payment to the Service Recipient;
- K. Solid Waste, Recyclables, Bulky Goods, Food Waste or Yard Trimmings, which is removed from any Service Unit and which is transported by the owner or occupant of such premises (or by owner or occupant's employees but not including construction

related employees or subcontractors) to a Processing or Disposal Facility, and is done so in a manner consistent with the Colma Municipal Code;

- L. Recyclables, Food Waste, Yard Trimmings or Bulky Goods which are source separated at any premises by the Service Recipient and donated to youth, civic or charitable organizations;
- M. California Redemption Value (CRV) containers delivered for Recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500, et seq. provided that the ( CRV) containers were not removed from Contractor's Containers;
- N. Yard Trimmings removed from a premises by a gardening, landscaping, or tree trimming company as an incidental part of a total service offered by that company rather than as a hauling service;
- O. Bulky Goods removed from a premises by a property cleanup or maintenance company as an incidental part of the total cleanup or maintenance service offered by the company rather than as a hauling service;
- P. Hazardous Waste regardless of its source; and
- Q. Any Collection service that Contractor is unable to provide or refuses to provide.

### **2.10 Service Recipients Options for Recyclables and Bulky Goods**

Nothing in this Agreement shall be construed as requiring Service Recipients to set out Recyclables or Bulky Goods for Collection by Contractor. Service Recipients may divert Recyclables and Bulky Goods through other appropriate means including, but not limited to, taking Recyclables or Bulky Goods to drop-off facilities and donating or selling Recyclables or Bulky Goods to private or public entities.

## **Article 3. COLLECTION SERVICES**

### **3.1 General**

Throughout the term of this Agreement, Contractor shall perform Collection services as provided in this Article. All such services shall be performed in a thorough and professional manner regardless of weather conditions or difficulty of Collection.

Contractor shall provide and maintain all labor, equipment, tools, facilities, and personnel supervision required for the performance of Contractor's obligations under this Agreement. Contractor shall at all times have sufficient back-up equipment, equipment maintenance capabilities, and labor to fulfill Contractor's obligations under this Agreement. No compensation for Contractor's services or for Contractor's supply of labor, equipment, tools, facilities or supervision shall be provided or paid to Contractor by Town or by any Service Recipient except as expressly provided by this Agreement.

## **3.2 Contractor-required Plans**

### **3.2.1 Transition Plan**

Contractor shall at all times be in compliance with the provisions of the Transition Plan contained in Exhibit F that govern start-up of Collection services. Contractor shall revise, modify and otherwise update such plan prior to the Commencement Date as it deems necessary, or as reasonably requested by the Town.

### **3.2.2 Collections Operations Plan, Diversion Plan and Public Education and Outreach Plan**

Contractor shall at all times be in compliance with the provisions of the Collections Operations Plan, the Diversion Plan, and the Public Education and Outreach Plan that are contained in Exhibits G, H, and I.

## **3.3 SFD Residential Collection Services**

### **3.3.1 SFD Collections**

Contractor shall Collect Solid Waste, Recyclables and Organic Waste from each Single-Family Residential Service Recipient in the Service Area on a once-per-week basis, Monday through Friday, and on the same day each week. Collection shall be made from Containers placed at curbside by Single-Family Residential Service Recipients or such other locations as necessary and as arranged for other Service Recipients.

### **3.3.2 SFD Containers**

Contractor shall provide Single-Family Residential Service Recipients with Town approved Containers for Solid Waste, Recyclable Materials and Organic Waste as specified in Section 3.12.1. Contractor shall provide three Containers from the following sizes, as requested by the Service Recipient:

- A. One 20-, 32-, 64- or 96-gallon Cart for Solid Waste, with a 32-gallon Cart being the default size;
- B. One 32-, 64- or 96-gallon Cart for Single-stream Recyclables, with a 64-gallon Cart being the default size; and
- C. One 32-, 64- or 96-gallon Cart for Organic Waste, with a 32-gallon Cart being the default size.

Contractor shall provide each Single-Family Residential Service Recipient with a Kitchen Food Waste Pail for in-home use.

### **3.3.3 Oil, Battery and CFL Collection**

At the same time Contractor collects Recyclables from a Residential Service Recipient, Contractor shall Collect Used Oil Filters, household batteries and compact fluorescent lamps when placed in sealed plastic bags on top of the Recyclables Cart or Bin from all Residential Service Recipients. Contractor shall Collect Used Motor Oil when placed next to the Recyclables Cart or Bin.

#### *3.3.4 Holiday Tree Collection Program*

Contractor shall Collect and Recycle, without additional fees, all flocked or other Christmas trees which are set out at curbside through the fourth Friday in January of each year of the term of this Agreement. Contractor shall not be required to Collect and Compost trees or sections of trees which are in excess of six (6) feet in length. Contractor shall leave a Non-Collection Notice on all trees that are not Collected. Contractor shall not be required to Collect any Christmas tree which is set out for Collection after the fourth Friday in January.

#### *3.3.5 On-Demand Bulky Goods*

Contractor shall Collect Bulky Goods from each Residential Service Recipient three separate times per year on an “On-Call Basis” where Service Recipient will contact the Contractor to schedule the Bulky Collection. For Multi-Family Residential Service Recipients, Bulky Good Collection shall occur three times per year as scheduled by the owner or manager of the Multi-Family Property. The Contractor will schedule the Collection on the regularly scheduled Collection date no more than ten business days after the request. Contractor shall Collect materials in a manner that maximizes Reuse, Recycling, Composting and Diversion of materials from Disposal. Disposal of the materials shall be the Contractor’s last option. At a minimum, Contractor shall Divert from Disposal: cardboard, E-waste, usable furniture and clothing, appliances, mattresses, Organic Waste and any other reusable or Recyclables. Consistent with industry best practices, Contractor shall provide Residential Service Recipients with educational materials to maximize Recycling, Composting and Reuse of materials. Town may request to review or revise such materials in its discretion.

Contractor may provide additional Bulky Goods Collection events for a Residential Service Recipient beyond the three per year required in this section and shall be entitled to charge the Residential Service Recipient at Rates established for such service, consistent with the terms and conditions of this Agreement.

#### *3.3.6 Back Yard or Side Yard Collection*

At the request of a Residential Service Recipient, the Town shall determine whether the Service Recipient is eligible for on-premises Collection and shall provide written notification to the Service Recipient and to Contractor as to whether Contractor shall provide on-premises Collection to the Service Recipient. If the Town determines the Service Recipient is eligible for on-premises Collection service, the notification to Contractor shall specify a start date for such service, the approximate location of the Carts, and any other applicable terms and conditions of such service. The Contractor shall begin on-premises Collection as of the start date in the notification. Contractor shall perform on-premises Collection on the same day of the week that curbside Collection would otherwise be performed for the Service Recipient. Contractor shall stop on-premises Collection upon written notification by the Town. If Contractor desires to cease on-premises Collection at any premises, Contractor shall provide written notice to the Town of the Service Recipient address. The Town will review the request and, if the request is approved, shall notify Contractor of the stop date.

### **3.4 Multifamily Residential Services**

Except as stated in this section, Contractor shall provide Multifamily Residential Service Recipients the same services as are provided to Single-Family Residential Service Recipients. Contractor shall provide all Multifamily Residential Service Recipients with Town-approved

Containers for Solid Waste, Recyclable Materials and Organic Waste as specified in Section 3.12.1. Contractor shall provide Containers from the following sizes, as requested by the Service Recipient:

- A. Solid Waste: 32-, 64- or 96-gallon Carts or 1-6 cubic yard Bins;
- B. Recyclables: 32-, 64- or 96-gallon Carts or 1-6 cubic yard Bins; and
- C. Organic Waste: 32-, 64- or 96-gallon Carts or 1-3 cubic yard Bins.

Contractor shall also provide a Kitchen Food Waste Pail to each dwelling unit in the multi-family complex for in-home use.

### **3.5 Commercial Collection Services**

#### *3.5.1 Collection*

Contractor shall Collect all Solid Waste, Recyclables and Organic Waste from Commercial Service Recipients on such frequency as is desired by Service Recipient or necessary to provide adequate service to meet health and safety requirements. At a minimum, Contractor shall Collect all Discarded Materials from Multifamily Residential and Commercial Service Recipients at least once a week.

#### *3.5.2 Containers*

Contractor shall provide all Commercial Service Recipients with Town approved Containers for Solid Waste, Recyclable Materials and Organic Waste as specified in Section 3.12.1. Contractor shall provide Containers from the following sizes, as requested by the Service Recipient.

- A. Solid Waste: 32-, 64- or 96-gallon Carts or 1- to 6 cubic yard Bins.
- B. Recyclables: 32-, 64- or 96-gallon Carts or 1- to 6 cubic yard Bins.
- C. Organic Waste: 32-, 64- or 96-gallon Carts or 1- to 3 cubic yard Bins.

#### *3.5.3 Recyclable Collection*

- A. **In-business Recyclable Containers.** Contractor shall also provide Recyclables Collection Containers for in-business use, as requested by a Commercial Service Recipient.
- B. **Universal Recycling.** Contractor shall offer Recyclables services to all Commercial Service Recipients in the Service Area, including, at a minimum, Collection services, education, outreach, monitoring, and reporting. Whenever a Commercial Service Recipient opens for the first time in Colma, the Contractor shall deliver a Recyclables Container in the size specified by the customer and shall provide recycling services to that business until instructed otherwise by that Recipient.

#### *3.5.4 Organic Waste Collection*

- A. Commercial Service Recipients shall not be required to subscribe to Organic Waste Collection services and may do so in their discretion or as otherwise prescribed by applicable law.
- B. Contractor shall provide Food Waste containers for the Service Recipient's in-business use, as requested by the Service Recipient.

### **3.6 Debris Box, Bin and Compactor Services**

Contractor shall offer and provide Debris Box, Bin and Compactor services within the Service Area. Rates for said services shall be established and billed by Contractor at an appropriate and competitive level, and Maximum Rates shall be as approved by Town. Debris Box, Bin and Compactor services provided shall be considered services provided under this Agreement. Contractor shall report all revenues from Debris Box, Bin and Compactor services to Town pursuant to Section 4.2.1. Contractor shall inform the Colma Public Works Department in a manner and within time limits specified by Town of the location and duration of placement of Debris Box, Bin and Compactor placed in the public right-of-way, and shall conform to all Town requirements for such placement.

### **3.7 Construction and Demolition Debris Collection**

Contractor shall provide C&D Debris Collection services using Debris Boxes provided by the Contractor. Contractor shall use its best efforts to assist the Builder, as that term is defined in subchapter 5.05 of the Colma Municipal Code, in meeting the Town's C&D diversion and reporting requirements in subchapter 5.05 of the Colma Municipal Code. C&D Debris may be Source-Separated or mixed. Contractor shall establish Town-approved Maximum Rates for such services.

### **3.8 Overage Collection**

#### *3.8.1 Solid Waste Overage Collection*

Contractor shall Collect Solid Waste in excess of the normal billed-for amount if the Service Recipient has made arrangements at least 24 hours in advance with Contractor for overage pickup, or such other procedure as approved by Town. Contractor shall Collect Solid Waste in excess of the Solid Waste placed in Containers when the set-out meets all of the requirements established by Town. Contractor shall deliver to Town Solid Waste overage tags each Monday for overages Collected the prior week. Tags shall be in a format as approved by Town. Maximum Rates for overages shall be as approved by Town.

#### *3.8.2 Recyclables Overages*

In the event a Service Recipient periodically has a greater quantity of Recyclables than can be set out in the appropriate Contractor-provided Recyclables Container, the Service Recipient shall set out such Recyclables overages in a container marked for recycling that is suitable to prevent litter, vectors and other health and safety issues, and which is and set out with, or next to, the Contractor-provided Recyclables Containers. Contractor shall with no added charge or

compensation Collect such Recyclables overages on the same day Contractor collects Recyclables from the Service Recipient, except that Contractor shall have no obligation to Collect such Recyclables overages where the overage container weighs in excess of sixty (60) pounds. If Contractor determines that set out of Recyclables overages occurs more than once every two-month period, Contractor may either provide additional Recyclables Containers or larger Recyclables Containers to the Service Recipient. Contractor may not charge for exchanging Recyclables Containers or providing additional Recyclables Containers

### **3.9 Bulky Good Collection**

#### *3.9.1 General*

This section shall apply to all Bulky Goods collection services, including those described in section 3.3.5.

#### *3.9.2 Illegally Dumped Bulky Goods*

Contractor shall provide Collection of illegally dumped Bulky Goods as provided in this Section. Within two (2) calendar days of notification to Contractor by Town, Contractor shall pick up and dispose of Bulky Goods which have been illegally dumped on public streets or other public property located within the Town.

#### *3.9.3 Bulky Goods Containing Hazardous Substances*

In the event Contractor collects Bulky Goods that contain polychlorinated biphenyls, chlorofluorocarbons injected in air-conditioning/refrigeration units, or other Hazardous Substances Contractor shall handle such Bulky Goods in such a manner as required to comply with Applicable Law.

#### *3.9.4 Maximum Reuse and Recycling*

Contractor shall collect and divert Bulky Goods Collected in accordance with the following hierarchy:

- A. Reuse as is (where energy efficiencies are not compromised).
- B. Disassemble for Reuse or Recycling.
- C. Compost
- D. Recycle.
- E. Disposal.

Contractor shall not landfill Bulky Goods unless the Bulky Goods cannot be economically Reused, Composted or Recycled.



### **3.10 Collection Stops**

Contractor shall allow Customers to temporarily suspend service and billings, as provided herein. Customer must provide Contractor between one (1) and ten (10) days' advance, written request to suspend service. Single-Family Residential Customers may suspend service for a minimum of one (1) regular Collection day on a maximum of three (3) occasions each calendar year. Commercial Customers may suspend service for a minimum of two (2) regular Collection days on a maximum of six (6) occasions each calendar year. Multi-Family Residential Customers may not suspend service without prior written approval from Town. Any rates charges to both Residential and Commercial Customers shall be prorated by Contractor in accordance with Customer's requests to suspend service.

### **3.11 Town Services**

Contractor shall provide Town, without charge, the services set forth in this section.

#### *3.11.1 Containers at Town Facilities*

Contractor shall Collect, not less than weekly and more frequently as the Town shall determine, Solid Waste, Recyclables and Organic Waste from Containers located at Town-owned facilities including, but not necessarily limited to, parks, Town offices, corporation yards, parking lots, fire stations, and such other Town-owned properties as Town shall specify. Contractor shall provide a sufficient number of suitably-sized Containers at or in the vicinity of such properties for the deposit of Discarded Materials in said Containers for Collection by Contractor. Notwithstanding the foregoing, Town may, at Town's sole discretion, Collect and transport Solid Waste and other Discarded Materials which may accumulate on Town's properties, or by reason of any of Town's operations, to the Approved Facilities, at no direct cost to Town.

#### *3.11.2 Containers at Public Locations*

Contractor shall Collect Discarded materials deposited in Public Solid Waste, Recycling and Organic Waste Containers which are located in the Town, and are listed in Exhibit A. Collection shall be performed on a schedule provided by Town. Collection shall include clean-up of the area within a radius of fifteen (15) feet of each Public Container. Town shall provide Contractor a service schedule and a map showing the locations of the Public Containers to be serviced by Contractor. Town reserves the right to change the service schedule at any time during the term of this Agreement upon not less than thirty (30) calendar days written notice to Contractor, and may add Public Containers as it deems necessary.

#### *3.11.3 Town-Sponsored Community Events*

Contractor shall Collect Solid Waste, Recyclables and Organic Waste at Town-sponsored community events listed on Exhibit A. Town shall notify Contractor of the dates and locations for the event at least thirty (30) days prior to each event.

#### *3.11.4 Free Compost*

Upon Town request and up to four (4) times each year, Contractor shall provide at least twenty (20) cubic yards of free Compost for use by the Town or Town residents in a Debris Box or similar Container. Town shall identify the time and location of each Compost drop-off.

### *3.11.5 HHW, E-Waste and U-Waste Collection Event*

Three times each year on days selected by Town and Contractor, Contractor shall conduct a HHW, E-Waste and Universal Waste drop-off event where Residential Service Recipients and the Town may Dispose of HHW, E-Waste and Universal Waste at no charge. Contractor shall also provide free shredding and other agreed upon services at that event. The location will be the Town corporation yard or other Town facility specified by the Town. One of these three events can be combined with Town Cleanup Day (see Exhibit A, Table A-3).

## **3.12 Collection Standards**

### *3.12.1 Containers*

- A. **Purchase and Distribution of Containers.** Contractor shall purchase and distribute new, fully assembled and functional Carts to Service Recipients in the Service Area prior to September 16, 2016. Notwithstanding the foregoing, Contractor may provide refurbished Debris Boxes, Bins and Compactors in lieu of new Containers to applicable Service Recipients as required in this subsection. Refurbished Containers shall be cleaned, rust-free, re-painted, and in good and usable condition. New or refurbished Debris Boxes, Bins and Compactors will be distributed to Service Recipients in the Service Area prior to January 31, 2017. Contractor shall also distribute Containers to new Service Recipients that are added to Contractor's Service Area during the term of this Agreement within three (3) business days of receipt of notification from the Town or the Service Recipient. All Containers shall comply with the specifications in Exhibit L.
- B. **Cart Exchange.** Within five (5) business days following notification from a Residential Service Recipient that a change in the size of a Solid Waste, Recyclables and Organic Waste Cart is requested, Contractor shall deliver the new size Cart(s) to such Customer. Each SFD Service Recipient shall be eligible to receive one (1) free Cart exchange per calendar year. Contractor shall be compensated only for the cost of those exchanges in excess of one (1) per calendar year for those SFD Service Recipients receiving larger Cart sizes, in accordance with the "Cart Exchange" Maximum Service Rate as set forth in Exhibit D or as may be adjusted under the terms of this Agreement.
- C. **Carts & Bins.** Carts utilized for Solid Waste shall be grey or black in color, Carts utilized for Recyclables shall be blue in color and Carts utilized for Organic Waste (including Yard Trimmings) shall be green in color. Carts shall have English and Spanish labels and pictures to identify the appropriate materials for each. Carts for Recyclables shall be manufactured out of a minimum of 30% recyclable materials.

Bins utilized for Solid Waste shall be dark blue in color, Bins utilized for Recyclables shall be green in color and Bins utilized for Organic Waste (including Yard Trimmings) shall be brown in color.
- D. **Design.** The design of in-home or in-business Recyclable and Organic Waste Containers must be approved by the Town prior to purchase, shall conform to the color scheme in the preceding paragraph, and shall be manufactured out of a minimum of 20% recyclable materials.

- E. **Containers.** Outside Containers shall be kept continuously closed by either a tight fitting cover or lid. Contractor shall repair Contractor-owned Containers within five days of a request to do so by Service Recipient or from the Town, or if repair cannot be performed within five days, Contractor shall provide a replacement Container to Service Recipient, all without cost to either Service Recipient or Town. Contractor is solely responsible for repairing and/or replacing any Contractor-purchased Containers due to manufacturer defects, and for all related costs.
- F. **Container Cleaning.** All Containers shall be maintained in a clean, serviceable, and sanitary condition. Upon Service Recipient request, Contractor shall steam clean all Commercial Organic Waste Containers (or exchange with clean Containers) once each year, within five (5) business days of a Service Recipient request. Contractor shall offer additional cleaning of Containers (in excess of one time per year) for a fee as approved by the Town.

### *3.12.2 Collection Vehicles and Equipment*

- A. **General Provisions.** All Collection equipment used by Contractor in the performance of services under this Agreement shall be in good and serviceable condition. The vehicles shall be designed and operated so as to prevent commingling Solid Waste, Recyclables, Organic Waste, and Bulky Goods and prevent Discarded Materials from escaping from the vehicles. Hoppers shall be enclosed on top and on all sides to prevent material from leaking, blowing or falling from the vehicles. Each Collection vehicle shall be equipped with a shovel and broom for clean-up of spillage. Collection vehicles shall never be loaded to exceed the manufacturer's recommended weight limit or otherwise operated unsafely or in violation of any Applicable Law.
- B. **Vehicles.** All vehicles used by Contractor in providing services under this Agreement, except those vehicles used solely on Contractor's premises, shall be licensed by the California Department of Motor Vehicles. To the extent required by Applicable Law, Contractor shall provide its Collection vehicles to be in full compliance with local, state and federal clean air requirements that were adopted, including, but not limited to, the California Air Resources Board Heavy Duty Engine Standards as currently proposed to be contained in CCR Title 13, Section 2020 *et seq*; the Federal EPA's Highway Diesel Fuel Sulfur regulations and any other applicable air pollution control laws. Each Collection vehicle shall have an age of less than five (5) years on the Effective Date of this Agreement. Contractor has inspected all applicable streets within the Town and acknowledges and certifies that all vehicles can safely and effectively operate within the Town. All vehicles shall comply with the specifications set forth in Exhibit M.
- C. **Safety Markings.** All Collection equipment used by Contractor shall have appropriate safety markings including, but not limited to, highway lighting, flashing and warning lights, clearance lights, and warning flags. All such safety markings shall be in accordance with the requirements of the California Vehicle Code, as from time to time amended, and shall be subject to approval by Town.

- D. **Vehicle Signage.** Contractor's name, telephone number and vehicle number shall be visibly displayed on both sides of all Collection vehicles in letters and figures not less than eight (8) inches high.
- E. **Collection Vehicle Noise Level.** The noise level generated by Collection vehicles using compaction mechanisms during the stationary compaction process shall not exceed seventy-five (75) decibels at a distance of twenty-five (25) feet from the Collection vehicle measured at an elevation of five (5) feet above ground level using the "A" scale of a standard sound level meter at slow response.
- F. **Equipment Maintenance.** Contractor shall maintain Collection equipment in a clean condition and in good repair at all times. All parts and systems of the Collection equipment shall operate properly and be maintained in a condition satisfactory to Town. Contractor shall repaint all Collection vehicles (including vehicle striping) during the term of this Agreement on a frequency necessary to maintain a positive public image as reasonably determined by the Town. Contractor shall wash all Collection vehicles at least once a week using reclaimed water, if available.
- G. **Equipment Inventory.** On or before the Effective Date of this Agreement, Contractor shall provide to Town an inventory of Collection vehicles and major equipment used by Contractor for Collection or transportation in performance of services under this Agreement. The inventory shall indicate each Collection vehicle by identification number, DMV license number, the age of the chassis and body, type of fuel used, the type and capacity of each vehicle, the number of vehicles, the date of acquisition, the decibel rating and the maintenance and rebuilt status. Contractor shall submit to Town an updated inventory annually, or more often at the request of the Town. Each vehicle inventory shall be accompanied by a certification signed by Contractor that all Collection vehicles meet the requirements of this Section.
- H. **Back-up Equipment.** Contractor shall maintain sufficient back-up Collection equipment to ensure uninterrupted Collection service during the term of this Agreement.

### *3.12.3 Hours of Collection*

Unless otherwise authorized by the City Manager, Contractor's days and hours for Collection operations shall be as follows:

- A. **Residential Premises.** Collection from Residential Premises shall only occur between the hours of 7:00 a.m. and 6:00 p.m., Monday through Friday.
- B. **Commercial Premises.** Collection from Commercial Premises that are two hundred (200) feet or less from Residential Premises shall only occur between the hours of 7:00 a.m. and 6:00 p.m., Monday through Friday. Collection from Commercial Premises more than two hundred (200) feet from Residential Premises shall only occur between the hours of 4:00 a.m. and 6:00 p.m., Monday through Saturday.

#### *3.12.4 Holiday Service*

Contractor shall not be required to perform any services under this Agreement on Holidays.

#### *3.12.5 Route Change*

Contractor shall make efforts to minimize changes in Residential Collection days, and shall notify the Town in advance of any changes in route days that affect more than five (5) percent of the Service Recipients on a Residential route. Contractor shall provide Residential Service Recipients with at least thirty (30) days in advance of any route change.

#### *3.12.6 Non-Collection*

Contractor shall not be required to Collect any Discarded Materials that are not placed either in a Container or, for overages Collections pursuant to Section 3.8 only, in other Containers meeting the requirements established by Town. Contractor shall not be required to Collect Discarded Materials from a Container where the contents exceed the volume capacity of the Container when its lid is closed.

In the event of a non-collection, Contractor shall act in accordance with the following procedures, subject to the provisions of the Colma Municipal Code:

- A. Upon the first and second occurrences of non-collection per Service Recipient, Contractor shall leave a Non-Collection Notice at the premises where the non-collection occurs and shall mark the Non-Collection Notice to show the date and time the notice is given, the complete address of the premises, the reason for the non-collection, the manner in which materials should be prepared for Collection, and the steps Service Recipient must take to recommence Collection service.
- B. Upon the third occurrence of non-collection per Service Recipient, Contractor shall:
  - i. In the event of non-collection as a result of Container overflow, leave a Non-Collection Notice stating that the Service Recipient's service level and Rate will be increased to reflect the required level of service, and deliver any required additional or larger Containers within forty-eight (48) hours; or,
  - ii. In the event of non-collection as a result of Contamination, leave a Non-Collection Notice stating that the Service Recipient may be subject to penalties related to Colma Municipal Code violations; and,
  - iii. In both cases, provide notice to Town staff or code enforcement, as applicable, identifying any billing changes or penalties to be assessed as a result of the non-collection.

In all events of non-collection, Contractor shall leave the hard (card stock) copy of the Non-Collection Notice at the premises by affixing it to the Container, and shall retain one copy. Contractor shall report all events of non-collection to Town on a weekly basis.

### *3.12.7 Care of Private Property*

The following general requirements must be met for all operations performed by Contractor, its subcontractors, agents and Collection crews. All Containers shall be replaced where they were found, or at the Collection point in a manner so as not to obstruct the path of travel. Lids shall be securely replaced on all Containers after emptying. Contractor shall re-lock any lockable on-site enclosures, if applicable. In the event of damage or breakage to enclosure-locking mechanisms, Contractor shall replace or repair the lock within 24 hours, and supply property owner with a reasonable number of new keys, if necessary. Damage to property shall be avoided. Should damage to property occur, Contractor agrees to repair or reimburse resident/property owner/Town for the cost of damages.

### *3.12.8 Clean-Up and Noise*

Collection personnel shall carry cleanup equipment and shall clean up any spilled or dropped material and any litter within fifteen (15) feet of the Container location or route to the Collection equipment. Collection personnel shall avoid unnecessary and excessive noise while collecting or dumping the Service Recipient's Containers.

### *3.12.9 Personnel*

- A. **General.** Contractor shall insure that Collection personnel conduct themselves in a safe, courteous and professional manner while performing their services. Contractor shall regularly train its employees in customer courtesy, shall prohibit the use of loud or profane language, and shall instruct Collection personnel to perform the work as quietly as possible. Contractor shall ensure Collection personnel are adequately trained to handle routine questions on services from the public and provide such information while performing their Collection services. Information brochures approved by the Town shall be available on each piece of Contractor's Collection equipment and shall be offered to members of the public who request additional information.
- B. **Key Role of Management.** If Town is dissatisfied with the performance of any of Contractor's management personnel, Town shall contact the general manager to discuss the employee's performance. If Town is dissatisfied with the general manager, Town shall contact the group manager to discuss the general manager's performance. Contractor shall advise the affected management employee of any complaints made by Town regarding the employee's performance. The Parties shall meet and confer in good faith to address Town's concerns, and shall endeavor in good faith to agree on a corrective course of action to be implemented immediately. Contractor agrees to consider in good faith any requests by Town to transfer or re-assign a management employee should Town maintain in good faith that it can no longer work constructively with said employee; however, Contractor retains the ultimate right and unrestricted discretion to make employment decisions in its best business judgment.
- C. **Driver Qualifications.** All drivers shall be trained and qualified in the operation of Collection vehicles and must have in effect a valid license of the appropriate class issued by the California Department of Motor Vehicles

- D. **Identification and Uniforms.** Contractor shall require its drivers and all other employees who routinely come in contact with the public to wear clean standardized uniforms bearing the Contractor's name and the employee's name, all as approved by Town.
- E. **Safety Training.** Contractor shall provide suitable operational and safety training for all of its employees who utilize or operate vehicles or equipment. Contractor shall train its Collection employees in identifying and dealing with Hazardous Substances.
- F. **No Gratuities.** Contractor shall not permit its employees to demand or solicit, directly or indirectly, any additional compensation or gratuity from members of the public for the Collection of Discarded Materials under this Agreement.
- G. **Employee Conduct and Courtesy.** Complaints regarding courtesy, spillage, excessive noise and other standards established shall be considered as complaints for purposes set forth in Section 4.3.9. If any employee is found not to be performing services in the manner required by this Agreement, Contractor shall take all appropriate corrective measures.

### **3.13 Removal of Hazardous Waste**

Contractor shall not collect Hazardous Waste unless performed under a specific Town-approved Hazardous Waste collection program. Collection personnel shall have proper training in identifying and dealing with Hazardous Waste which may be encountered during the normal course of Discarded Materials Collection. Contractor shall have a plan, approved in advance by Town, for identification, recording, notification and disposal of such Hazardous Waste improperly placed for disposal by Service Recipients. Contractor shall insure that no Hazardous Substances or other prohibited waste is disposed of in the landfill.

### **3.14 Diversion Requirements**

#### *3.14.1 Contractor Obligation*

In awarding this Agreement, the Town relied on Contractor representation that Contractor will provide a level of Diversion that ensures the Town will be in full compliance with its State Diversion obligations, as defined as of the Effective Date by AB 939 and AB 341. Town grant of exclusive services as defined in Article 2 is based in part on providing Contractor the means necessary to ensure the Town meets its Diversion obligations. The following Diversion requirements are intended to ensure the Town will be in full compliance with its Diversion obligations under Applicable Law.

#### *3.14.2 Diversion Rate*

Contractor's compliance with its Diversion requirements will be measured for a given time period in terms of the tons of materials Collected by Contractor from the provision of Collection Services in Town that are sold or delivered to a recycler, composting facility or re-use facility, net of all Residue, divided by the total tons of materials Collected in Town by Contractor in each calendar year.

### *3.14.3 Diversion Requirements*

The Town's intent is for Contractor to improve the performance of its programs over time in order to meet the following Diversion requirements, subject to the penalties specified in Article 10. Contractor shall:

- A. Achieve and maintain a Diversion rate of 22 percent by no later than January 1, 2018;
- B. Maintain a minimum Diversion rate of 22 percent from January 1, 2018 through December 31, 2019;
- C. Achieve and maintain a Diversion rate of 28 percent by January 1, 2020;
- D. Maintain a minimum Diversion rate of 28 percent from January 1, 2020; through December 31, 2022;
- E. Achieve and maintain a Diversion rate of 34 percent by January 1, 2023;
- F. Maintain a minimum Diversion rate of 34 percent from January 1, 2023; through December 31, 2024; and
- G. Achieve and maintain a Diversion rate of 40 percent by January 1, 2025.

### *3.14.4 Compliance with Diversion Requirements*

- A. **Town Determination of Compliance.** Contractor shall provide the Diversion-related data and information defined in Section 3.14 as part of its scheduled reporting. Town may in its sole discretion, and at any time determine compliance with each of the above Diversion requirements, as well as ascertaining Contractor progress towards achieving the next scheduled Diversion requirement. Contractor acknowledges that Town may request, and Contractor shall provide in a timely manner such additional information as may reasonably be needed to ascertain Contractor's compliance with its Diversion requirements as defined in Section 3.14.3. Should Town determine that Contractor is not in compliance with its Diversion requirements, Town may invoke the indemnification provisions of Section 8.1 and the penalties and remedies of Article 10.
- B. **CalRecycle Notice.** If at any point during the Term, CalRecycle notifies the Town that it is not in compliance with its Diversion obligations under Applicable Law, the Parties will meet within fourteen (14) days of Town request regarding Contractor's compliance with Contractor's Diversion requirements. Town may determine if Contractor is in compliance as provided in Section 3.14.3, and if it finds Contractor to not be in compliance, Town may seek the penalties and remedies of Article 10. Should Contractor be found to be in compliance with the above Diversion requirements, but there is the need to modify Contractor obligations to meet the Town's Diversion obligations such modification will be considered a change in Contractor's obligations as provided in Section 3.16.
- C. **Failure to Meet Minimum Diversion Requirements.** Contractor's failure to meet the minimum diversion requirements of Contractor's Diversion guarantee set forth above



may result in a finding of material breach, the imposition of liquidated damages, a denial of an adjustment to the Maximum Rates otherwise authorized, or the requirement to undertake additional diversion programs in accordance with Section 3.16. Notwithstanding the above, Contractor shall not be in material breach and Maximum Rate adjustments shall not be impacted, if Contractor has undertaken, in good faith, the methods and level of effort required to fully implement the work plans as set forth in Exhibits G, H, I and J. In addition, in determining whether to impose liquidated damages, the Town shall consider Contractor's good faith efforts, waste characterization data provided by Contractor and the availability of permitted facilities that are capable of Processing material to achieve the required levels of diversion.

- D. **Implementation of Additional Diversion Services.** If the Town determines that Contractor has not fulfilled its good faith efforts requirements set forth in the preceding paragraph, Town may direct Contractor to perform additional services (including the implementation of new diversion programs) or modify the manner in which it performs existing services, and Contractor agrees to do so at no additional charge. Pilot programs and innovative services which may entail new Collection methods, and use of new or alternative Solid Waste processing and disposal technologies are included among the types of changes which Town may direct.

#### *3.14.5 Cooperation*

Contractor acknowledges Town's need, and will assist Town to identify all diversion activities in Town, including diversion activities from Commercial Service Recipients who self-haul Recyclables or utilize third party recyclers as permitted by Section 2.9. Contractor will identify all Commercial Service Recipients using self-haul or third party recycling services and provide the contact information for these accounts to Town staff. Town staff will contact these accounts to require compliance with the reporting requirements imposed by Applicable Law.

### **3.15 Additional Recyclable Materials**

In the event Town or Contractor proposes to add other materials to the list of Recyclables to be Collected, processed and/or marketed by Contractor, such additional materials shall be included under this Agreement. Contractor shall notify the Town of the extent to which the addition of the proposed material would require a modification of the Recyclables Collection vehicles, the use of an additional Recyclables Container, and the use of additional Collection vehicles, and shall notify Town of the estimated costs of adding the proposed material. Such notification shall be in writing and shall be provided at the time Contractor proposes the addition of the material or, if Town proposes such addition, the Parties shall proceed in accordance with Section 3.16. Town shall respond in writing to Contractor's description of changes and costs of implementation within thirty (30) calendar days of Contractor's notification to Town. Both Parties shall negotiate in good faith for the purpose of reaching an agreement for the addition of the proposed material and a schedule for the implementation of the Collection of such material. The Town may negotiate and approve the additional material and implementation schedule, but any agreement which would result in additional compensation to Contractor, including any compensation for

tons Recycled pursuant to this Agreement, shall not become effective unless approved by the Town Council.

### **3.16 Town's Right to Direct Changes**

The Town may direct the Contractor to perform additional Collection services or to modify the manner in which it performs existing services, as provided in the Agreement. The Contractor shall promptly take direction from the Town to provide additional services under this Agreement. Contractor acknowledges and agrees that the Town may permit other persons besides the Contractor to perform additional Collection or related services if the Contractor and the Town cannot agree in four (4) weeks from the date when the Town first requests a proposal from Contractor to perform such services or terms and conditions of such services. Both Parties shall negotiate in good faith for the purpose of reaching agreement under this section.

## **Article 4. BILLING, REPORTING AND CUSTOMER OUTREACH**

### **4.1 Billing Services**

Contractor shall provide billing services for all Service Recipients in the Service Area, including all Residential Properties, Multi-Family Properties and Commercial Properties.

Contractor shall: (i) bill all Service Recipients in the Service Area, including all SFDs, MFDs, and Commercial Properties at the rates permitted in this Agreement; (ii) maintain accurate billing and payment records; and (iii) bill Service Recipients on a monthly schedule in arrears or as otherwise approved by Town. Service Recipients' bills shall be itemized showing the charges for each classification of services.

#### *4.1.1 Town Inserts*

Town may direct Contractor to produce and insert mailers with billings relating to Town-sponsored events, integrated waste management activities, other environmental programs, and authorized rate increases by the lesser of: (1) six (6) times per year or (2) the number of billing cycles for that Service Recipient class.

#### *4.1.2 Delinquent Accounts*

Contractor shall be responsible for collecting delinquent charges for services it renders to customers. Contractor shall employ measures, consistent with Applicable Law regulating the collection of debts, to obtain payment of charges including use of its own employees to obtain judgments in Small Claims Court and to enforce such judgments.

#### *4.1.3 Billing Records*

Contractor shall keep records of all billing documents and customer account records including, but not limited to, invoices, customer payment coupons mailed with the invoice and collection notices, for a period of three (3) years after the date of receipt or issuance. Contractor may, at its option, maintain those records in electronic form, hard copy, or in any other manner, provided that the records can be preserved and retrieved for inspection and verification in a timely manner.

#### *4.1.4 Town Access to Billing Information*

Contractor shall provide Town with prompt access to all current and up-to-date billing information necessary to allow the Town to respond to customer inquiries or complaints or as otherwise required by Town. At request of Town, Contractor shall provide “read only” electronic access to Contractor’s Service Recipient billing and customer service records such that Town employees can research billing inquiries and Service Recipient account history from Town Hall or review the status of missed pick-ups, service complaints or matters subject to Sections 4.3.9 and 4.3.11. Contractor shall cooperate with Town to establish this “read only” function and shall ensure that Town has access to Service Recipient information in “real time”.

#### **4.2 Town of Colma Reporting Requirements**

As set forth in this Article, Contractor shall submit reports to the Town on Solid Waste Collection and Disposal, Recyclables Collection, Processing and marketing, and Organic Waste Collection, Processing and marketing to assist the Town in meeting the reporting requirements of AB 939, AB 341 and other Applicable Law.

##### *4.2.1 Quarterly Reports.*

Contractor shall submit quarterly reports as required under this Section. Each quarterly report shall include the information described as follows:

- A. **Solid Waste Collected.** The quarterly report shall specify the number of tons of Solid Waste Collected by service type. Service type is residential, commercial, self-haul, debris box, and compactor.
- B. **Recyclables Tonnages.** The quarterly report shall specify the number of tons of Recyclables Collected by service type, as determined by a sampling method approved by the Town. Service type is Residential, Commercial, self-haul, Debris Box, and Compactor.
- C. **Yard Trimming/Food Waste and Organic Waste Tonnages.** The quarterly report shall specify the number of tons of Yard Trimmings, Food Waste and other Organic Waste Collected by service type. Service type is Residential, Commercial, self-haul, Debris Box, and Compactor.
- D. **Year-to-Date Data.** The quarterly report shall include year-to-date data for Solid Waste, Recyclables, Yard Trimmings/Food Waste by service type and a Diversion rate for the quarter by service type. Quarterly Diversion data shall be provided in such detail as is sufficient to allow the Town to determine compliance with the Diversion requirements of this Agreement.
- E. **CTAP Compliance.** The quarterly report shall detail compliance with the Commercial Technical Assistance Program (CTAP) required in this Agreement and results of the CTAP, and shall include completed Commercial Technical Assistance Checklists completed in the previous quarter.

- F. **Public Education.** The quarterly report shall detail the public education, events and community relations activities performed by Contractor during the quarter
- G. **Complaint Log.** The quarterly report shall contain a copy of Contractor's complaint log, with initial date of complaint, a description of how each complaint was resolved, and the date of resolution.

For the purposes of the reports, quarters shall be defined as: First Quarter consisting of January, February and March; Second Quarter consisting of April, May and June; Third Quarter consisting of July, August and September; Fourth Quarter consisting of October, November and December. Contractor shall submit quarterly reports within thirty days after the end of each quarter.

#### *4.2.2 Annual Reports*

Within forty-five days after the end of each calendar year, Contractor shall submit to Town an annual performance report covering the immediately preceding calendar year and the report shall include all of the following information:

- A. **Summary of Quarterly Reports.** A collated summary of the information contained in the quarterly reports, including the reconciliation of any adjustments from prior quarterly reports.
- B. **Annual Diversion Rate.** A final annual Diversion rate for the previous calendar year.
- C. **Annual Outreach and Education Plan Summary.** A detailed summary of the Contractor's educational outreach during the previous year. At a minimum, this shall include:
  - i. Public education materials produced.
  - ii. Dates, times, and group names of meetings attended.
  - iii. A summary of outreach and public education efforts, actions taken to resolve problems, increase efficiency, and increase recycling participation.
- D. **Customer Complaint Information.** Any information required to be submitted in the annual report under Section 10.8.

### **4.3 Inspection by Town; Performance Reviews**

#### *4.3.1 General*

Town reserves the right to inspect any and all of Contractor's facilities at any time during normal business hours, without notice, and at any other time with reasonable notice.

#### *4.3.2 Performance Review*

Town shall conduct two performance reviews during the Term of this Agreement within 90 days of the third and sixth anniversary of the Commencement Date. The review may be conducted by

a qualified independent consultant selected by Town. The review shall examine all aspects of Contractor's performance of this Agreement and may include a performance audit pursuant to Section 4.3.3. Contractor shall reimburse Town for the reasonable costs of such performance reviews within 30 days after Town's delivery of an invoice for the charges.

#### *4.3.3 Performance Audits*

Performance and service quality audits and evaluations may be conducted or caused to be conducted by the Town at its discretion throughout the term of this Agreement. Such audits may be conducted from time to time during the term of this Agreement by a qualified independent consultant selected by Town. The reports required by this Agreement and the Contractor's ability or inability to achieve Diversion goals may be utilized as a basis of review. Such audits may include, but shall not be limited to analyses of both financial and qualitative performance of Contractor and Contractor's operations. If any noncompliance with the Agreement is found, the Town may direct the Contractor to correct the inadequacies in accordance with the terms of this Agreement. If the Contractor fails to correct the noncompliance items, said failure will be considered a default under this Agreement. Contractor shall cooperate fully with Town in conducting such evaluations and audits. The cost of such audits shall be borne by Contractor.

#### *4.3.4 Customer Service*

Contractor shall at all times be in compliance with this Section 4.3 and with the provisions of the Public Education and Outreach Plan contained in Exhibit I. Contractor shall revise, modify and otherwise update such Plan throughout the Term as it deems necessary, or as reasonably requested by the Town.

#### *4.3.5 Office Location and Hours*

Contractor shall maintain a principal office that shall at all times during the term of this Agreement be located within 12 miles of the Town's Town Hall. The office shall be open at a minimum from 7:00 a.m. to 5:00 p.m. daily except Saturdays, Sundays and Holidays. A representative of Contractor shall be available during office hours at Contractor's office for communication with Town and the public.

#### *4.3.6 Local Telephone Number*

Contractor's principal office shall be accessible by a local (toll-free to Service Recipients) telephone number at least during the office hours specified in Section 4.3.5 and from 8:00 a.m. to noon on Saturdays. The telephone number shall be listed under Contractor's name in the local telephone directory.

#### *4.3.7 Emergency Telephone Number*

Contractor shall maintain an emergency telephone number for use outside Contractor's office hours. The emergency telephone number shall be listed as an emergency number under Contractor's name and under the Town in the local telephone directory. Contractor shall have a representative, or an answering service to contact such representative, available at Contractor's emergency telephone number during all hours other than Contractor's office hours.

#### *4.3.8 Multilingual/TDD Service*

Contractor shall at all times maintain the capability of responding to telephone calls in English, Spanish, and such other languages as Town may direct, employing a service such as ATT Language Line. Contractor shall at all times maintain the capability of responding to telephone calls through Telecommunications Device for the Deaf (TDD) Services. These capabilities shall be maintained for both the local telephone number and the emergency telephone number.

#### *4.3.9 Website.*

Contractor shall develop a comprehensive website specific to Town which fully explains and effectively promotes the Diversion options offered to its Service Recipients. The website shall contain the full approved Maximum Rates schedule as well as any other information that may be helpful to Town and Service Recipients in meeting Town's Diversion goals. The website shall also allow Service Recipients to submit inquiries, complaints and queries which shall be answered as provided for in the following paragraph.

#### *4.3.10 Service Recipient Complaints and Inquiries*

During office hours, Contractor shall maintain a complaint service and a telephone answering system capable of accepting at least three (3) incoming calls at one time. Contractor shall record in a computerized daily log all complaints, including date, time, complainant's name and address if the complainant is willing to give this information, and nature and date and manner of resolution of complaint. Any such calls received via Contractor's answering service shall be recorded in the log no later than the following work day. This log shall be available for inspection by Town during Contractor's office hours and shall be accessible to Town at all times. The computer log shall be in a format approved by Town. Contractor shall provide a copy of this log to Town with Contractor's quarterly report. All incoming calls shall be answered in the manner required under Section 10.8. Any call "on-hold" in excess of 1.5 minutes shall be switched to a message center where Contractor shall maintain information in a daily log to enable a customer service representative to return customer calls. All "call backs" shall be attempted a minimum of one time prior to 6:00 p.m. on the day of the call. If the caller is not contacted on the first attempt, Contractor shall make subsequent attempts on the next working day after the original call. Contractor shall make a minimum of three (3) attempts within twenty-four (24) hours of the receipt of the call. If Contractor is unable to reach the caller on the next working day, Contractor shall send a postcard to the caller on the second working day after the call was received, indicating that the Contractor has attempted to return the call. All attempts to contact the caller shall be recorded in the log kept by Contractor.

#### *4.3.11 Missed Pick-Ups*

The failure of Contractor to pick up Discarded Materials which has been set out in an approved manner as described in Article 3 by a Service Recipient shall be considered a missed pick-up. Contractor shall Collect the material from the Service Recipient within twenty-four (24) hours of Contractor's receipt of notification of the missed pick-up except where Collection on a Sunday would be required, in which case Contractor may perform the Collection of a missed pick-up on the Monday immediately following the date of notification. If Contractor is notified of a missed pick-up on the business day following the scheduled Collection day for the Service Recipient and such notification is made by 9:00 a.m., Contractor shall Collect the missed pick-up on the day of

notification. Contractor shall maintain a written record of all calls related to missed pick-ups and the response provided by Contractor. The record shall be maintained in accordance with the reporting and monitoring requirements of this Agreement. In the event Contractor fails to Collect a missed pick-up within the times set forth in this Section, Town or its agents may Collect and transport the material. Town shall notify Contractor in writing whenever Town or its agent collects a missed pick-up. Contractor shall reimburse Town for all costs so incurred by Town as provided in this Agreement.

#### **4.4 Community Relations Program**

Contractor shall at all times be in compliance with this Section 4.4 and with the provisions of the Transition, Diversion and Public Education and Outreach Plans contained in Exhibits F, H and I. Contractor shall revise, modify and otherwise update such Plans throughout the Term as it deems necessary, or as reasonably requested by the Town.

##### *4.4.1 Initial Start-Up Public Education*

- A. **Door Hangers.** On or before the Commencement Date, Contractor shall deliver Town-approved written materials announcing applicable changes to Collection services. These materials will be in the form of door hangers, or other format approved by the Town, to be placed at the premises of each Service Recipient. These materials shall specify Service Recipient's scheduled Collection day(s) as well as summary information regarding Holiday schedule and Bulky Goods Collection.
- B. **Initial Mailing.** On or before the Commencement Date, Contractor shall prepare and release a Town-approved initial mailing (via Bulk Mail – Postal Customer Local) to residents and businesses explaining any changes to existing Collection programs and any new programs.

##### *4.4.2 Ongoing Public Education*

- A. **General.** Colma places a high priority on effective public education and outreach in helping residents and business fully understand options for and benefits of source reduction, reuse and recycling, safe HHW disposal, and composting. Contractor shall develop, produce and distribute, in close collaboration with the Town, public education materials described herein.
- B. **Public Education and Outreach Plan.** Prior to the Commencement Date, Contractor will develop and submit an initial Public Education and Outreach Plan, specific to Town residents and businesses, that promotes the source reduction, reuse and recycling, composting, HHW programs under this Agreement. Contractor shall meet with Town Manager to review, request modifications and approve the Plan. In addition, on or before November 15, 2016, Contractor will develop and submit a Public Education and Outreach Plan for 2017, specific to Colma residents and businesses, that promotes the source reduction, reuse and recycling, composting, HHW programs under this Agreement. Town Manager has up to forty-five calendar days to review, request modifications and approve the Plan. Beginning November 1, 2017 and annually thereafter, Contractor will develop and submit an annual Public Education and Outreach Plan, specific to Colma residents and businesses, that promotes the source reduction,

reuse and recycling, composting, HHW programs under this Agreement. Town Manager has up to sixty calendar days to review, request modifications and approve the Plan.

In all years and iterations, Contractor's Public Education and Outreach Plan shall focus on improving Service Recipients' understanding of the benefits of and opportunities for Source Reduction, Reuse, Recycling and Composting. Contractor shall prepare and distribute public education materials to Service Recipients in Service Area four times during each year of this Agreement on a schedule approved by the Town. The materials shall be designed to address specific Collection needs or problems. The materials shall be printed in English, Spanish, and other languages specified by Town. The materials shall be professionally printed on paper stock with not less than fifty percent (50%) recycled paper content including at least ten percent (10%) post-consumer recycled paper content. Contractor shall provide camera-ready copy to Town for Town's review and approval prior to printing and distribution. Any promotional materials or news releases developed for Contractor's own use shall be developed at Contractor's sole cost and expense. Contractor shall obtain Town's written approval of the materials prior to printing or distributing the materials.

- C. **HHW Education.** Contractor shall develop and implement a public education program designed to educate Generators regarding proper methods of recognizing, handling and disposing of HHW.

#### *4.4.3 Written Materials*

- A. All written materials to be distributed to the public for educational or outreach purposes shall conform the requirements of this section. In all written materials, Contractor shall not use any other city or town name except Colma without the Town's prior written consent. Contractor shall use "Colma" when referring to the Town to the extent possible. Written materials shall be printed in English, Spanish, and other languages specified by Town. Contractor shall provide camera-ready copy to Town for Town's review and approval prior to printing and distribution. Printed materials shall be professionally printed on paper stock with not less than fifty percent (50%) recycled paper content including at least ten percent (10%) post-consumer recycled paper content.
- B. Except for the requirement applicable to printed materials, the requirements in this section also apply to written materials published in electronic form.

#### *4.4.4 Non-Collection Notice*

On or before the Commencement Date, Contractor shall have developed and begun utilizing Town-approved Non-Collection Notices as provided in Article 3. The notices shall be a least two inches by six inches in size and shall have the capability of making instant copies from the original at the spot of non-collection (e.g. carbonless copy paper).

#### *4.4.5 Diversion Assistance*

Contractor shall provide the Diversion outreach and education as set forth in the Diversion Plan contained in Exhibit H and I.



#### *4.4.6 Analysis of Discarded Material Composition*

Contractor shall cooperate in activities requested by the Town to measure Diversion of Solid Waste from landfills including, but not limited to, providing a location for conducting Discard Material sorting, and re-routing trucks on a temporary basis to facilitate composition analysis. Such reports shall include, but not necessarily be limited to, throughput, recovery rates per material type, Residue rates by material type, costs, Recyclable Material commodity values, and final disposition of Source Separated Recyclables and Source Separated Organic Waste. Contractor shall also supply any other information reasonably requested by the Town to meet State, Federal, County, or Town regulatory requirements as those requirements may be amended from time to time.

#### **4.5 Commercial Technical Assistance Program**

The Contractor shall provide technical assistance to Commercial Service Recipients, which shall include assigning a Diversion Coordinator to meet twice a year with the thirty (30) employers with the most persons employed in Colma, as determined by the Town annually, and once a year with all other employers to:

- A. Advise the Commercial Service Recipient's decision maker (the person with authority to make service changes to the Recyclable and Solid Waste collection service) on methods and recommendations to increase recycling and decrease solid waste, the selection of collections services and container sizes to maximize diversion, and the potential cost savings if a business takes recommended actions to increase diversion;
- B. Educate and train staff and janitors on best practices for recycling, waste reduction and availability and use of in-house recycling containers;
- C. Educate personnel on how to maximize diversion; and
- D. Provide educational materials, posters, labels, and memos.

Contractor shall complete a Commercial Technical Assistance Program report within thirty (30) days of each on-site visit on a form provided by Town in its sole discretion, e.g., Exhibit K. The reports shall be filed with the Contractor's quarterly reports required under Section 4.2.1. Contractor and Town shall meet annually to discuss the Commercial Technical Assistance Program, its results and potential modifications.

#### **4.6 Diversion Coordinator.**

The Contractor shall specifically assign a Diversion Coordinator to administer the CTAP, perform the CTAP tasks, coordinate the Town services described in section 3.10, administer all education and outreach programs, and meet quarterly with Town to discuss the CTAP. The Diversion Coordinator shall work an average of forty (40) hours per week on Town issues for the first two (2) years of this Agreement. Thereafter, the Diversion Coordinator shall work a minimum of twenty-four (24) hours per week on Town issues.

The Diversion Coordinator shall have sufficient experience and training to complete the CTAP and be effective in meeting the CTAP requirements. At a minimum, the Diversion Coordinator

must have demonstrated knowledge and experience in providing technical assistance to businesses. The Diversion Coordinator must be knowledgeable about recycling and mixed organics operations, the cost and other benefits of recycling and of reducing waste, and related issues. The Diversion Coordinator must be able work collaboratively with Town staff, to effectively communicate with business owners, facilities and operations managers and other Commercial community stakeholders, to write effective reports, and to conduct training programs.

#### **4.7 Nondiscrimination**

In the performance of all work and services under this Agreement, Contractor shall not discriminate against any person on the basis of such person's race, sex, color, national origin, religion, marital status or sexual orientation. Contractor shall comply with Applicable Law regarding nondiscrimination, including those prohibiting discrimination in employment.

### **Article 5. PROCESSING AND DISPOSAL**

#### **5.1 Compliance with Permits.**

Contractor shall not knowingly deliver materials Collected under this Agreement to facilities that do not comply in all material aspects with Applicable Law, including CalRecycle regulations under Title 14, Chapter 3, Minimum Standards for Solid Waste Handling and Disposal (Article 5.9 – Sections 17380-17386). Contractor, and not the Town, must use reasonable efforts to assure that all Disposal, transfer, and processing facilities to which Contractor delivers material under this Agreement are properly permitted to receive material Collected under this Agreement, except for any other facility that Town directs Contractor to use. Failure to comply with this provision may result in the Contractor being in default under this Agreement.

#### **5.2 Permits and Approvals.**

Contractor shall, upon written request from the Town, arrange for the facilities owned by the Contractor or an affiliate of the Contractor to which Contractor delivers material under this Agreement to provide copies of facility permits, notices of violations, inspection areas or concerns, or administrative action to correct deficiencies related to the operation, but only to the extent the foregoing are material and reasonably related to the services provided under this Agreement. For other facilities selected by the Contractor to which Contractor delivers material under this Agreement, if the Contractor becomes aware of any material permit violations by such facilities that are reasonably related to the services provided under this Agreement, Contractor shall notify the Town of the same. Failure to provide facility information may result in the Contractor being in default under this Agreement.

#### **5.3 Disposal Facility.**

All Solid Waste collected as a result of performing Collection services shall be transported, and delivered on the same day as collection, to the Approved Disposal Facility. In the event this facility is closed on a regular business day, the Contractor shall transport and deliver the Solid Waste to such other legally permitted disposal facility as is approved by Town. Failure to

comply with this provision may result in the levy of liquidated damages as specified in Article 10 of this Agreement and may result in the Contractor being in default under this Agreement.

#### **5.4 Organic Waste Processing Facility.**

Beginning on the Commencement Date, Contractor shall deliver on the same day as collection all collected Organic Waste to the Approved Organic Waste Processing Facility, provided that Contractor may first deliver Organic Waste to the Approved Organic Waste Transfer Facility. In the event this facility is closed on a regular business day, the Contractor shall transport and deliver the Organic Waste to such other legally permitted facility as is approved by the Town. Failure to comply with this provision may result in the levy of liquidated damages as specified in Article 10 of this Agreement and may result in the Contractor being in default under this Agreement.

#### **5.5 Approved Recyclables Processing Facility.**

All Recyclable Materials Collected as a result of performing Recycling services shall be delivered to the Approved Recyclables Processing Facility, provided that Contractor may first deliver Recyclables to the Approved Recyclables Transfer Facility. In the event this facility is closed on a regular business day, the Contractor shall transport and deliver the Recyclable Material to such other legally permitted Recyclables Processing Facility as is approved by Town. Failure to comply with this provision may result in the levy of liquidated damages as specified in Article 10 of this Agreement and may result in the Contractor being in default under this Agreement.

#### **5.6 Approved C&D Processing Facility.**

All C&D Debris Collected as a result of performing Debris Box services shall be delivered to the Approved C&D Processing Facility. In the event this facility is closed on a regular business day, the Contractor shall transport and deliver the C&D Debris to such other legally permitted processing facility as is approved by Town. Failure to comply with this provision may result in the levy of liquidated damages as specified in Article 10 of this Agreement and may result in the Contractor being in default under this Agreement.

#### **5.7 Inspections.**

The Town shall have the right to inspect the Contractor's facilities or collection vehicles used in the performance of this Agreement and their contents at any time while operating inside or outside the Town.

#### **5.8 Contingent Facility.**

Use of any alternative facility as noted above is subject to the prior written approval of the Town.

### **Article 6. TOWN FEES**

#### **6.1 Franchise Fee**

##### *6.1.1 Franchise Fee Amount*

Contractor shall pay to Town as an administration and franchise fee five percent (5%) of Contractor's or Affiliated Companies' gross revenues from all operations in the Franchise Area pursuant to this Agreement for each annual period, exclusive of payments received by Contractor or Affiliated Companies from the sale of Recyclable Material or Organic Waste, but including any moneys or received from governmental agencies, including Town ("Franchise Fee"). Town may adjust the Franchise Fee from time to time, provided that if Town increases the Franchise Fee, Contractor may increase its rates by the amount necessary to pass through the increase in the Franchise Fee.

#### *6.1.2 Time and Method of Payment*

The Franchise Fee shall be remitted at the same time as the quarterly reports in Section 4.2.1. If the Franchise Fee is not paid on time, the Contractor shall pay Town a late fee, and not as interest, in an amount equal to ten percent (10%) of the amount owing for that quarter. Contractor shall pay an additional ten percent (10%) late fee for each additional thirty (30) day period that any amount of the Franchise Fee or both, remains unpaid. Contractor agrees that the late fees described herein reasonably reflect the Town's costs to process delinquency calculations and notices, and to monitor the Contractor's services, all in an effort to collect delinquent Franchise Fees which, together with all other remedies afforded Town under this Agreement (including any award of attorney's fees and costs), and in accordance with applicable laws, are intended to compensate Town in any collection efforts in the event of Contractor's default in the payment of the Franchise Fee.

#### *6.1.3 Adjustment to Franchise Fee*

Town reserves the right to adjust the Franchise Fee as it deems appropriate at any time during the Term of this Agreement. Any such increase shall be reflected in increased Maximum Rates as provided for in Article 7.

### **6.2 Other Fees**

Town reserves right to establish other Town fees during the Term at its sole discretion. In this event, Maximum Rates shall be adjusted as necessary to reflect the new or modified fee(s) as provided for in Article 7.

## **Article 7. CONTRACTOR'S COMPENSATION AND RATES**

### **7.1 Rates for Solid Waste Collection**

#### *7.1.1 Establishing and Collecting Rates; Compensation of Contractor*

Town shall, from time to time, establish Maximum Rates for various categories of Service Recipients which are designed to provide revenues to fund all activities and pay all fees provided for under this Agreement. Contractor shall be responsible for billing and collecting such revenues. Contractor's sole compensation for rendering services pursuant to this Agreement shall consist of the amounts to be paid to, or retained by, Contractor in accordance with this Article, and any amounts collected by Contractor from the sale of Recyclable Materials collected hereunder. Moreover, Town shall not be obligated to make any payments to Contractor under this Agreement, including payments to compensate Contractor for delinquent or uncollectible amounts charged to Service Recipients.

### *7.1.1 Initial Rates*

Provided that Town has successfully completed any proceedings required under Article 13D, Section 6, of the California Constitution or other Applicable Law, Contractor's initial proposed Maximum Rates, set forth in Exhibit D shall take effect on the Commencement Date. If there is a service that Contractor believes it is required to provide and for which there is no Town-approved rate in Exhibit D, Contractor shall notify Town. The Town may, in its sole discretion, establish a rate for the new service, following completion of any proceedings required under Article 13D, Section 6, of the California Constitution or other Applicable Law. Unless and until Town establishes a rate for such service, Contractor shall not provide nor charge for the service. Town shall have no obligation or duty to establish a rate for such service.

Contractor represents and warrants that it is, and at all times prior to execution of this agreement, was, ready, willing and able to enter into this Agreement with no provision for future compensation increases except as provided in this Article 7, and that any discussions prior to execution of this Agreement about methods for determining rate increases was solely to determine whether the Town would be amendable to such alternatives.

Contractor and Town acknowledge and agree that the first rate increase date of January 1, 2017 has been extended to September 1, 2017 and Contractor was not allowed to adjust its initial Maximum Rates to reflect this nine-month delay for the first adjustment to Maximum Rates. Further, Contractor and Town acknowledge and agree that this delayed increase in Contractor's Maximum Rates will be split evenly and added to the normal rate adjustments for Rate Year One and Rate Year Two. Beginning in Rate Year Three, and thereafter during the Term of this Agreement, the only adjustment to Contractor's Maximum Rates will be that as specified in Section 7.1.6.

### *7.1.2 Rate Year One and Rate Year Two Adjustments*

1. Rate Year One – September 1, 2017 – August 31, 2018: One hundred thirty-seven and one-half percent (137.5%) of the adjustment in the Consumer Price Index (CPI) as provided in Section 7.1.6 below.
- ii. Rate Year Two – September 1, 2018, August 31, 2019: August 31, 2018: One hundred thirty-seven and one-half percent (137.5%) of the Consumer Price Index (CPI) as provided in Section 7.1.6 below.

### *7.1.3 Subsequent Rate Adjustments*

Beginning September 1, 2019, the Maximum Rates shall be adjusted as provided in this Section 7.1.3.

- A. Each Maximum Rate as listed in Exhibit D shall be subject to increases or decreases every year during the term of this Agreement to reflect the impact of inflation. The "Adjustment Date" shall be September 1 of each year during the term of this Agreement, beginning September 1, 2017 for Rate Year One. Said increase or decrease shall be made in accordance with the following formula ("Formula"):

- i. The base for computing the adjustment shall be the Consumer Price Index [All Urban Consumers] (base years 1982-1984 = 100) San Francisco-Oakland-San Jose, CA, published by the United States Department of Labor, Bureau of Labor Statistics ("index") which is published for the month of July, 2017 ("beginning index"). If the index for July immediately preceding the adjustment date ("adjustment index") has increased or decreased over the beginning index (or the index as of the most recent prior adjustment date, as the case may be), the Maximum Rate for the following year (until the next Maximum Rate adjustment) shall be set by multiplying the then Maximum Rate by a fraction, the numerator of which is the adjustment index and the denominator of which is the beginning index (or the index as of the most recent prior adjustment date, as the case may be). If the index is changed so that the base year differs from that used as of the month of July of the year preceding the adjustment date, the index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the index is discontinued or revised during the term of this Agreement, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the index had not been discontinued or revised.
  - ii. Notwithstanding any provision herein to the contrary, in no case shall the Maximum Rate increase or decrease exceed 5% per year. In the event that any increase or decrease would exceed 5% in any one year, the excess change above 5% shall be applied to the following year's adjustment pursuant to this Section, provided that the increase or decrease in that following year shall not exceed 5%. In such event, all or a portion of the excess increase or decrease shall be applied to the adjustment each of the following years until fully satisfied. Percent adjustments carried over to a succeeding year shall be simply added to or subtracted from the current year's adjustment in the Maximum Rates.
- B. If the Franchise Fee or any Town fee is changed (increased or decreased), the Franchise Fee portion of the Maximum Rates shall be adjusted to reflect the new Franchise Fee. Franchise Fees and other Town Fees are a pass through cost and Contractor shall not be entitled to receive or charge any profit, markup, overhead or administrative costs on such fees.
- C. In the event that any fee or tax related to the Collection, transportation, Processing or Disposal of Discarded Materials is imposed or increased by any governmental agency under Applicable Law, Contractor may request an adjustment in the Maximum Rates to reflect the new or increased fee or tax. The Town may approve or deny this request in its reasonable discretion. Such approval shall be contingent on the successful completion of the proceedings required under Article 13D, Section 6 of the California Constitution. Moreover, any fees and taxes are a pass through cost and Contractor shall not be entitled to receive or charge any profit, markup, overhead or administrative costs on such fees. Except as set forth in this subsection, no other increased fees, taxes or costs shall be grounds for Contractor to seek an increase in the Maximum Rates.

#### *7.1.4 Applicable Law*

Contractor understands and agrees that the initial Maximum Rates and all increases in the Maximum Rates may be subject to proceedings required under Article 13D, Section 6, of the California Constitution or other Applicable Law. No adjustment in the Maximum Rates shall be allowed if the Town is prevented from approving such adjustment under the provisions of Article 13D, Section 6, of the California Constitution or other Applicable Law.

### **7.2 Recyclables Rebate**

Contractor shall be entitled to retain the revenues generated from the sale of any Recyclables Collected under this Agreement. However, Contractor shall pay Town a rebate of Twenty Dollar (\$20) per ton of Recyclables Collected by Contractor. This rebate shall be paid at the same time and in the same manner as the Franchise Fee. Contractor shall include information in all applicable reports required under Section 4.2 to document the rebate. All such reports and payments shall be subject to audit under Section 4.3.

### **7.3 Grant Funding**

Contractor shall monitor, and shall apply for applicable grant funding programs awarding in excess of \$10,000 as they come available throughout the term of this Agreement, including but not limited to Diversion program assistance and alternative fuels and equipment purchase programs. Contractor shall take such steps as are necessary to ensure that grant applications are completed and submitted in a professional manner. Prior to submitting applications for such grants, Contractor shall notify Town of its intent to apply, and Contractor shall not submit any applications relating to the Town without prior Town approval, which shall not be unreasonably withheld. Contractor shall take direction from Town regarding applying for specific grants, and shall do so in a timely manner.

## **Article 8. INDEMNIFICATION, INSURANCE AND BOND**

### **8.1 Indemnification**

#### *8.1.1 Indemnification and Hold Harmless - Contractor*

To the extent permitted by Applicable Law, Contractor, for and on behalf of itself and its agents, subcontractors, directors, officers, employees and representatives shall indemnify and hold harmless Town, its officers and employees from and against any and all losses, liabilities, penalties, claims, demands, judgments, damages, actions or suits, of any and every kind and description, arising or resulting from any work or services performed by Contractor or its agents, subcontractors, directors, officers, employees or representatives pursuant to this Agreement, or which results from their noncompliance with any Applicable Law. Such indemnification and hold harmless shall include, but not be limited to any allegation that Contractor, or its agents, subcontractors, directors, officers, employees, or representatives has breached an express or implied warranty of merchantability or fitness for particular use or any other warranty relating to the Recyclables Collected pursuant to this Agreement and to any allegation that any of them has violated any license, copyright or other limitation on Contractor's use of any computer software in connection with Contractor's performance of services under this Agreement. The acceptance

by Town of any work or services under this Agreement shall not operate as a waiver of such indemnification or hold harmless.

Contractor's duty to defend and indemnify herein includes all fines and/or penalties imposed by CalRecycle if the requirements of AB 939, AB 1826 and/or AB 341 are not met by the Contractor with respect to the materials Collected under this Agreement and/or Contractor's other obligations under this Agreement, and such failure is: (i) due to the failure of Contractor to meet its obligations under this Agreement; or, (ii) due to Contractor delays in providing information that prevents Contractor or the Town from submitting reports to regulators in a timely manner.

#### *8.1.2 AB 939, AB 341, AB 1846 and Local Ordinance Compliance*

Contractor shall perform all education, outreach, monitoring, and reporting for all Commercial and Multi-Family properties as required by AB 939, AB 1826, AB 341, and any Town ordinance and as more fully set out in Section 4.4, and in Exhibit I. Contractor has developed, and shall implement and update as necessary a Diversion Plan as provided in Exhibit H that, among other things supports and educates Multi-Family and Commercial Customers on both State and Town requirements. Contractor shall provide all necessary reporting relating to the Town's compliance requirements pertaining to AB 939, AB 1826 and AB 341, and as it affects the County's Integrated Waste Management Plan, as required by Section 4.2.

#### *8.1.3 Defense*

Upon the demand of the Town Attorney, Contractor shall defend Town, its officers and/or employees against any matter described in Section 8.1.1 and 8.1.2 of this Agreement.

#### *8.1.4 Damage by Contractor*

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

## **8.2 Insurance**

#### *8.2.1 Insurance Policies*

Contractor shall procure and maintain throughout the Term and any extension of this Agreement insurance against claims for injuries to persons or damages to Property which may arise from or in connection with Contractor's performance of work or services under this Agreement. Contractor's insurance shall include full coverage of Contractor's employees, agents, representatives and subcontractors. Contractor warrants that employees and subcontractors are properly licensed, including any required commercial vehicle licenses, to drive Contractor's vehicles.



### 8.2.2 *Minimum Scope and Limits of Insurance*

Insurance Coverage shall be at least as broad as the following:

- A. **Workers' Compensation.** Statutory Workers' Compensation Insurance with limits as required by applicable law. The insurer shall waive all rights of subrogation against the Town of Colma for loss arising from worker injuries sustained under this Agreement.
- B. **Commercial General and Automobile Liability.** Contractor, at Contractor's own cost and expense, shall maintain Commercial General Liability insurance for the period covered by this Agreement, and any extension of this Agreement in an amount not less than two million dollars (\$2,000,000) combined single limit coverage for risks associated with the work contemplated by this Agreement. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles, as well as waste hauling, transfer vehicles or other commercial transport.
- C. **General Requirements.** Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:
  - i. The Town of Colma, its officers, employees, agents and volunteers are to be covered as additional insureds as respects each of the following: liability arising out of activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired, or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to Colma, its officers, employees, agents, or volunteers; except that such coverage shall not apply to the extent of the sole negligence, active negligence, comparative negligence, or willful misconduct of Colma, its officers, employees, agents, or volunteers.
  - ii. The insurance policy form shall provide coverage on an occurrence basis, or on the basis of claims made. If claims made coverage is provided, an extended supplemental reporting period of at least 84 months shall be provided.
  - iii. The insurance must cover complete contractual liability. This may be provided by amending the definition of "incidental contract" to include any written agreement.
  - iv. Any explosion, collapse, and underground property damage exclusion must be deleted.
  - v. An endorsement must state that coverage is primary insurance and that no other insurance or self-insured retention carried by the Town of Colma will be called upon to contribute to a loss under the coverage.
  - vi. The policy must contain a cross liability or severability of interests clause.

- vii. Any failure of Contractor to comply with reporting provisions of the policy shall not affect coverage provided to Town of Colma and its officers, employees, agents, and volunteers.
- viii. Broad form property damage liability must be afforded.
- ix. Insurance is to be placed with California-admitted insurers, and carrier(s) must be rated "A" or above in the Best's Rating Guide. The Town reserves the right to accept or deny use of any particular carrier.
- x. Notice of cancellation or nonrenewal must be received by the Colma Town Clerk's Office at least sixty (60) days prior to such change.

### 8.2.3 *Endorsements*

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

#### A. General Liability and Automobile Liability Coverage

- i. The Town of Colma, its officers, employees, agents and Contractors are to be covered as additional insureds as respects: Liability arising out of activities performed by, or on behalf of, Contractor; products and completed operations of Contractor; premises owned, leased or used by Contractor; and automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to Town, its officers, employees, agents and Contractors; except that such coverage shall not apply to the extent of the sole negligence, active negligence, comparative negligence, or willful misconduct of Colma, its officers, employees, agents, or volunteers.
- ii. Contractor's insurance coverage shall be primary insurance as respects Town, and its officers, employees, agents and Contractors. Any insurance or self-insurance maintained by Town, its officers, employees, agents or Contractors shall be in excess of Contractor's insurance and shall not contribute with it.
- iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to Town, and its officers, employees, agents, or Contractors.
- iv. Except with respect to the limits of insurance, and any rights or duties specifically assigned to the first named insured, this insurance applies:
  - a. As if each named insured were the only named insured; and
  - b. Each insured against whom claim is made or suit is brought.

### 8.2.4 *Hazardous Substances, Environmental Impairment Liability Insurance*

- A. Contractor shall provide, and thereafter maintain throughout the term of this Agreement, and any extension of this Agreement, Hazardous Substances and Environmental Impairment Liability Insurance covering all reasonably expected potential losses related to pollution, Hazardous Substances, contamination, spills, accidents or migration of

toxics, pollutants, Hazardous Substances or materials, or unknown materials. Such coverage shall be at a minimum of five million dollars (\$5,000,000.00) per occurrence. Contractor shall submit a report annually to the Town listing the claims and incidents which could result in claims under this coverage.

- B. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:
- i. The insurance coverage, if provided on a claims made form, then a twelve (12) month Extended Reporting Period shall be provided in the event such coverage or this Agreement is terminated.
  - ii. An endorsement must state that coverage is primary insurance and that no other insurance or self-insured retention carried by the Town of Colma will be called upon to contribute to a loss under the coverage; unless and to the extent of the sole negligence, active negligence, comparative negligence, or willful misconduct of the Town, its officers, employees, agents, or volunteers, excluding any third party claims or actions arising out of or asserted based upon the theory of negligent instrument of services to Contractor.
  - iii. Any failure of Contractor to comply with reporting provisions of the policy shall not affect coverage provided to Town of Colma and its officers, employees, agents, and volunteers.
  - iv. Notice of cancellation or nonrenewal must be received by the Colma Town Clerk's Office at least sixty (60) days prior to such change.

#### *8.2.5 Acceptability of Insurers*

Insurance is to be placed with insurers acceptable to and subject to the prior approval of Town's City Manager

#### *8.2.6 Verification of Coverage*

Contractor shall furnish Town with certificates of insurance and with original endorsements affecting coverage required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Contractor shall furnish Town with a new certificate of insurance and endorsements upon each renewal or change of coverage or change of insurers. Proof of insurance shall be mailed to the following address or any subsequent address as may be directed in writing by the Town:

City Manager  
Town of Colma  
1198 El Camino Real  
Colma, CA 94014

#### *8.2.7 Subcontractors*

Contractor shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor with terms, conditions and amounts of insurance at least equal to those set forth herein for Contractor.

#### *8.2.8 Modification of Insurance Requirements*

The insurance requirements provided in this Agreement may be modified or waived by Town's City Manager, in writing, upon the request of Contractor if the City Manager determines such modification or waiver is in the best interests of Town considering all relevant factors, including exposure to Town.

### **8.3 Performance Bond**

#### *8.3.1 Performance Bond Requirement*

Within ten (10) calendar days from the date the Town Council approves this Agreement and upon the commencement of each year thereafter, Contractor shall procure and provide the Town with a fully prepaid surety bond, for at least the duration of such year, to guarantee and assure the prompt and faithful performance of Contractor's obligations under this Agreement. Such bond shall be executed by a surety licensed to transact business in the State of California, shall name the Town of Colma as obligee, shall provide at least thirty (30) calendar days prior notice of any cancellation, and shall be in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00). The form of the bond and the surety are subject to the approval of Town's City Manager and the Town Attorney.

#### *8.3.2 Alternative to Performance Bond*

As an alternative to the performance bond required by Section 8.3.1, at Town's option, Contractor may deposit with Town a fully prepaid irrevocable letter of credit for at least the duration of the Contract Year for which the letter of credit is deposited. Such letter of credit shall be in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00). The form of the letter of credit and the issuer of the letter of credit are subject to the approval of Town's City Manager and the Town Attorney. Nothing in this Section 8.3.2 shall in any way obligate Town to accept a letter of credit in lieu of the performance bond.

#### *8.3.3 Town's Rights*

Town shall have the right to draw against the faithful performance bond or the letter of credit in the event of a breach or default of Contractor or the failure of Contractor to perform fully any obligation under this Agreement. Within five (5) calendar days of receipt of notice from Town, Contractor shall renew or replace such sums of money as needed to bring the faithful performance bond or letter of credit current.

## **8.4 Guaranty**

Concurrently with execution of this Agreement, Contractor shall furnish a guaranty of its performance under this Agreement, in the form of Exhibit B, properly executed by Republic Services, Inc..

## **Article 9. TOWN'S RIGHT TO PERFORM SERVICE**

### **9.1 Emergency Conditions**

The City Manager may declare the existence of an Emergency Condition and shall provide notice as soon as practicable to Contractor of said declaration. Within 72 hours an emergency meeting of the Town Council shall be scheduled and consideration of the continuation of an Emergency Condition shall be heard by the Town Council. The Town Council shall, by resolution, declare the continued existence of the emergency condition, if appropriate, and transmit a certified copy of the resolution to Contractor.

#### *9.1.1 Emergency Operations*

The Parties acknowledge that either temporary cessation or cessation of indeterminate duration of the services to be provided by Contractor hereunder may result in conditions detrimental to the public health, safety and welfare and that, in order to protect the public, invoking the extraordinary provisions of this section may be necessary. From and after the declaration of the existence of an Emergency Condition, Town or the designee of Town (irrespective of whether such designee is another public agency or privately-owned entity) may assume and carry out, as the "Emergency Operator", any or all Collection operations of Contractor hereunder. During the period of the Emergency Condition exists all revenues which, but for the Emergency Condition, would accrue hereunder to Contractor, shall instead accrue and be payable by Contractor to the Emergency Operator.

#### *9.1.2 Use of Contractor's Facilities*

Upon the declaration of the existence of an Emergency Condition pursuant to this Article, Contractor shall make available and relinquish to the Emergency Operator all of Contractor's operable vehicles, equipment, and other facilities necessary or convenient for providing Collection in the Service Area. Further, Contractor shall provide the Emergency Operator access, and/or rights of access, to such transfer station facilities and/or Disposal or Processing facilities available to, or under the control of, Contractor for the transferring and disposal of Discarded Materials, and Contractor shall, to the extent it possesses rights to use such transfer, Disposal, or Processing facilities, assign such rights to the Emergency Operator for use during the existence of the Emergency Condition. Notwithstanding the foregoing provisions of this section, the use of Contractor's vehicles, equipment, and other facilities and the assignment of rights to Contractor shall, in the case of Contractor's insolvency, bankruptcy or other adverse financial condition, be subject to the provisions of the United States Bankruptcy Act (11 U.S.C. §§101 et seq.) to the extent applicable. During the existence of an Emergency Condition the Emergency Operator shall operate, maintain and repair, and adequately insure, without cost to Contractor, Contractor's vehicles, equipment and other facilities used by it. Upon the cessation of the Emergency Condition the right to use such vehicles, equipment and facilities shall expire and the Emergency Operator shall return said vehicles, equipment and facilities to

Contractor in a condition substantially the same as that which existed upon acquiring said vehicles, equipment and facilities, ordinary wear and tear excepted.

#### *9.1.3 Indemnification*

In the event that an Emergency Operator appointed by Town utilizes any facilities and/or equipment of Contractor, Town shall defend, indemnify and hold harmless Contractor and its Affiliates from and against any and all losses, expenses, liens, claims, demands and causes of action of every kind and character (excluding those based upon the negligence or willful misconduct of Contractor, its officers, employees and agents) for death, personal injury, property damage or any other liability or damages, including costs, attorneys' fees, and settlements arising out of, or in connection with, the use of Contractor's facilities and/or equipment.

#### *9.1.4 Cessation of Emergency*

At any time after the Emergency Operator has commenced the Collection of Discarded Materials, Town may hold a hearing on the question of the cessation of the Emergency Condition upon giving not less than forth-eight (48) hours' prior written notice to Contractor and the Emergency Operator. At the hearing Contractor, the Emergency Operator, and any and all interested persons shall be given the opportunity to be heard on the question aforesaid. Upon the conclusion of the hearing, Town shall determine if the Emergency Condition has ceased. If it is determined that the Emergency Condition has ceased, the Town Council shall, by resolution, declare the cessation of the Emergency Condition, and transmit a certified copy of the resolution to Contractor.

#### *9.1.5 Resumption of Service*

Upon the declaration of cessation of the Emergency Condition, the Emergency Operator shall return to Contractor its vehicles, equipment, and other facilities acquired and used by it. Further, upon the declaration of cessation of the Emergency Condition, and unless Town has terminated this Agreement pursuant to Article 10, Contractor shall recommence its operations hereunder and shall perform all of its duties and obligations in accordance with the provisions hereof, and shall be entitled to all of its rights hereunder, including accrual of revenues for its benefit, from and after the date upon which the Emergency Condition shall be deemed to have ceased.

#### *9.1.6 Limitation*

Notwithstanding anything herein contained to the contrary, no Emergency Condition shall exist for more than one hundred eighty (180) consecutive days. Upon the expiration of said one hundred eighty (180) days, and unless the Emergency Condition has ceased prior thereto, this Agreement shall terminate. In the event of such termination no rights shall accrue to Contractor under this Agreement from and after the date of termination.

#### *9.1.7 Town Termination of Agreement*

Notwithstanding the provisions of Section 9.1.5, if, upon the cessation of the Emergency Condition, the Town Council determines that Contractor is not substantially able to perform its duties and obligations hereunder due to the effects of the Emergency Condition, the Town Council may declare this Agreement terminated effective upon the date of the cessation of the

Emergency Condition. In the event of such termination no rights shall accrue to Contractor under this Agreement from and after the date of termination.

## **9.2 Disaster Operations**

### *9.2.1 Availability of Contractor's Personnel and Equipment*

In event of wartime, natural, physical or other disaster in or proximate to the Service Area resulting in the declaration of a State of Emergency by the City Manager or Town Council, Contractor shall make available to Town, at no cost to Town, all equipment, vehicles, and/or personnel normally performing services under this Agreement, for emergency operations conducted or directed by the Town.

### *9.2.2 Temporary Possession and Employment*

Town shall have the right to take temporary possession of all such vehicles and equipment made available by Contractor, and to temporarily employ all such Contractor personnel as emergency operations forces of Town, under the direction and control of the Town.

### *9.2.3 Use of Additional Equipment*

Contractor may make available, in addition to the vehicles, equipment, and personnel provided in Section 9.2.1 above, equipment, vehicles, and personnel from those Contractor operations and resources not otherwise serving Town pursuant to this Agreement, to the extent necessary to conduct effective Discarded Materials Collection and removal services during any declared State of Emergency, subject to the direction and control of the Town.

### *9.2.4 Reimbursement*

Town shall not be required to compensate Contractor in any manner or form for Contractor's provision of Equipment, vehicles, or personnel normally performing services under this Agreement within the Town Limits, when made available during a declared State of Emergency. When additional equipment, vehicles, or personnel are provided during such an emergency, pursuant to Section 9.2.3 above, Town shall compensate Contractor for actual expenses incurred by Contractor in providing such equipment, vehicles, and/or personnel upon submission by Contractor to Town of detailed records of costs and expenses actually borne by Contractor, and upon approval by the appropriate Federal agency of Town's reimbursement of expenses incurred by Contractor during such State of Emergency.

### *9.2.5 Indemnity*

In the event of a declared State of Emergency during which Town takes possession of and utilizes the equipment, vehicles and/or personnel of Contractor pursuant to this Section 9.2, Town agrees to indemnify and defend Contractor and its officers, directors, agents, and employees, and hold such parties harmless against all actions, suits, liabilities, costs, and expenses (including reasonable attorneys' fees and costs of defense) arising out of or related to Town's possession and operation of all Contractor's equipment, vehicles, and facilities utilized by Town to render services during any such State of Emergency.

## **Article 10. DEFAULT, REMEDIES, AND LIQUIDATED DAMAGES**

### **10.1 Right to Demand Assurances of Performance**

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

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

### **10.2 Right to Terminate Upon Default**

Town may terminate this Agreement upon Contractor's default of any material duty or obligation of Contractor under this Agreement and Contractor's failure to cure such default within thirty (30) calendar days of Town's written notice to Contractor of such default. If the default is not capable of cure within said thirty (30) calendar days, Contractor shall provide written notice to Town together with a schedule of cure within fifteen (15) calendar days of Town's notice of default, shall begin action to cure the default within said thirty (30) calendar days, and shall diligently proceed to cure the default. Town may accept Contractor's schedule of cure, may make a written demand that Contractor cure the default within a time period set by Town, or may terminate this Agreement at the end of the thirty-day default period.

### **10.3 Immediate Termination**

Town may terminate this Agreement with three (3) days' written notice to Contractor in the event Contractor fails to provide and maintain the performance bond as required by this Agreement, Contractor fails to obtain or maintain the insurance policies and endorsements as required by this Agreement or Contractor fails to provide the proof of insurance as required by this Agreement. If Contractor satisfactorily cures such default prior to the expiration of the notice period, Town shall withdraw such termination notice.

### **10.4 Bankruptcy or Insolvency of Contractor**

Town may terminate this Agreement immediately upon written notice to Contractor upon the occurrence of any of the following and Contractor's failure to provide adequate assurance that any of the following can be removed within thirty (30) calendar days of Town's demand for such assurance: (1) the appointment of a receiver or trustee to take possession of all or substantially



all of the assets of Contractor; (2) Contractor's general assignment of its assets for the benefit of Contractor's creditors; (3) a court entry of any decree or order adjudging Contractor to be insolvent or bankrupt; (4) a court entry of any decree or order approving as properly filed a petition seeking reorganization of Contractor or an arrangement under the bankruptcy laws or any other applicable debtor's relief law or statute of the United States or any State; or (5) a determination by the City Manager, based upon a statement prepared by an independent certified public accountant mutually agreed upon by Contractor and the Town, that there is a reasonable probability that Contractor's financial capability to perform this Agreement is materially impaired.

### **10.5 Authority to Terminate**

The City Manager of the Town of Colma is authorized to terminate this Agreement on behalf of Town. Any termination of this Agreement under this Article 10 shall not relieve Contractor of the obligation to pay any fees, taxes or other charges then due to Town nor relieve Contractor of the obligation to file any daily, monthly, quarterly or annual reports covering the period to termination nor relieve Contractor from any claim for damages previously accrued or then accruing against Contractor, nor shall any termination relieve the Contractor from performing Contractor's obligations under Section 12.12 or to perform any other action expressed or implied to be required after termination of this Agreement. Town shall pay to Contractor any amounts due to Contractor for the performance of services under this Agreement through the effective date of termination.

### **10.6 Termination Cumulative**

Town's right to terminate this Agreement is cumulative to any other rights and remedies provided by Applicable Law or by this Agreement.

### **10.7 Service Complaint and Penalties**

In the event Contractor fails to provide Collection services as required under this Agreement, or where multiple complaints from a location or locations occur within a thirty (30) day period, Town may (but shall have no obligation to), and without waiving or relieving Contractor of its obligation to provide such services, make such payment or perform such other act as Town deems appropriate to effectuate such services. Contractor shall reimburse Town for any payments made or costs incurred by Town in effectuating such services plus a fifteen percent (15%) penalty during any period Contractor fails to perform such services.

### **10.8 Performance Standards and Liquidated Damages**

In the event that the Contractor fails to perform reasonably any of the Contractor's obligations under this Agreement, the Contractor shall be in breach of this Agreement. The Parties recognize that if the Contractor fails in such performance, the Town and residents of the Town will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which the Town and residents will suffer. Therefore, without prejudice to the Town's right to treat uncorrected nonperformance as an event of default, the Parties agree that the following liquidated damage amounts represent a reasonable estimate of the amount of such damages, provided, however, that the Town may not assert a claim for both actual damages and liquidated damages with respect to same act or omission. Upon delivery

of written notice to the Contractor, the Town may impose liquidated damages upon the Contractor, in addition to any other available remedies the Town may have, as outlined in the tables below.

The Town may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees or representative, or by investigation of Service Recipient complaints.

Prior to assessing liquidated damages, the Town shall give the Contractor notice of its intention to do so. The notice shall include a brief description of the incident or non-performance. The Contractor may review (and copy at its own expense) all information in the possession of the Town relating to the incident or non-performance. The Contractor may, within ten (10) days after receiving the notice, request a meeting with the Town. If a meeting is requested, the Town Manager or his/her designee shall hold it. The Contractor may present evidence in writing and through testimony of its employees and others relevant to the incident or non-performance. The Town Manager or designee shall provide the Contractor with a written explanation of his or her determination on each incident or non-performance prior to authorizing the assessment of liquidated damages. The Contractor shall remit to the Town damages specified in said assessment as part of the next Franchise Fee payment and subject to the same terms and conditions on late or non-payment.

	<b>Event of Non-Performance</b>	<b>Acceptable Performance Level</b>	<b>Definition of Complaint, Incident, or Event</b>	<b>Tracking Method</b>	<b>Liquidated Damage Amount</b>
<b>A. COLLECTION QUALITY</b>					
1.	Missed Pick-Ups Event – Initial Complaints (includes Solid Waste, Recycling and Organic Waste Collection)	Percentage of missed pick-up complaints shall be less than or equal to 1 missed pick-up complaint per 1,000 service opportunities.	Each complaint received for missed pick-up of Solid Waste, Recyclable Materials, Organic Waste with the exception of missed pick-up Complaints for which Contractor: (i) documented in its customer service system the Customer's failure to properly set out Container or Container was blocked for Collection based on the route driver's report, and, (ii) coded the call for a recollection request or courtesy pick-up rather than missed pick-up complaint	Contractor shall document from its customer service system listing the total complaints coded as missed pick-up for the Town. Submit electronic report annually	\$50 per complaint received above the acceptable performance level

2.	Missed Pick-Up Events – Failure to Promptly Collect (remedy) (includes Solid Waste, Recycling and Organic Waste Collection)	No complaints in this category are acceptable; therefore, any complaint of this nature shall be considered unacceptable.	Each failure to Collect missed pick-up as required under Section 4.3.11. .	Contractor shall document missed pick-up complaint reports listing for the Town each complaint, the date of the complaint, the resolution date; and any other information requested by the Town. Submit electronic report annually	\$50 per complaint
3.	Other Collection Quality Complaint (includes Solid Waste, Recycling and Organic Waste Collection)	Number of “Other Collection Quality Complaints” is less than or equal to five hundredths of one percent (0.05%) of the service opportunities quarterly	“Other Collection Quality Complaints” shall include all complaints received regarding events	Contractor shall document on a quarterly basis from its customer service system listing the total number of complaints coded for each category. Submit electronic report annually	\$150 per complaint received above the acceptable performance level
4.	A. Unauthorized Collection Hours (includes Solid Waste, Recycling and Organic Waste Collection)	See above	Each complaint that Contractor has performed Collection services outside of hours authorized the Agreement	See above	\$250 per complaint received above the acceptable performance level
5.	B. Inadequate Care of or Damage to Private Property	See above	Each complaint that Contractor has not closed a Service Recipient’s gate, has crossed planted areas, or has damaged private property	See above	\$250 per complaint received above the acceptable performance

			(including damage of private vehicles)		level
6.	C. Failure to Resolve Property Damage Claims	See above	Each complaint of Contractor's failure to resolve claims of damage to property within thirty (30) calendar days of the date the complaint damage was reported by the Service Recipient	See above	\$250 per complaint received above the acceptable performance level
7.	D. Improper Container Placement	See above	Each complaint of Contractor's failure to return empty Containers to original location (or alternate location if original location was not safe with regard to pedestrian and vehicular traffic), and each complaint of failure to place Containers in an upright position with lids closed	See above	\$150 per complaint received above the acceptable performance level
8.	E. Excessive Noise	See above	Each complaint of excessive noise reportedly related to Contractor's Collection operations	See above	See above
9.	F. Unacceptable Employee Behavior	See above	Each complaint of reportedly discourteous, rude, or inappropriate behavior by Collection vehicle personnel, customer service personnel, or other employees of Contractor	See above	See above
10.	G. Spills of Discarded Materials	See above	Each Complaint of unreasonable leaks, litter, or spills of Solid Waste, Recyclable Materials, or Organic Waste near Containers or on public streets and Contractor's failure to pick up or clean up such material immediately	See above	See above

11.	Spills of Vehicle Fluids	Number of complaints in this category is less than or equal to six per quarter	Each complaint of unreasonable leaks or spills of hydraulic fluids, fuel, motor oil, and other motor vehicle fluids and liquids from the Collection vehicle on public streets or private property.	See above	\$500 per complaint received above the acceptable performance level
12.	Injuries to Others	No incidents or complaints in this category are acceptable; therefore, any complaint of this nature shall be considered unacceptable.	Each incident of personal injury to a person requiring medical treatment by a physician or hospitalization, where the negligence of the Contractor or its personnel was a contributing factor to the injury	Contractor shall document on a quarterly basis from its customer service system listing the total number of Complaints coded for this category or Town may learn of incident through other means Notify Town after incident	\$5,000 per incident or complaint
13.	Failure to Perform Noncollection Noticing	No failures or complaints in this category are acceptable; therefore, any complaint of this nature shall be considered unacceptable.	“Failure to Perform Noncollection Noticing” shall include all complaints received regarding events	Contractor shall document missed pick-up and noncollection complaint reports listing for the Town each complaint, the date of the complaint, the resolution date; and any other information requested by the Town Submit	\$50 per complaint

				electronic report annually	
14.	A. Notice to Service Recipient	See above	Each failure to leave a - Noncollection Notice at the premises, pursuant to Sections of the Agreement in the event of noncollection of Solid Waste or Recyclables, respectively.	See above	See above
15.	B. Notice to Town	See above	Each failure to provide notice of noncollection to Town staff and/or code enforcement, pursuant to Sections of the Agreement regarding collection of Solid Waste or Recyclables, respectively.	See above	See above
16.	C. Deliver Replacement Container	See above	Each failure to provide replacement or additional Solid Waste or Recyclables Containers to a Service Recipient following a third Noncollection Notice	See above	See above
<b>B. CUSTOMER SERVICE QUALITY</b>					
1.	Failure to Achieve Minimum Average Telephone Delay Time	Achievement of an average quarterly delay time of 30 seconds or less (monthly average delay for each month in the quarter shall be submitted with quarterly reports)	Actual average monthly delay time for Persons waiting to speak with a customer service representative exceeds the minimum average monthly delay time of 30 seconds as determined using a method and reports from customer service center that are approved by the Town	Contractor shall report as requested from Town, and submit electronic report annually	\$1,000 per second above the minimum average hold time per quarter

2.	Calls Answered in 30 Seconds	Percentage of calls answered in 30 seconds is less than or equal to 75% for each month in the quarterly reporting period	Number of calls in the month not answered within 30 seconds that needed to be answered to achieve the goal of answering 75% in 30 seconds	See above	\$5 per call for each call not answered in accordance with the standard
3.	Calls Answered in 3 Minutes	Percentage of calls answered in 3 minutes is less than or equal to 90% for the each month in the quarterly reporting period	Documented number of calls in each month not answered within 30 seconds below the goal of answering 90% in 3 minutes	See above	\$5 per call for each call not answered in accordance with the standard
4.	Excessive Dropped Calls (i.e., Call Abandoned Rate)	Dropped call rate is less than or equal to 3% of incoming calls for each month in the quarterly reporting period	Documented number of calls in each month that were dropped above the minimum excessive dropped call rate of 3%	See above	\$5 per call for each drop call above the minimum standard
5.	Untimely Response to Complaints and Inquiries	No failures or complaints in this category are acceptable; therefore, any complaint of this nature shall be considered unacceptable.	Where a complaint cannot readily be resolved by Contractor or requires additional time to reasonably resolve, failure to inform Customer or Person of the action Contractor will take to remedy a complaint or inquiry as set forth in Section 4.3.10 .	Contractor shall document all complaints and inquiries including the date of response, and, upon request, shall provide detailed reports as requested by Town. Submit electronic report annually	\$100 per incident
6.	Untimely Resolution of Complaints and Inquiries	No failures or complaints in this category are acceptable; therefore, any complaint of this nature shall be considered	Each failure to resolve or remedy a complaint or inquiry within sixty (60) business days of receipt of complaint or inquiry, with the exception of missed pick-ups which are addressed above;	See above	\$100 per incident

		unacceptable.	provided, however, that where a complaint cannot readily be resolved by Contractor or requires additional time to reasonably resolve, this liquidated damage provision shall not apply.		
7.	Failure to Record and Process Complaints and Inquiries	No failures or complaints in this category are acceptable; therefore, any complaint of this nature shall be considered unacceptable.	Each failure to record (in the Contractor's customer service system) complaints/inquiries received by the Town and communicated by the Town to Contractor	Contractor shall document all complaints and inquiries Town may request detailed reports to verify completeness of such reports or may check Customer service system for each complaint/inquire entry Submit electronic report annually	\$500 per incident
8.	Failure to Commence Service	No failures or complaints in this category are acceptable; therefore, any complaint of this nature shall be considered unacceptable.	Any failure by Contractor to deliver a Container and begin providing collection service to a Service Recipient at the service level requested by said Service Recipient as set forth in Section 3.12.1.	Contractor shall document all complaints and inquiries including the date of response, and, Town may request Submit electronic report annually	\$250 per incident



9.	Failure to Replace or Clean Container	No failures or complaints in this category are acceptable; therefore, any complaint of this nature shall be considered unacceptable.	Any failure by Contractor to clean, replace or repair a damaged Container as set forth in Section 3.12.1.	See above	See above
10.	Failure to Perform Education and Outreach Activities	No failures or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	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 I to this Agreement.	Contractor shall report all public education and community outreach activities completed each year in the annual plan.	\$500 per activity
11.	Failure to meet Technical assistance required activities	No failures in this category are acceptable;	Each individual failure by Contractor to complete the required technical assistance for businesses (see Section 4.5)	Contractor shall report all technical assistance and report quarterly and in the Annual Outreach and Education Plan.	\$500 per activity of not providing required technical assistance
12.	Failure to provide Reporting Requirements	No failures or in this category are acceptable;	Each individual failure by Contractor to produce report required in the Agreement.	Contractor shall complete and provide all reports.	\$500 per activity of not providing required report
13.	Failure to meet Minimum Diversion Requirements: Diversion Requirements. Contractor is to meet and maintain these diversion minimums: 30% by 1/1/2018,	No failures or in this category are acceptable;	Not meeting minimum Diversion Requirement as detailed in Agreement	Contractor shall provide documentation to the Town as required under the Agreement	Failure to meet the minimum diversion requirements are calculated per calendar year Non-compliance liquidated

	maintain thru 12/31/2019 36% by 1/1/2020, maintain thru 12/31/22 42% by 1/1/2023, maintain thru 21/31/2024 50% by 1/1/2025, maintain thereafter				damages are \$100.00 for each ton that should have been diverted in order to meet the minimum diversion requirement
14	Failure to accurately invoice a customer the amount due and payable	No complaints in this category are acceptable; therefore, any complaint of this nature shall be considered unacceptable.	Each individual failure by Contractor to accurately invoice a customer the amount due and payable.	Contractor shall document all complaints and inquiries including the date of response, and, Town may request Submit electronic report annually	\$500 per complaint

	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>C. MANAGEMENT OF COLLECTED MATERIALS</b>					
1.	Mixing Material Types During Collection	No acceptable failure level	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. Recyclables collected in Solid Waste vehicle, Solid Waste collected in Organic Waste vehicle, etc.)	Tonnage reports, observation, complaints	\$100/Container
2.	Delivery to Non-Approved Facility	No acceptable failure level	Each individual occurrence of delivering materials to a facility other than the Approved Facility designated for each material type.	Tonnage reports	\$100/Ton
3.	Disposal of	No acceptable	Each individual	Tonnage	\$500/Ton

	Material Targeted Diversion	failure level	occurrence of disposal rather than processing of Recyclables, Organic Waste, or other reusable materials set out for collection by the Service Recipient.	reports	
--	-----------------------------	---------------	---	---------	--

## **Article 11. REPRESENTATIONS AND WARRANTIES**

The Parties, by acceptance of this Agreement, represent and warrant the conditions presented in this Article.

### **11.1 Contractor's Corporate Status**

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

### **11.2 Contractor's Corporate Authorization**

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

### **11.3 Agreement Will Not Cause Breach**

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

### **11.4 No Litigation**

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

- A. Materially adversely affect the performance by Party of its obligations hereunder;
- B. Adversely affect the validity or enforceability of this Agreement; or,

- C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

#### **11.5 No Adverse Judicial Decisions**

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

#### **11.6 No Legal Prohibition**

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

#### **11.7 Contractor's Ability to Perform**

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

### **Article 12. MISCELLANEOUS**

#### **12.1 Independent Contractor**

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

#### **12.2 Compliance with Law**

In the performance of this Agreement, Contractor shall comply with all Applicable Laws, regulations, ordinances and codes of federal, state and local governments, including without limitation the Municipal Code of the Town of Colma.

#### **12.3 Law to Govern and Interpretation**

The laws of the State of California shall govern the rights, obligations, duties and liabilities of Town and Contractor under this Agreement and shall govern the interpretation of this Agreement.

#### **12.4 Venue**

Any litigation between Town and Contractor concerning or arising out of this Agreement shall be filed and maintained exclusively in the Municipal or Superior Courts of San Mateo County,

State of California, or in the United States District Court for the Northern District of California to the fullest extent permissible by Applicable Law. Each Party consents to service of process in any manner authorized by California law.

### **12.5 Binding on Successors**

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

### **12.6 Assignment**

The experience and expertise of Contractor are material considerations for this Agreement. Contractor shall not assign, transfer, or sell any of Contractor's rights nor delegate any of Contractor's duties under this Agreement without the express prior written consent of Town. Any attempt to so assign Contractor's franchise rights or delegate Contractor's duties shall be void and of no force or effect.

### **12.7 Subcontractors**

The use of a subcontractor to perform services under this Agreement shall not constitute delegation of Contractor's duties, and may be allowed provided that Contractor has received the prior written authorization of Town to subcontract such services and the Town has approved the subcontractor who will perform such services. Contractor shall be responsible for directing the work of Contractor's subcontractors and any compensation due or payable to Contractor's subcontractors shall be the sole responsibility of Contractor. The Town shall have the right to require the removal of any approved subcontractor for reasonable cause. Contractor may not replace or substitute any approved subcontractor without the Town's written consent.

### **12.8 No Third Party Beneficiaries**

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

### **12.9 Permits and Licenses**

Contractor shall obtain, and shall maintain throughout the term of this Agreement, all necessary permits, licenses and approvals required for Contractor to perform the work and services agreed to be performed by Contractor pursuant to this Agreement, including a Town business license. Contractor shall show proof of such permits, licenses or approvals and shall demonstrate compliance with the terms and conditions of such permits, licenses and approvals upon request by the Town.

### **12.10 Ownership of Written Materials**

All reports, documents, brochures, public education materials, and other written, printed or photographic materials developed by Town or Contractor in connection with the services to be performed under this Agreement, whether developed directly or indirectly by Town or Contractor, shall be and shall remain the property of Town without limitation or restriction on the use of such materials by Town. Contractor shall not use such materials in connection with any project not connected with this Agreement without the prior written consent of the Town.

### **12.11 Contractor's Records**

Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, tonnages, and other records or documents evidencing or relating to charges for services, or disbursements to Town and the Collection and disposition of Discarded Materials for a minimum period of three (3) years, or for any longer period required by Applicable Law, from the date of final payment to Contractor pursuant to this Agreement. Contractor shall maintain all documents and records that demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by Applicable Law, from the date of termination or completion of this Agreement. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the Town. Copies of such documents shall be provided to Town for inspection at Town Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Contractor's address indicated for receipt of notices in this Agreement. Where Town has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Contractor's business, Town may, by written request or demand, require that custody of the records be given to Town and that the records and documents be maintained in Town Hall. Access to such records and documents shall be granted to any party authorized by Contractor, Contractor's representatives, or Contractor's successor-in-interest

### **12.12 Transition to Next Contractor**

In the event Contractor is not awarded an agreement to continue to provide services following the expiration or earlier termination of this Agreement, Contractor shall cooperate fully with Town and any subsequent contractor(s) to assure a smooth transition of services described in this Agreement. Such cooperation shall include but not be limited to transfer of computer data, files and tapes; providing routing information, route maps, vehicle fleet information, and lists of Service Recipients; providing a complete inventory of Discarded Materials Containers; providing adequate labor and equipment to complete performance of all services required under this Agreement; taking all actions necessary to transfer possession and ownership of Containers to Town at Town's option, including transporting such Containers to a location designated by Town; coordinating Collection of materials set out in new Collection Containers if new Containers are provided for in a subsequent agreement; and providing other reports and data required by this Agreement.

### **12.13 Waiver**

The waiver by Town or Contractor of any breach or violation of any term, covenant or condition of this Agreement shall not be deemed to be a waiver of any other term, covenant or condition or of any subsequent breach or violation of the same or of any other term, covenant or condition. The subsequent acceptance by Town of any fee, tax, or any other moneys which may become due from Contractor to Town shall not be deemed to be a waiver by Town of any breach or violation of any term, covenant or condition of this Agreement.

### **12.14 Notices**

Except as provided in Article 7 - Indemnification, Insurance and Bond, all notices and other communications required or which may be given under this Agreement shall be deemed given

when properly addressed and deposited in the United States mail or when personally delivered to the Parties as specified in this Section. All notices or other communications sent by mail shall be sent postage prepaid and return receipt requested to the address specified below:

To Town:	City Manager Town of Colma 1198 El Camino Real Colma, CA 94014
To Contractor:	General Manager Republic Services of Daly City 1680 Edgeworth Ave. Daly City, CA 94015

Either Party may designate a different mailing address by providing notice to the other Party as provided in this Section. Notice by Town to Contractor of a missed pick-up or a service recipient problem or complaint may be given to Contractor orally by telephone at Contractor's local office with written confirmation sent by mail or email to Contractor within forty-eight (48) hours of the oral notification.

#### **12.15 Representatives of the Parties**

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

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

#### **12.16 Entirety**

This Agreement and the exhibits attached hereto represent the entire agreement of Town and Contractor with respect to the services to be provided under this Agreement. No prior written or oral statement or proposal shall alter any term or provision of this Agreement.

#### **12.17 Section Headings**

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

#### **12.18 References to Laws**

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

#### **12.19 Amendment**

This Agreement may be amended or modified only by written agreement duly authorized by Contractor and the Town and executed by their authorized representatives.

#### **12.20 Severability**

Should one or more of the provisions of this Agreement be held by any court to be invalid, void or unenforceable, the remaining provisions shall nevertheless remain and continue in full force and effect, provided that the continuation of such remaining provisions does not materially change the duties or obligations of either Party from those duties or obligations originally contemplated by this Agreement.

#### **12.21 Counterparts**

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

#### **12.22 Exhibits**

Each of the Exhibits identified as Exhibit "A" through "**M**" is attached hereto and incorporated herein and made a part hereof by this reference. In the event of a conflict between the terms of this Agreement and the terms of an Exhibit, the terms of this Agreement shall control.

[SIGNATURE PAGE FOLLOWS]



WITNESS the execution of this Agreement on the dates set forth below.

APPROVED AS TO FORM:

TOWN OF COLMA,  
a Municipal corporation

\_\_\_\_\_  
Christopher Diaz  
TOWN ATTORNEY

\_\_\_\_\_  
Sean Rabé  
CITY MANAGER

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

ALLIED WASTE SERVICES OF NORTH  
AMERICA, LLC.

\_\_\_\_\_  
Mike Caprio  
AREA PRESIDENT

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

ALLIED WASTE SERVICES OF NORTH  
AMERICA, LLC.

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



**LIST OF EXHIBITS TO  
COLMA-REPUBLIC SERVICES FRANCHISE AGREEMENT**

- A. Town Services
- B. Guaranty Agreement
- C. Performance Bond
- D. Maximum Rates Approved by Town
- E. Approved Subcontractors
- F. Approved Transition Plan
- G. Approved Collections Operations Plan
- H. Approved Diversion Plan
- I. Approved Public Education and Outreach Plan
- J. Approved Processing and Disposal Plan
- K. Commercial Technical Assistance Program Form
- L. Container Specifications
- M. Vehicle Specifications



## EXHIBIT A: TOWN SERVICES

### *A-1: Containers at Town Facilities*

<i>Facility</i>	<i>Service Level*</i>
Police Station  1099 El Camino Real	Once a week : One 3-cubic yard container for waste; One 3-cubic yard container for recyclables; and Three 96-gallon containers for recyclables
Creekside Villas (an 18- unit multi-family dwelling)  1180 El Camino Real	Once a week: Two 3-cubic yard containers; and Five 96-gallon containers for recyclables
Town Hall and Annex  1198 El Camino Real 1190 El Camino Real	Twice weekly: One 3-cubic yard container for waste; and Two 96-gallon containers for recyclables.
Sterling Park Community Center  427 F Street	Twice weekly: Four 96-gallon containers for waste; Four 96-gallon containers for recyclables
Corporation Yard  601 F Street	Twice weekly: One 3-cubic yard container for waste; One 3-cubic yard container yard for recyclables; One 3-cubic yard container for Organic Waste.
Hillside Historical Museum  1500 Hillside Blvd	Once a week: One 32-gallon container for waste; and One 3-cubic yard container for recyclables.
Community Center  1520 Hillside Blvd	Twice weekly: Eight 96-gallon containers for waste; and Eight 96-gallon containers for recyclables.

**Note:** Tables A-1, A-2 and A-3 may be amended by the Town pursuant to section 3.10.

### ***A-2: Containers at Public Locations***

*Address or Noticeable Land mark*

#### *El Camino Real Northbound*

- 1 Next to 1361 El Camino Real
- 2 South of drive way into 1201 ECR
- 3 North of drive way into 1051 ECR by pole #110065267

#### *El Camino Real Southbound*

- 4 Under the Bart over pass/north of F St West
- 5 Colma Blvd/ECR intersection; next to 1030 El Camino Real
- 6 Next to the drive way into 1200 ECR/Kohl's
- 7 In front of 1370 ECR

#### *Junipero Serra Blvd Northbound*

- 8 North of Vivana Fair drive way/Next to light pole #273
- 9 South of the drive way by BevMo/Next to light pole #12
- 10 North of Colma Blvd next to light pole #30
- 11 Next to drive way into 3601 JSB Extra Storage

#### *Junipero Serra Blvd Southbound*

- 12 Intersection of Colma Blvd & JSB/Westside
- 13 Serra Center driveway & JSB/Westside.

### ***A-3: Town-sponsored Community Events***

<i>Event</i>	<i>Month</i>	<i>Trash</i>	<i>Recycling</i>	<i>Food Waste</i>
Town Wide Cleanup	May	One 30-cu.yd. REL truck	One 3-cu.yd. bin; One flatbed for metal; One shred truck; One large item pickup	
Earth Day Event	Apr	Six 64-gallon carts	Six 64-gallon carts	Six 64-gallon carts
Pumpkin Carving Party	Oct	Six 64-gallon carts	Six 64-gallon carts	Six 64-gallon carts
National Night Out	Aug	One 3-cu.yd. bin	One 3-cu.yd. bin	
Crab Feed	Mar	Six 64-gallon carts	Six 64-gallon carts	Six 64-gallon carts
Town Picnic	Sep	Three 64-gallon carts	Three 64-gallon carts	Six 64-gallon carts

## **EXHIBIT B: GUARANTY AGREEMENT**

THIS GUARANTY (the "Guaranty") is given as of the [\_\_\_\_] day of [\_\_\_\_], 2016, by Republic Services, Inc. ("Guarantor"), to the TOWN OF COLMA, a California municipal corporation ("Town").

THIS GUARANTY is made with reference to the following facts and circumstances:

Allied Waste Services of North America, LLC ("Contractor") is a limited liability company organized under the laws of the State of Delaware, all of the membership interests of which are owned by Guarantor.

Guarantor is a corporation organized under the laws of the State of Delaware.

Contractor and Town have negotiated an Agreement for Integrated Waste Management 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 Town. This guaranty is Exhibit B to the Agreement and the Agreement is incorporated herein by this reference.

It is a requirement of the Agreement, and a condition to Town's entering into the Agreement, that Guarantor guaranty Contractor's performance of the Agreement.

Guarantor is providing this Guaranty to induce Town 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 Town 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 Town of each and every sum due from Contractor to Town 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, modification or waiver of any provision of the Agreement or the extension of its Term; (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 Town'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 and 2850, and all other rights permitted to be waived by Section 2856(a) including, without limitation, the right to require Town to (a) proceed against Contractor, (b) proceed against or exhaust any security or collateral Town may hold now or hereafter hold, or (c) pursue any other right or remedy for Guarantor's benefit, and agree that Town 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 Town may hold now or hereafter hold. Town 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 Town's rights and remedies in enforcing this Guarantee.

The Guarantor hereby waives and agrees to waive at any future time at the request of Town, 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 therefore 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 Town's approval; or (e) any termination or suspension of the Agreement arising by reason of a default by Contractor. Notwithstanding the foregoing, Guarantor will have any defenses to any claims of the Town to the extent that such defenses arise under the terms and conditions of the Agreement, and as it may be modified or amended by any later written agreement of the Contractor and the Town.

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 Town as a preference, fraudulent transfer or otherwise, irrespective of (a) any notice of revocation given by Guarantor or Contractor prior to such avoidance or recovery, 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 Town 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 Town 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 Town 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 Town. No delay on the part of Town 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 Town to take other or further action without notice or demand. No modification or waiver by Town of any of the provisions of this Guaranty shall be effective unless it is in writing and signed by Town and by Guarantor, nor shall any waiver by Town 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 incurred by Town 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. Guarantor agrees that any action brought by Town to enforce this Guaranty may be brought in any court of the State of California and Guarantor consents to personal jurisdiction over it by such courts. Guarantor appoints the following person as its agent for service of process in California:

Insert Guarantor's contact person and address

---

---

---

---

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 Town and its successors and shall be binding upon Guarantor and its successors, including a successor entity

formed by a merger or consolidation, a transferee of substantially all of its assets, and its shareholders in the event of its dissolution or insolvency.

10. Authority. Guarantor 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 TOWN:

Town Clerk  
Town Hall  
1198 El Camino Real  
Colma, CA 94014

With a copy to Town Manager and Town Attorney at the same address.

TO GUARANTOR: Insert Guarantor's name, address, and contact person

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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.

GUARANTOR:

\_\_\_\_\_ {Insert Guarantor's Name}

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

\_\_\_\_\_ {Insert name}

\_\_\_\_\_ {Insert title}

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

\_\_\_\_\_ {Insert name}

Corporate Secretary

## **EXHIBIT C: PERFORMANCE BOND**

¶To be provided by Republic Services of Daly City within ten (10) calendar days from the date the Town Council approves the Franchise Agreement



EXHIBIT D1 - CUSTOMER RATES					
SFD/MFD Once Per Week Cart Collection Services					
August 31, 2016 - August 31, 2017					
Container Size		20 Gal	32 Gal	64 Gal	96 Gal
CURBSIDE CART COLLECTION SERVICE					
A1.	(Once Weekly Solid Waste, Recyclables, and Organics Collection)	\$19.17	\$22.17	\$44.34	\$66.52
B. ADDITIONAL SERVICES					
Additional Curbside Solid Waste Cart (added to Line A1)		\$21.69		\$43.39	\$65.08
Additional Curbside Organic Waste Cart (added to Line A1)		\$12.00			
Customer Requested On-Premise Collection - (added to Line A1)		\$46.76	\$50.76	\$54.62	\$58.62
Additional Customer Requested On-Premise Cart - each cart (added to Line A1)		\$21.69		\$43.39	\$65.08
Additional Cart Exchange (each additional cart/occurrence)		\$35.18 / each cart each occurrence			
Additional Cart Replacement (each additional cart/occurrence)		\$65.31 / each cart each occurrence			
Additional Cart Cleaning (each additional cart/occurrence)		\$35.18 / each cart each occurrence			
Extra 32 gallon bag - same day as scheduled service		\$11.08 / each occurrence			
Additional Bulky Waste Collection each/occurrence		\$65.31 / each occurrence			
Bulky Waste with Refrigerants or Mercury		\$44.37/ each item			
NOTE: Customer Rates for MFD Service Units requiring more than once per week Cart collection are listed in Exhibit D2.					

<b>EXHIBIT D2 - CUSTOMER RATES</b> <b>Multi-Family Bin and Multiple Weekly Cart Collection Services</b> <b>August 31, 2016 - August 31, 2017</b>						
<b>A. SOLID WASTE COLLECTION (includes recyclables)</b>						
<b>Container Size</b>	<b>Collection Frequency</b>					
	<b>1/week</b>	<b>2/week</b>	<b>3/week</b>	<b>4/week</b>	<b>5/week</b>	<b>6/week</b>
<b>20 Gallon Cart</b>	Customer Rate As Listed in Exhibit D1.	\$38.34	\$57.51	\$76.68	\$95.85	Service Not Provided
<b>32 Gallon Cart</b>		\$44.34	\$66.51	\$88.68	\$110.85	
<b>64 Gallon Cart</b>		\$88.68	\$133.02	\$177.36	\$221.70	
<b>96 Gallon Cart</b>		\$133.03	\$199.55	\$266.06	\$332.58	
<b>1 CY Bin</b>	\$158.35	\$291.89	\$425.43	\$558.98	\$692.53	\$826.07
<b>1.5 CY Bin</b>	\$230.12	\$430.43	\$630.75	\$831.06	\$1,031.38	\$1,231.69
<b>2 CY Bin</b>	\$300.59	\$567.66	\$834.73	\$1,101.80	\$1,368.88	\$1,635.96
<b>3 CY Bin</b>	\$434.63	\$835.23	\$1,235.85	\$1,636.47	\$2,037.09	\$2,437.71
<b>4 CY Bin</b>	\$568.15	\$1,102.30	\$1,636.43	\$2,170.58	\$2,704.73	\$3,238.86
<b>6 CY Bin</b>	\$837.69	\$1,638.91	\$2,440.17	\$3,241.42	\$4,042.66	\$4,843.91
<b>B. ORGANICS COLLECTION</b>						
<b>Container Size</b>	<b>Collection Frequency</b>					
	<b>1/week</b>	<b>2/week</b>	<b>3/week</b>	<b>4/week</b>	<b>5/week</b>	<b>6/week</b>
<b>32 Gallon Cart</b>	N/C	N/C	N/C	N/C	N/C	N/C
<b>64 Gallon Cart</b>	N/C	N/C	N/C	N/C	N/C	N/C
<b>96 Gallon Cart</b>	N/C	N/C	N/C	N/C	N/C	N/C
<b>1 CY Bin</b>	\$118.76	\$218.91	\$319.07	\$419.23	\$519.40	\$619.56
<b>1.5 CY Bin</b>	\$172.59	\$322.82	\$473.06	\$623.29	\$773.53	\$923.76
<b>2 CY Bin</b>	\$225.45	\$425.74	\$626.05	\$826.35	\$1,026.66	\$1,226.97
<b>3 CY Bin</b>	\$325.98	\$626.43	\$926.89	\$1,227.35	\$1,527.82	\$1,828.28

**EXHIBIT D3 - CUSTOMER RATES****Commercial Cart and Bin Collection Services****August 31, 2016 - August 31, 2017****A. SOLID WASTE COLLECTION (includes recyclables)**

Container Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
<b>32 Gallon Cart</b>	\$22.87	\$45.74	\$68.61	\$91.48	\$114.35	\$137.21
<b>64 Gallon Cart</b>	\$45.74	\$91.48	\$137.21	\$182.95	\$228.69	\$274.43
<b>96 Gallon Cart</b>	\$68.60	\$137.20	\$205.80	\$274.40	\$343.00	\$411.60
<b>1 CY Bin</b>	\$158.35	\$291.89	\$425.43	\$558.98	\$692.53	\$826.07
<b>1.5 CY Bin</b>	\$230.12	\$430.43	\$630.75	\$831.06	\$1,031.38	\$1,231.69
<b>2 CY Bin</b>	\$300.59	\$567.66	\$834.73	\$1,101.80	\$1,368.88	\$1,635.96
<b>3 CY Bin</b>	\$434.63	\$835.23	\$1,235.85	\$1,636.47	\$2,037.09	\$2,437.71
<b>4 CY Bin</b>	\$568.15	\$1,102.30	\$1,636.43	\$2,170.58	\$2,704.73	\$3,238.86
<b>6 CY Bin</b>	\$837.69	\$1,638.91	\$2,440.17	\$3,241.42	\$4,042.66	\$4,843.91

**B. ORGANICS COLLECTION**

Container Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
<b>32 Gallon Cart</b>	\$17.15	\$34.30	\$51.46	\$68.61	\$85.76	\$102.91
<b>64 Gallon Cart</b>	\$34.30	\$68.61	\$102.91	\$137.21	\$171.52	\$205.82
<b>96 Gallon Cart</b>	\$51.45	\$102.90	\$154.35	\$205.80	\$257.25	\$308.70
<b>1 CY Bin</b>	\$118.76	\$218.91	\$319.07	\$419.23	\$519.40	\$619.56
<b>1.5 CY Bin</b>	\$172.59	\$322.82	\$473.06	\$623.29	\$773.53	\$923.76
<b>2 CY Bin</b>	\$225.45	\$425.74	\$626.05	\$826.35	\$1,026.66	\$1,226.97
<b>3 CY Bin</b>	\$325.98	\$626.43	\$926.89	\$1,227.35	\$1,527.82	\$1,828.28

EXHIBIT D4 - Customer Rates						
Additional Services - MFD and Commercial Services						
August 31, 2016 - August 31, 2017						
C. ADDITIONAL SERVICES						
Push Rates	0-25 feet	26-49 feet	50-75 feet	76-100 feet	101+ feet	
	N/C	\$10.04	\$20.07	\$30.11	\$40.14	
Additional MFD Bulky Waste Collection				\$25.00 per yard		
Bulky Waste with Refrigerants or Mercury				\$44.37/ each item		
Additional Cart Replacement				\$65.31/ each cart/occurrence		
Additional Bin Exchange				\$65.00 /additional bin/ occurrence		
Additional Bin Replacement				\$65.00 /additional bin/ occurrence		
Additional Bin Cleaning				\$72.54 /additional bin/ occurrence		
Bin Overload				\$66.48 per yard with one yard minimum		
Bin Enclosure Charge				\$11.08 per p/u day per bin		
Commercial Lock/Unlock (not charged if bin charged for enclosure charge)				\$11.08 per p/u day per bin		
Cart Enclosure Charge				\$3.88 per p/u day per bin		
Hasp & Lock for Bin				\$149.20 one-time charge		
Replace Lock				\$28.58 / each occurrence		
Contaminated Recyclables or Contaminated Organic Bin Collection				Same as Charge As Extra Solid Waste Collection		
Extra Organics Collection				75% of Extra Solid Waste Collection		
Extra Recyclables Collection				No charge		
Extra Solid Waste (garbage) Collection:						
32 Gallon Cart				\$33.27 / each cart/occurrence		
64 Gallon Cart				\$44.35 / each cart/occurrence		
96 Gallon Cart				\$55.43 / each cart/occurrence		
1 CY Bin				\$63.00 / each bin/occurrence		
1.5 CY Bin				\$94.51/ each bin/occurrence		
2 CY Bin				\$126.01/ each bin/occurrence		
3 CY Bin				\$189.02 / each bin/occurrence		
4 CY Bin				\$252.03/ each bin/occurrence		
6 CY Bin				\$378.03 / each bin/occurrence		



# EXHIBIT D5 - CUSTOMER RATES

## Temporary & Permanent Roll-off Collection Services

August 31, 2016 - August 31, 2017

Container Size	Charged per service as pull cost plus disposal/processing fees					
	Material	Per Pull Rate	Per ton processing or disposal rate (added to per pull cost)			
			MSW	Recyclables	C&D	Organics
15 CY Roll-off	MSW	\$256.26	\$86.65			
30 CY Roll-off	MSW	\$256.26	\$86.65			
40 CY Roll-off	MSW	\$256.26	\$86.65			
Compactor	MSW	\$357.04	\$86.65			
15 CY Roll-off	Recyclables	\$256.26		\$0.00		
30 CY Roll-off	Recyclables	\$256.26		\$0.00		
40 CY Roll-off	Recyclables	\$256.26		\$0.00		
Compactor	Recyclables	\$357.04		\$0.00		
8 CY Roll-off	C&D	\$256.26			\$110.53	
15 CY Roll-off	C&D	\$256.26			\$110.53	
30 CY Roll-off	C&D	\$256.26			\$110.53	
40 CY Roll-off	C&D	\$256.26			\$110.53	
15 CY Roll-off	Organics	\$192.20				\$64.99
30 CY Roll-off	Organics	\$192.20				\$64.99
40 CY Roll-off	Organics	\$192.20				\$64.99
Compactor	Organics	\$267.78				\$64.99
Fees for Additional Services						
Additional Week of Roll-off Bin Rental					\$150.00	
Roll-off Box Dry Run (not able to service or turned away by customer)					\$150.00	
Roll-off Box Relocation					\$150.00	
Roll-off Delivery Charge per Roll-off (Temporary Services Only)					\$75.00	
Notes						
Roll-off pull rates do not include any disposal/processing; disposal or processing will be charged using the actual weight of the box at the per-ton disposal or processing fee. The per pull cost and per ton costs have franchise fees included and are not added as additional fees. To calculate the total charge for a load: (Pull rate) + (the number of tons multiplied by the per-ton processing or disposal rate) + (Fee for each Additional Service) = Total charge for load						

<b>Exhibit D6 - CUSTOMER RATES</b> <b>Emergency Service Rates - Employees and Equipment</b> <b>August 31, 2016 - August 31, 2017</b>		
<b>A. EMPLOYEES</b>		
<b>Labor Position</b>		<b>Hourly Rate</b>
Driver		\$100.00
Dispatcher		\$75.00
<b>B. EQUIPMENT</b>		
<b>Equipment Type</b>	<b>Make &amp; Model</b>	<b>Hourly Rate</b>
Rear Load	McNeilus HD 25 yd.	\$75.00
Side Load	McNeilus ZR Zero Radius ASL 27 yd.	\$75.00
Front Load	McNeilus Contender 40 yd.	\$75.00
Flat Bed	Ford F750	\$50.00

## Ex. E - List of Subcontractors

Name: South San Francisco Scavenger Co – Blue Line Transfer Station  
Address: 500 E. Jamie Court  
South San Francisco, CA 94080  
Phone: 650.589.4020  
Contact: Doug Button  
Services: Transfer

Name: Keith Day Trucking  
Address: 1091 Madison Lane  
Salinas, CA 93907  
Phone: 831.771.0109  
Contact: Keith Day  
Services: Transportation (Ox Mountain)

Name: Cascadia Consulting Group  
Address: 1710 Franklin St, Ste. 300  
Oakland, CA 94612  
Phone: 510.838.7012  
Contact: Andrew Sloan  
Services: Training and Resources

Name: Safety-Kleen  
Address: 1147 N 10<sup>th</sup> Street  
San Jose, CA 95112  
Phone: 408.294.8778  
Contact: Joseph Baker  
Services: HHW, E-Waste and U-Waste Packing and Transportation





# Exhibit F

## Transition and Implementation Plan

**Town of Colma Request for Proposals for Collection and Processing  
Services for Recyclables, Organic Waste and Garbage**

**April 11, 2016**

# Exhibit F - Transition and Implementation Plan

Successful collection services as well as successful diversion of recyclables and organics are dependent upon a well thought out transitional and seamless implementation program. Republic is well versed in new service initiations as we have documented in Section 3.1.4 of our proposal and our primary objective is to provide outstanding service leading up to and throughout the transition period, with minimal disruption to customers.

Republic has consistently been praised for our approach, method of planning and implementing transitions and has successfully commenced new collection services in cities and towns of varying sizes, geography and socioeconomic types. We recognize obstacles and surprises that can be encountered during a service transition of this magnitude; we aim to anticipate those challenges, develop a plan before they surface, and be prepared to take a different approach and adapt our transition philosophy to ensure a seamless transition.

Since our collection vehicles are already in-place, we do not have to order new equipment and are not subjected to potential delays in service. Prior to the commencement of services, a comprehensive transition plan will be prepared, an emergency back-up plan will be drafted, reporting and invoicing templates will be approved, and waste assessment and waste audit protocols will be developed, as appropriate. A fully detailed transition plan will be submitted after the award of the contract and incorporated into the final franchise agreement.

Republic strives to deliver consistent service, prioritize customer needs, accomplish the Town's goals and coordinate with the previous hauler in order to roll out the smoothest transition and seamless integration of new and existing services. Republic has designed the following Transition and Implementation Plan specifically for the successful transition into the Town of Colma. This plan includes what we consider to be the most critical components of a transition that need to be addressed in order to accomplish a seamless transition into a new service area:

Major Components of Republic's Transition Plan	
Operations	
Equipment Ordering & Delivery	
Route Planning & Development	
Personnel	
Management & Transition Team	
Hiring & Training	
Administration	
Operations & Maintenance Yard	
Administrative Office	
Customer Service & Call Center	
Billing & Database Setup	
Reporting Requirements	
Public Education & Outreach	
Design Collateral Development	
Community Education & Outreach	

## Implementation Schedule

The following table presents the basic procurement plan by the Town which forms the basis of our transition and implementation calendar schedule. The dates assigned to our transition and implementation plan are predicated on this schedule and may change if there are delays in Town's award

approval or other issues. If these delays occur, we shall revise our milestone schedule dates for the plan and incorporate that final schedule as an appendix within the final franchise agreement.

Town of Colma Request for Proposal (RFP) Procurement Process	
August 31, 2015 3:00 PM	<b>Deadline for proposers to submit proposal.</b>
September-October 2015	<b>Interviews and/or Presentations.</b> The Town may request interviews with one or more proposing firms and may request one or more proposing firms to make an oral presentation to the Town Council.
February 24, 2016	<b>The Town Council considers award of franchise agreement.</b> Following the Council's decision, staff and the selected bidder will negotiate to remove all exceptions noted by selected bidder; if negotiations fail, then staff can negotiate with second proposer.
TBD	<b>Town executes definitive contract with selected contractor.</b> Immediately following the contract, the Town will initiate Prop 218 procedures.
TBD	Conclude Prop 218 protest procedures.
September 1, 2016	Franchise term begins.

## 1 Operations

Described herein reflect the methods that Republic will take when approaching the operational components of the transition into the Town of Colma prior to the September 1, 2016 commencement date.

### Equipment Ordering and Delivery

Utilizing our past experience with transitions and taking into account operational differences when transitioning into a new service area, we have calculated the number of routes that will be required using the total number of customers, expected tonnage, and the population densities of the service areas in Colma to determine the total number and type of collection vehicles that are needed.

Since the additional collection equipment requirements are already in-place as your current service provider, no additional vehicle equipment has to be order to service the remaining portion of the Town for start-up.

New wheeled containers will be ordered and container specifications will be finalized and submitted to the factories to begin manufacturing.

## 2 Container Procurement

### 2.1 Carts

Cart delivery to customers will take place between August 1, 2016 through September 16, 2016, with all new Republic Services customers receiving their carts by September 1, 2016.

We propose to purchase and deploy wheeled carts manufactured by Schaefer Systems International, Inc. and Rehrig Pacific Company that are specially designed to accommodate the fully automated collection system. We will assemble, the wheels and lids and store the carts prior to staging for delivery. Working with the Town and the current hauler, Republic will obtain current billing records preferably in a format that will be easily uploaded into our customer service software program and upon receipt of customer data. We would need to obtain that customer data by June 2016. Republic commits to ordering a sufficient supply of surplus containers (5% of total in reserve) in each size to ensure that carts are available for exchanges.

### 2.2 Bin and Roll-off Box

Republic will use Wastequip, Consolidated Manufacturing and Classic Graphics to supply front loader bins and debris boxes and the containers will

be delivered to our storage location in Daly City. Again, we will use historical data from the Town and the previous hauler, and our extensive operational experience to place an initial order.

Working with the Town and the current haulers, Republic will obtain current-billing records preferably in a format that will be easily uploaded into our customer service software program. Upon receipt of customer data, required by June 2016, we will begin a field audit to determine that the container size that is required is confirmed. Republic will deliver commercial containers to customers in coordination with the removal of old containers by the other haulers from August 2016 through January 31, 2017.

## 2.3 Route Planning and Development

It is always the goal of Republic to develop and utilize the most efficient routes to provide consistent services, while causing minimal disruption to residents and commercial customers during the transition. In order to determine the current service routing, Republic will request and arrange for the transfer of route maps and sequential route sheets from the previous hauler for input into our customer service software program.

Republic will also conduct route surveys and field audits to verify the data obtained. Months prior to the commencement of services, Republic will develop a list of potential service recipients (both residential and commercial) in order to accurately assemble our customer database and determine routes.

Routes will be developed and dry runs will be conducted prior to finalization. Once the data has been proven accurate, routes will be finalized within thirty (30) days of the September 1, 2016 start date; however, minor calibration of the routes may be ongoing.

Routes will be developed that include precise collection routes by number, together with the days and the times at which collection will regularly commence, start and end points, number of accounts and collection vehicle type. During the first few weeks of service, the route supervisor will maintain a close watch on routes to ensure that customers are not missed. All drivers are easily contacted by dispatch throughout the day and missed pickups and/or streets are handled the same day they are discovered or we are notified; it is always our goal to address any missed pick-ups during the same day.

## 3 Personnel - Management and Transition Team

Republic has assembled an experienced and hands-on Management Team unparalleled in the industry. The Management Team has extensive experience in all administrative, financial and operational aspects of collection, hauling, processing, and disposal. In order to ensure a successful and smooth transition, the Republic Management Team recognizes the importance of dedicating the necessary resources and expertise and is committed to providing whatever is needed for a smooth transition. Following the successful transition of Republic into Colma, the Management Team also provides continued direction to staff and manages contract compliance through the term of the contract. Specifics of the management Team including the key personnel to be assigned and their job assignment has previously been discussed in Section 3.1.3 of our proposal. A summary list of these individuals includes:

Mike Caprio – Area President
Evan Boyd – General Manager Transition
Carl Mennie – General Manager
John Mangini – Division Controller
Lisa Martinez-Ronan – HR Manager
Monica Devincenzi – Municipal Services Manager
Dan DiVerde – Operations Manager



Dan Nelson – Maintenance Manager
Yolanda Ponce – CSR Supervisor
James Sandoval – Operations Supervisor
TBD – Diversion Coordinator

### 3.1 Hiring and Training

Republic recognizes the value of offering employment to local employees who are familiar and experienced in the service areas and we want to support the local economy and community of Colma. As a result of the small additional incremental time to provide the additional collection services currently not provided by Republic in Colma, we do not anticipate adding any new drivers for each of the lines of business, residential, commercial or industrial. Thus, we will re-route our current route loads to accommodate the addition of services in Colma. However, Republic will allow the previous hauler's drivers the opportunity to apply and interview for positions that Republic may have available in the Bay Area.

Republic will hire an experienced diversion coordinator who will be dedicated to providing those services to the Town of Colma. For the first two years, this employee will dedicate 40 hours per week to the Town. After the second year, when we feel our programs have gained traction, we will dedicate a minimum 24 hours per week to continue to reach out and educate customers.

### 3.2 Effective Human Resource Management

Republic has always prided ourselves on our employees' loyalty, which we believe, ultimately translates into superb customer service. Our employees are unionized under a collective bargaining agreement, and they receive wages and benefits comparable to those in the industry. Republic also has an open door policy for all employees and they are provided with a personnel handbook, which describes Company policies and provides a guideline for employees to use to resolve complaints or work-related problems.

## 4 Administration

### 4.1 Operations and Maintenance Yard

Operations and administration for the Town of Colma franchise agreement will occur in our Daly City office located at 1680 Edgeworth Avenue. At our administrative offices, Town customers can conveniently pay their bill in person. In order to ensure convenience for customers, the administrative office and CSR Call Center will be located together with the operations office. All vehicles serving the Town will also be located and maintained out of our Daly City location.

### 4.2 Customer Service Call Center

Since we are the Town's current provider, we have excess customer service representative (CSR) capacity to incrementally add the Town's new customers without having to hire additional personnel to service the Town. Customer service and satisfaction is of the utmost importance to Republic during any transition and sets the stage for ongoing success in providing solid waste, recyclables, and green waste collection and processing services to customers in the Town of Colma.

We believe effective customer service starts with a concern for our customers and we go the extra mile to both satisfy and anticipate their needs. Our CSRs are expected to listen attentively to customers in a courteous and caring manner with the goal of providing answers and solutions to inquiries and complaints quickly and professionally. We anticipate and are prepared to manage a high call volume during the transition period and we will utilize our local resources to manage the increase number of incoming calls.

### 4.3 Billing & Database Set-up

Republic will be using the InfoPro management system to manage our collection operations. This multifunctional platform allows us to simultaneously run the management of multiple jurisdictions, track and create reports for each of our service areas, and generate invoices.

It is critical that the current hauler ensures that records and data of existing customers and service levels are accurate and complete before transferring

data to Republic. This information enables routes to be developed and finalized prior to the transition, so that service is uninterrupted and billing is accurate. In order to understand and confirm the accuracy of data available from the previous hauler, the Republic transition team will work with the previous hauler to organize collection data including: billing information, premise information, site information, service levels, route lists, route sequencing, and any comments specific to a customer or premise (including gate codes, lock service, and safety hazards).

In our past experience, the greatest challenge we have faced in transitioning into a new service area has been incomplete or incorrect data provided by the previous hauler. Knowing the challenges that transitioning to a new hauler presents, we anticipate and have allowed sufficient time to thoroughly research and develop accurate service recipient data and service levels.

#### **4.4 Public Education & Outreach**

The Republic approach to a successful Public Education and Outreach Program to facilitate a smooth transition hinges on providing adequate notification and accurate information to all service recipients. Republic's Public Education and Outreach Plan outlines the approach and methodology to conduct initial outreach and will identify the public education materials that will be used for program start-up and the most appropriate method of distribution. Collateral materials developed and outreach conducted will be designed to inform customers of changes, remind them of what will remain unchanged, and offer assistance with any potential uncertainties regarding the change in haulers. We have found that comprehensive public education and outreach campaigns are successful when they begin well in advance of the new service commencement date and utilize multiple media sources to distribute information.

Republic will be responsible for the development of all collateral materials working in collaboration with the Town. Republic will submit an annual Public Education and Outreach Plan specific to Colma residents and businesses. The Plan will be presented at a meeting with the Town staff in April to cover all efforts in 2016. The 2017 Plan will be submitted by November 15, 2016. Going forward, starting with the Plan for 2018, Republic will submit its annual Public Education and Outreach Plan annually by November 1 for the following year during the Term of the Agreement. The Plan will include all education and outreach activities planned for the upcoming calendar year to coincide with other reporting cycles. All public education and outreach materials will be submitted to the Town for review and approval prior to distribution.

Republic's public education and outreach program is crucial to our success in meeting and exceeding the Town's diversion goals and educating the residents and businesses. In the few months prior to start-up, Republic's diversion coordinator will schedule and attend community events and make presentations to educate customers on the new collection programs and answer questions. We will conduct direct outreach to community groups, business groups, and other community groups as an opportunity to make contact with the leaders in the community and develop communication networks. Leading up to the commencement of services, Republic will place advertisements in local newspapers and use direct mailings to inform residents and businesses about the new collection services, recyclables and green waste/food waste composting programs available by customer type.

#### **4.5 Collateral Development & Distribution**

Republic will utilize a phased approach for developing all collateral to be distributed to all residents and businesses in the Town of Colma. Republic will identify the messages to be communicated and the purpose of the collateral, then begin drafting the content and developing a graphic mock-up. Content and format revisions will be made with input from the Town.

Republic will make appropriate revisions to collateral based on input and recommendations and provide the final draft to the Town of Colma prior to translating the material into Spanish, printed and prepared for distribution. Utilizing the customer database obtained from the previous hauler, Republic will develop a comprehensive mailing list by customer type for direct distribution of educational materials.

Before the commencement of services on September 1, 2016, Republic will contact all residential customers to verify the previous hauler's customer database information and confirm service levels. Republic will use this mailing list as a primary method for direct distribution of educational materials including, but are not limited to, the following:

- ✓ Notification of Republic as the new hauler and our local contact information,
- ✓ Cart size selection for residential customers and service verification requests,
- ✓ Expanded and/or modified recyclables and organic collection services; and,
- ✓ Notification and promotion of expanded or new services.

Following receipt of completed cart verification and selection mailers and during initial cart distribution, new outreach and educational program collateral will be distributed to customers. Republic will also develop and distribute notices annually for cart and bin customers before the first day of January each year that will outline the service programs available, and include, at a minimum, definitions of the various acceptable materials,

procedures for proper set-out, Used Oil, Universal waste, HHW, Bulky Waste on-call services and Free Compost pick-up programs. Additional information on the detailed approach to be taken by Republic in the development and distribution of outreach and educational material relating to the rollout of new collection services is detailed in ***Exhibit J, Public Education and Outreach Services***.

All major components of Republic's transitional and implementation plan will be designed and developed to include contingency plans. The timeline on the following pages includes a schedule of major components and tasks of Republic's Transitional and Implementation Plan, the anticipated completion dates and estimated duration, the key personnel who are assigned to the tasks, and additional comments. As tasks described in the following timeline are completed or are near completion, the Town will be notified of the changes and if any challenges arise that may impact the transition timeline schedule.

Category	Task	Assigned To	Start Date	End Date	Comments
Contract Negotiations, Award of Franchise Agreement and Pre-Transition Plan					
1	Interviews and/or Presentations	Lead: C. Mennie Assist: E. Boyd Assist: M. Devincenzi	Oct-15	Oct-15	Republic will negotiate in good faith with the Town
1.1	Contractor Approved by Town Council	Lead: C. Mennie Assist: E. Boyd Assist: M. Devincenzi	Dec-15	Feb-16	
1.2	Attend meetings to negotiate contract	Lead: C. Mennie Assist: E. Boyd Assist: M. Devincenzi	Mar-16	Apr-16	
1.3	Town conducts Prop 218 procedures	Town legal staff	May-16	Jun-16	
1.4	Franchise Term Begins	Republic	8/31/16		
1	Total Elapsed Time		11 months		
Containers					
2	Cart & internal containers procurement	Lead: D. Diverde Assist: D. Nelson	Jun-16	Aug-16	Order all new carts and internal containers upon signed contract. Secure staging locations for carts
2.1	Bin procurement	Lead: D. Diverde Assist: D. Nelson	July-16	Sept-16	Order bins as needed upon signed contract.
2.2	Review current service levels	Lead: D. Diverde Assist: J. Sandoval	Jun-16	Sept-16	Develop plan and timeline for delivering new bins and carts
2.3	Swap out old carts	Lead: D. Diverde Assist: D. Nelson	Aug-16	Sept-16	Swap out old carts on customers service day in coordination with SSFSC
2.4	Swap out new customer bins	Lead: D. Diverde Assist: D. Nelson	Aug-16	Jan-17	Swap out new customer bins in coordination with SSFSC
2	Total Elapsed Time		9 months		
Routing/New Maps					
3	Reroute entire service area	Lead: D. DiVerde Assist: D. Nelson Assist: J. Sandoval Assist: J. Belo	Apr-16	Aug-16	Use Route Editor, provide Town staff with implementation plan
3.1	Reroute notification	Lead: D. DiVerde Co-Lead: Y. Ponce Assist: M. Devincenzi Assist: Div. coordinator	July-16	Aug-16	Customers receive notification of collection day change where applicable; follow up reminder call the night before their new collection day begins
3.2	Implement new routes	Lead: Lead: D. DiVerde Assist: J. Sandoval	Sept-16		Implement route notification plan; new routes begin September 1st

Category	Task	Assigned To	Start Date	End Date	Comments
3	Total Elapsed Time		6 months		

#### Customer Service

4	Initiate customer service plan	Lead: Y. Ponce Co-Lead: M. Devincenzi	Jun-16	Aug-16	Train existing Customer Service Representatives and Diversion coordinator on new services
4.1	Train Fremont Call Center on new services	Lead: Y. Ponce Co-Lead: M. Devincenzi	Jul-16	Aug-16	Train Fremont call center management and staff on new services to provide for coverage when needed
4	Total Elapsed Time		3 months		

#### Coordination with Town of Colma

5	Establish schedule to provide Town of Colma with updates	Lead: C. Mennie Assist: M. Devincenzi	May-16	Aug-16	Create regular meeting with Town staff for implementation plan updates
5.1	Address any concerns that may arise during transition	Lead: C. Mennie Assist: M. Devincenzi	May-16	Dec-16	Follow up with phone call and other medium
5	Total Elapsed Time		8 months		

#### Public Education-Start-up

6	Present 2016 annual Public Education Plan	Lead: M. Devincenzi	Apr-16	May-16	Present to Town staff for review and approval
6.1	Mail subscription selection to residential	Lead: M. Devincenzi Assist: Y. Ponce	Apr-16	Jun-16	Draft, review, approve and mail in collaboration with Town
6.2	Mail announcements to residential, commercial and multi-family	Lead: M. Devincenzi Assist: Y. Ponce	Apr-16	Aug-16	Draft, review, approve and mail in collaboration with Town
6.3	Collection day change notification to residential	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	July-16	Aug-16	Reminder calls the night before new service day in September
6.4	Commercial recycle posters	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Jun-16	Aug-16	Draft, review, approve and print in collaboration with Town
6.5	Commercial food waste posters	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Jun-16	Aug-16	Draft, review, approve and print in collaboration with Town
6.6	Garbage, recycle and organics non-collection tag	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Jun-16	Aug-16	Draft, review, approve and print in collaboration with Town
6.7	Website update	Lead: M. Devincenzi	Jun-16	Aug-16	Include new services and schedule

		Assist: Y. Ponce Assist: Corp IT			
6.8	Container delivery & pick-up notification	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Aug-16	Jan-17	Containers pick-up, new containers delivered on customer's notification day. Notify customer of date
6	Total Elapsed Time		10 Months		
Public Outreach-Annual					
7	Present annual Public Education Plan	Lead: M. Devincenzi Assist: Div. Coordinator	Nov	Dec	Present to Town staff for review and approval annually by Nov. 1 (2017 plan to be submitted by Nov. 15, 2016)
7.1	Mail annual customer guide for residential	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Sept	Jan	Begin updates in September for January mailing
7.2	Mail annual customer guide for commercial/ multifamily	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Sept	Jan	Begin updates in September for January mailing
7.3	Residential quarterly newsletter - bill insert	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house
7.4	Mail commercial/ multifamily quarterly newsletter	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house
7.5	Multifamily recycling brochure	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	March	May	Review current brochure for any changes and current supply
7.6	Commercial posters for food waste	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	March	May	Review current poster for any changes and current supply
7.7	Commercial posters for recycle	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	March	May	Review current poster for any changes and current supply
7.8	Commercial flyers - four times per year	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house
7.9	Garbage, recycling and organics non-collection tag	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	March	May	Review current tags for any changes and current supply
7.10	Commercial/ AB341 & AB1826 mailer 2 times per year	Lead: M. Devincenzi Assist: Y. Ponce Assist: Div. Coordinator	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house
7.11	Holiday tree bill	Lead: M. Devincenzi	Sept	Nov	Will develop schedule for

	insert	Assist: Div. Coordinator			drafts, approval, printing, delivery to mail house
7.12	Commercial mailer promoting food waste program	Lead: M. Devincenzi Assist: Div. Coordinator	March	May	Review current brochure for any changes and current supply
7.13	Develop summer programs/camp curriculum	Lead: M. Devincenzi Assist: Div. Coordinator	Feb	May	Review current curriculum for any changes and current supply
7.14	Other office/ event/food waste containers	Lead: M. Devincenzi Assist: Div. Coordinator	Jan	Dec	Assess current inventory
7.15	Compost giveaways	Lead: M. Devincenzi Assist: Div. Coordinator	Jan	Dec	Coordinate, promote and hold events
7.16	Container stickers	Lead: M. Devincenzi Assist: Div. Coordinator	Jan	Dec	Assess current inventory
7.17	Website updates	Lead: M. Devincenzi Assist: Y. Ponce Assist: Corp IT	Jan	Dec	Update as needed
7.18	CTAP quarterly meetings	Lead: Div. Coordinator Assist: M. Devincenzi	Jan	Dec	Meetings to be held quarterly, dates TBD
<b>7</b>	<b>Total Elapsed Time</b>		<b>12 months</b>		







# Exhibit G

## Collection Operations Plan

**Town of Colma Request for Proposals for Collection and Processing  
Services for Recyclables, Organic Waste and Garbage**

**April 19, 2016**

# Exhibit G - Collection Operations Plan

## Introduction

The following section details Republic's plan to perform collection of single-family, multi-family, commercial and industrial services for the Town of Colma. Our collection plan is based on the following number of accounts for each line of business.

Current Accounts in Colma	
Single-family residences	455
Multi-family residential properties	1
Commercial	147
Town-owned Facilities *	7
Total	610

Having served the collection needs of the Town for over 50 years, Republic is the only collection company that possesses the extensive local expertise and knowledge to meet the objectives of the Town. Our drivers and administrative staff are familiar with every detail and every special circumstance surrounding collection in Colma – something that can only come from a company with our longevity in the community. Our experience and understanding of the various requirements are of great value in serving the residents and businesses in the Town of Colma.

Republic's locally-based management and operations team has proven its commitment to delivering the most efficient use of equipment and labor, with an emphasis on cost-saving measures, safety and sustainable practices. The local Republic team will continue to build upon its extensive operational and customer service experience, including expanding the public education program to foster greater residential, multi-family and commercial recycling customer participation; adopting "best practices" for continual improvements in customer service; and investing in systems and technology to maximize operational efficiencies.

Additionally, Republic takes great care in ensuring timely and effective measurement, reporting and communications with Town staff. All collection services will be performed in strict accordance with the service requirements outlined in the RFP and memorialized in the Franchise Agreement. Republic utilizes a customized approach for implementation of all collection services. Republic has created an operational framework that allows the integration of collection techniques and service routes to be done in the most efficient and timely manner.

Republic's experience and use of advanced industry technologies allow us to create efficient routes that can be modified to accommodate all transition requirements.

The following table outlines the number of routes per line of business and crew members that Republic is proposing to provide the services required:

Proposed Routes per Service Type		
Route Type	Route (portion of)	Crew
Residential Solid Waste	0.10	1
Residential Recycling	0.10	1
Residential Organics	0.10	1
Residential Bulky	0.05	1
Subtotal Residential	0.35	1

<b>Proposed Routes per Service Type</b>		
Route Type	Route (portion of)	Crew
Commercial Solid Waste	0.12	1
Commercial Recycling	0.10	1
Commercial Organics	0.10	1
<b>Subtotal Commercial</b>	<b>0.32</b>	<b>1</b>
Industrial Roll-Off MSW	0.39	1
Industrial Roll-Off Recycling	0.10	1
<b>Subtotal Industrial Roll-Off</b>	<b>0.50</b>	<b>1</b>
<b>Total</b>	<b>1.2</b>	<b>8</b>

Through the use of routing software, Route Editor, in tandem with Republic's customer management system, InfoPro, we can ensure a thorough approach to routing to enhance worker/public safety, create efficiencies and reduce carbon emissions and street wear and tear. The integration of Route Editor and InfoPro will ensure the best routing plans for all collection systems within the Town of Colma.

Because Republic is the current service provider in the Town, routing changes will be seamless based on the established relationships we have with our customers and the fact that we have implemented previous reroutes in Colma. Our reputation as a successful collection provider precedes us and we are confident that our customers trust we will make the best decisions when it comes to excellence in service.

## 1 Collection Methodology

Republic will offer the Town of Colma collection methods to residential, multi-family, commercial and industrial customers that provide high quality, efficient, cost-effective and customer friendly services. These collection systems are explained in detail in the following sections.

### Effective Routing is Key to Performance and Customer Service

We have developed a routing program, Route Editor, that creates the most effective, productive and efficient routing for our trucks. This system establishes a safe pathway through the local streets, while also eliminating unnecessary crossover and backtracking miles. This state-of-the-art program also maximizes fuel savings and minimizes emissions.

Since all route modifications will be done using the Route Editor program, each customer location will be geo-coded by location (located by GPS coordinates) and loaded into the program. This software takes our current operating metrics and service area statistics and creates routes using this information. The Route Editor program takes into account things like population density, landfill or transfer station trip times, historical operating statistics, and material weight per home and truck capabilities to create the most efficient routes. The system then tells us the safest and efficient way to operate these routes, eliminating potential safety hazards like left hand turns and backing. This program also takes into consideration the cumulative weight on the truck and routes it to minimize truck weights to help reduce wear and tear on local streets.

Each Republic collection vehicle is equipped with a GPS enabled onboard computer (OBC). This computer records the location of the vehicle every 30 seconds and communicates that data to our office servers every two minutes over the Nextel iDen network. The OBC does more than just record the truck's position – it is a true two-way link. The route sheet is provided electronically to the OBC, and that route sheet is displayed for drivers. Service information is date and time stamped then posted to the route and to the specific customer in InfoPro

when the service is performed. This two-way linkage provides the ability to track real-time collection activity in the field, including on-route events (e.g. pick-up by customer/by container, extra collection services) as well as off-line time (e.g. breaks, trips to the transfer station). It also includes service notes generated by the driver as he provides the service.

Each morning, when our driver arrives at our vehicle staging yard and completes the pre-trip inspection on the vehicle, the next activity is to download the route for that day electronically to the OBC in the truck. The route is transferred wirelessly from InfoPro directly to the truck, and includes any customer notes, special activities or requests as well as container information. The route is already sequenced in the order the driver will complete it.

Throughout the day as the driver completes each service, the GPS/AVL continues to track the location of the truck, and, when a lift is performed, matches the location of the truck against the location of the customer's container recorded both in InfoPro and in the driver's electronic version of the route sheet, and then records and timestamps the service activity to that customer. At all times, the driver can override or correct the information being recorded by the truck's sensors.

Using FleetMind, or other equivalent system, the driver can input notes and other information directly into InfoPro. An excellent example of this occurs when a driver encounters a blocked container or a "not out." In the past, the driver would have to contact dispatch, verbally provide the information to the dispatcher who would then enter the information into InfoPro. Errors and delays in entering data created problems when the customer called because the customer service representative (CSR) might not have the most up-to-date information and therefore could not immediately resolve the issue with the customer. With FleetMind, the driver simply enters the note himself and the information is always attached to the customer account when the customer calls or when the CSR contacts the customer proactively. Bringing the driver directly into the communication chain increases accountability, provides immediate feedback on service issues and always leads to more consistent driver behavior on the route. This, in turn, has a very positive impact on the timely and efficient service to the customer.

Flexibility in managing routes during the day is a critical need in operations. Trucks may breakdown, routes can be delayed due to traffic, higher set-out volumes on the route, wait times at the transfer station – these issues can and do arise during a normal day. FleetMind allows our operations supervisor to remotely access the driver's route, transfer and re-assign stops to another route and still document service to those accounts by the second driver. We can provide a seamless, electronic process to ensure that all routes are completed, even in the event of vehicle breakdowns or other challenges.

Because route activity data is tracked at a very granular level, it can be used to ensure accurate customer billing and provide information to quickly settle disputes. Additionally, the OBC can be configured to integrate with a broad range of add-ons including on-board cameras, RFID antennas and weigh-in-motion scales. In addition to the communication feature, this system gives us access to SkyMail, which allows our drivers to leave messages with dispatch and take photos on the route of safety issues, blocked stops, and overloaded containers. Dispatch will then add notes to the customer's account or escalate the issue to a supervisor. The customer service representatives can access these notes and pictures and use them in their phone discussions with homeowners and businesses. Our drivers are encouraged to take a pro-active approach to safety and customer service, and this tool gives them the ability to do so.

## **2 Tonnage Audit Protocols.**

Town and Contractor acknowledge that Contractor will be commingling materials collected on route from within the Town with materials collected on route from adjacent jurisdictions. To properly report tonnage collected within the Town, Town and Contractor have agreed with tonnage allocation methodologies as described below.

**A. Volume Capacity Allocation Methodology.** At least once per quarter, Contractor will run capacity allocation percentages to report and record materials collected from the Town separately from materials collected from adjacent jurisdictions. When determining the capacity allocation percentage for the Town, Contractor will calculate the total collected capacity of each service sector (i.e., residential, commercial, roll-off) and material stream (i.e., Solid Waste, Recyclables, and Compostables) by determining the total number of Containers for each material stream and multiplying that by the weekly collection frequency and container size for each of the Containers

(i.e., ten 32-gallon Carts collected once per week equals three hundred twenty (320) gallons of capacity).

Contractor will take the sum total capacity of each material stream for all accounts in the Town and will use the same methodology for determining the total capacity collected of each material stream for all accounts that are collected by Contractor. Contractor will compare Town capacity totals with the total capacity collected to determine the correct tonnage allocation percentage to be associated with the Town (i.e., if the Town total capacity calculation is three hundred twenty (320) gallons and the overall total capacity calculation is three thousand two hundred (3,200) gallons, the appropriate tonnage allocation attributed to the Town is 10% of the total tonnage.) As set for in Section 4.2 of this Agreement, Contractor will report to Town the total tonnage collected by material stream for the Town and the adjacent jurisdictions where collection routes are shared.

**B. Verification of Capacity Allocation Methodology.** To verify the accuracy of the Volume Capacity Allocation Methodology described in “A” above, Town may request Contractor to operate separate Town only collection routes by service sector and materials types as described in “C” below. Contractor will compare the Volume Capacity Allocation as described in “A” above to the actual weighed loads over a four (4) week period as described in “C”. If discrepancies between Volume Capacity Allocation and weighed loads are found to be greater than five percent (5%), then Contractor will utilize methodology “C” until such time that Contractor can demonstrate to the Town’s satisfaction that that discrepancies between the two allocation methodologies are no greater than five percent (5%).

**C. Weighed Tonnage Allocation Methodology.** Over a four (4) week period two (2) times per year, Contractor will operate separate Town only collection routes by service sector (i.e., residential, commercial, roll-off) and materials streams (i.e., Solid Waste, Recyclables, and Compostables) to accurately weigh all tonnages collected by Contractor within the Town. Contractor and Town will meet and confer on time of the testing periods. The results of the each testing period will be added to the tonnage by service sector and materials streams for Contractor’s adjacent jurisdictions during the same time period to determine the percentage of Town only tonnages compared to the total tonnages collected by Contractor for the Town and adjacent jurisdictions. The resulting Weighed Tonnage Allocation will be used by Contractor to assign tonnage to the Town for the corresponding reporting period. As set for in Section 4.2 of this Agreement, Contractor will report to Town the total tonnage collected by material stream for the Town and the adjacent jurisdictions where collection routes are shared.

### **3 Collection Vehicle Equipment Specifications**

Republic will service all cart customers – residential, multi-family and commercial – using:

- Automated side loader (ASL) for residential and multi-family cart customers;
- Front-end load (FEL) vehicles to service multi-family and commercial bin customers;
- Rear-end load (REL) vehicles to service multi-family and commercial cart customers; and
- Roll-off vehicle for roll-off box and compactor customers.

Republic has selected these particular vehicles for numerous reasons, including:

Vehicles have proven to be among the strongest, safest and lowest maintenance trucks in the industry

- All of the vehicles will run on CNG fuel and be new at the time of implementation
- First-hand local knowledge shows that the vehicle sizes and attributes are best suited for the service area
- Use of this equipment in Colma and other cities in Northern California will enable the sharing of common parts and factory-trained technicians within the network.

All collection vehicles are operated by a single driver. Each truck is painted in a uniform manner in Republic blue and features the Republic logo. Each vehicle is also equipped with the GPS tracking and onboard computer systems as outlined above.

#### **3.1 Residential Collection - Automatic Side Load (ASL) Vehicle**

The ASL vehicle is a dual-side-drive, low-step three-axle model that facilitates easy ingress and egress for the driver to the curbside. The low-entry cab design promotes safety, reduces potential injury, and increases productivity. These vehicles are equipped with efficient hydraulic systems that allow for compaction at idle speeds or even while on the move and a large 5-cubic yard hopper that greatly reduces the chance of litter and spillage. **All collection vehicles will also be equipped with a remote camera that allows driver’s full visual**

**access to the field of operation.** The ASL vehicle will run on compressed natural gas (CNG) fuel. We are currently constructing a state of the art CNG fueling station at our Edgeworth Avenue facility in Daly City to fuel these vehicles; we estimate that the facility will be completed by July 2016.

The ASL features a patented arm, which has an unmatched level of precision. The patented vertical lift design moves the arm from ground-to-ground operation at 8-12 seconds, allowing for maximum curbside pickup in less time.

The arm's design feature prevents spillage, which saves driver time while also protecting the environment. The arm's design also minimizes truck rocking. Most automated truck manufacturers have automated arms that begin picking up the cart container immediately, which can mean the arm is extended nearly seven feet while supporting the weight of the container, causing the truck to rock while the contents are being dumped. With our trucks, the arm is retracted for lifting, so the weight is over the suspension of the vehicle. This keeps the truck from rocking, which can greatly reduce driver fatigue, injury, and spillage.

### **3.2 Multi-Family & Commercial Collection - Front-End Load (FEL) Vehicle**

Republic will continue to provide bin service to multi-family and commercial customers with FEL vehicles equipped with 40-cubic yard volume bodies. We have selected these vehicles for a number of reasons:

- Supplier is a company that has proven to be among the strongest, safest and lowest maintenance trucks in the industry.
- Our first-hand local knowledge shows that this truck's size and attributes will "fit" every neighborhood we service, including hard-to-service accounts.
- The FEL vehicle will run on compressed natural gas (CNG) fuel. We are currently constructing a state of the art CNG fueling station at our Edgeworth Avenue facility in Daly City to fuel these vehicles; we estimate that the facility will be completed by July 2016.
- Use of this equipment currently in the Town of Colma and other cities in Northern California will enable the sharing of common parts and factory-trained technicians within the network.

### **3.3 Multi-Family & Commercial Collection – Rear-End Load (REL) Vehicle**

Republic will continue to use REL vehicles that are equipped with 25-cubic yard volume bodies to service certain high-density, low overhead clearance locations within the Town. These trucks provide for greater versatility and maneuverability than most ASL and FEL collection vehicles. We have selected these vehicles also for the following reasons:

- Supplier is a company that has proven to be among the strongest, safest and lowest maintenance trucks in the industry.
- Use of this equipment currently in the Town of Colma and other cities in Northern California will enable the sharing of common parts and factory-trained technicians within the network.

The REL vehicle will run on compressed natural gas (CNG) fuel. We are currently constructing a state of the art CNG fueling station at our Edgeworth Avenue facility in Daly City to fuel these vehicles; we estimate that the facility will be completed by July 2016.

### **3.4 Roll-Off Collection Vehicle**

Republic will provide roll-off box and compactor service to customers using three axle collection vehicles with a rail and hydraulic hoist system. These vehicles will service commercial, industrial, construction and residential customers that utilize roll-off debris box or compactor services. These vehicles can service a variety of box sizes (8-40 yard containers) and can maneuver in tight locations and varying terrain.

### **3.5 Vehicle Specifications**

Proposal Form F (Vehicle Specifications), including photographs and manufacturers' specification, contains specific information about each of the vehicles that will be used to collect Discarded Materials in the Town. Proposal Form F, consisting of 20 pages, is attached hereto and made a part of this Plan.

## **4 Cart Containers**

Republic enjoys a partnership with a vast network of national suppliers who accommodate our collection container needs with accuracy, efficiency, durability and use of recycled material. We propose to purchase and deploy wheeled carts manufactured by Schaefer Systems International, Inc. and Rehrig Pacific Company that are specially designed to accommodate the fully automated collection system. While performance of a fully automated wheeled cart can be measured in numerous ways, we gauge cart viability by a set of principal criteria: durability, functionality, appearance, and most importantly, ease of customer use. Republic expects a cart placed into service should remain serviceable for its intended life of 10 years, barring any extraordinary misuse or mistreatment. Republic's experience in other cities has shown that a high level of container reliability has a positive impact on customer satisfaction. Republic will purchase trash carts grey in color, blue for recycling and green for organic materials.

The carts have a one-piece mold-in handle for easier customer handling and an attached lid that seals the cart interior. The carts also contain approximately 30 percent post-consumer materials and have a manufacturers' warranty of 10 years. An adequate inventory of replacement units will be available. Each cart will have an in-mold label regarding proper materials, use and unacceptable materials.

Revised Proposal Form E (Container Specifications) contains specific information about each of the types of containers that will be used to collect Discarded Materials in the Town. Proposal Form E, consisting of 4 pages, is attached hereto and made a part of this Plan.

## **5 Commercial Bins**

Multi-family dwelling and commercial customers will be provided with plastic container bins made by Wastequip, one of Republic's reliable national suppliers. The bins are designed for compatibility with our FEL vehicles and come in a range of sizes, from 1-6 cubic yards. Most bins also have four heavy-duty wheels, are easily maneuverable into position and have plastic lids. Our containers have been proven the most durable in what is typically the most punishing segment of a collection program. The average life span of these containers is typically 10 years. Commercial solid waste containers will be dark blue in color, green for recycling and brown for organic (including food waste) material.

## **6 Roll-off Boxes**

Roll-off customers will be provided with metal bins made by Wastequip, Consolidated Manufacturing or Classic Graphics. The boxes are designed for compatibility with Republic's roll-off vehicles and come in a several sizes, ranging from eight (8) to 30 cubic yards. The average life span of these containers is typically 10 or more years. Republic does not provide compactors to customers. Roll-off boxes will be blue in color.

## **7 Single-Family Dwelling Solid Waste Collection Methodology**

Republic will service all single-family carts using an automated side loader (ASL) truck. The ASL is proven to retrieve and return carts in even the most hard-to-reach locations such as narrow streets, courts and alleyways, enabling the industry's most efficient, safe, and environmentally responsible curbside automated collection services. The ASL is currently being used successfully for collection of residential, commercial and multi-family material.

Republic will use gray carts for residential trash collection. Residents will be offered the option of choosing either a 20, 32, 64 or 96-gallon cart. The 32-gallon cart will be the default size if customers express no other choice.

Republic will collect solid waste with one (1) new ASL Automators with Autocar chassis and 27-cubic yard McNeilus body. The ASL vehicle will use compressed natural gas (CNG) which will fuel up at our new CNG fueling facility in Daly City. The collection vehicle will be operated by a single driver and painted in a uniform manner in Republic blue, featuring the Republic logo and company contact

information.

The ASL cart collection methodology is fast and efficient and requires approximately 8 to 12 seconds to complete the cycle (pick up cart, deposit contents, place cart back onto the curbside) before the driver moves to the next stop. The curbside collection process is as follows:

1. Driver pulls up to the curb.
2. Driver activates a toggle switch to extend the automated arm to the curbside container.
3. Driver activates another toggle switch to position the arm-grabbing mechanism and takes hold of the container.
4. Driver operates the arm and brings the container to the body of the collection vehicle.
5. Driver operates the arm to activate the vertical lift that dumps the contents of the container into the hopper. The vertical lift reverses and brings the container back to the operating surface.
6. Driver operates the arm, grabs the container, and returns it to its original location at the curb, and
7. The hydraulic mechanism within the body of the vehicle automatically compacts the load within the truck body.

At each stop, our driver will also make sure that the following procedures are followed:

1. Cart container is returned to the curb in an upright position.
2. Lid on cart container is closed.
3. Any spillage is picked up and deposited in the collection vehicle.
4. Report any service issues, i.e., damaged containers; carts not out; over loaded cart.

Republic will collect solid waste in excess of the normal billed-for amount if the Service Recipient has made arrangements at least 24 hours in advance with us for overage pickup, or such other procedure as approved by the Town. Republic will collect the overage when the set-out meets all of the requirements established by the Town. Republic will submit to the Town solid waste overage information each Monday for overages collected the prior week. Maximum rates for overages shall be as approved by the Town.

## **7.1 Single-Family Dwelling Weekly Single-Stream Recycling Collection**

Republic will offer all single-family customers weekly, fully automated single-stream, commingled recycling collection services. Recycling carts will be serviced with the same equipment and in the manner as residential solid waste carts.

Republic will collect recycling carts with one new ASL Automators vehicle with Autocar chassis and 27-cubic yard McNeilus body. The ASL vehicle will use compressed natural gas (CNG) which will fuel up at our new CNG fueling facility in Daly City. The collection vehicle is operated by a single driver and will be painted in a uniform manner in Republic blue, featuring the Republic logo and company contact information.

Republic will use blue carts for residential single-stream collection. Residents will be offered the option of choosing either a 32, 64 or 96-gallon recycling cart. The 64-gallon cart will be the default size if customers express no other choice and will have an in-mold label with single-stream recycling information and instructions. If a customer needs more than one collection cart, Republic will provide additional carts for free to accommodate the customer's needs and as an incentive to increase diversion.

## **7.2 Acceptable Material for Residential Recycling**

The following is a list of acceptable and non-acceptable recyclable materials collected from the Town's residents that will be processed at our Newby Island Resource Recovery facility in San Jose. The accepted materials list includes an expanded list of materials that residents can now recycle through the Republic program.

## **ACCEPTED RECYCLABLE MATERIALS**

- Clean paper (including newspapers & mixed papers)
- Cardboard & chipboard
- Paper milk cartons



- Glass bottles & jars
- Rigid plastics
- Aluminum & scrap metals
- Steel, tin & bi-metal cans
- Aseptic beverage boxes

Republic Services will also process several material types not normally recovered, including:

- Clean Expanded Polystyrene block packing materials
- PLA bioplastic bottles
- Plastic bags & film
- Black plastic
- All other materials for which a viable market can be found

## **RECYCLABLE MATERIALS NOT ACCEPTED**

- Solid waste
- Food waste & food soiled paper
- Treated wood
- Pallets
- Landscape waste
- Restroom waste
- Hazardous or medical waste
- Construction debris
- Concrete, dirt & asphalt

Republic is committed to keeping contamination in recyclables at the absolutely lowest level possible. The local management team will collaborate with Town staff to develop proactive public education programs to ensure the lowest level of contamination and the highest levels of diversion. Working with individual customer to reduce contamination in the materials set out for collection is the one of the keys to collecting clean loads. Republic believes the success of its recycling program is due to consistent interaction with the individual customer. Customer education and Republic's involvement is vital in meeting and exceeding diversion requirements and establishing solid sustainability practices. By ensuring customers receive appropriate and easily accessible educational material we are able to deliver clean material to the Newby Island Resource Recovery Park for processing. There will be periodic and random cart and bin checks by our in-field supervisors and diversion coordinator to help identify contamination prior to collection.

## **8 Single-Family Dwelling Organics Collection**

Republic will offer all residential customers weekly, automated collection of accepted organic materials. Organics carts will be serviced with the same equipment and manner as residential solid waste and recycling carts.

Republic will collect organics material carts with one (1) new ASL Automators with Autocar chassis and 27-cubic yard McNeilus body. The ASL vehicle will use compressed natural gas (CNG) which will fuel up at our new CNG fueling facility in Daly City. Each collection vehicle is operated by a single driver and will be painted in a uniform manner in Republic blue, featuring the Republic logo and company contact information.

Republic will use green carts for residential organics collection. Residents will be offered the option of choosing either a 32, 64 or 96-gallon organics cart. The 32-gallon cart will be the default size if customers express no other choice and will have an in-mold label with organics information and instructions. If a customer needs more than one collection cart, Republic will provide up to two additional carts for free to accommodate the customer's needs and as an incentive to increase diversion.

Republic will also provide residents with a Kitchen Food Waste Pail with a minimum 20 percent recycled content, as approved by Town, for in-home use. We will provide cart exchange for Service Recipient at no additional charge.

## **8.1 Acceptable Organics Materials**

Residential customers will be able to place the following types and size of organics materials for collection:

- “Yard Trimmings” means those discarded materials 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, small pieces of unpainted and untreated wood, and other types of organic waste. Yard Trimmings is a subset of organic waste
- Yard Trimmings placed for collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit within the provided Container
- Food Waste including: (i) all kitchen and table food waste scraps, and animal, or vegetable, fruit, grain, dairy or fish waste that attends or results from the storage, preparation, cooking or handling of foodstuffs
- Holiday trees will be collected curbside for a specified period of time at no additional charge to the customer in January of each year on the regularly scheduled collection day
- Holiday trees must be cut into section of six (6) feet or less and be placed within the cart for collection

## **9 Residential and Multi-Family On-Call Bulky Item Clean-up Events**

Republic’s goal is to increase household diversion rates while being responsive to customer needs. Residents will have the opportunity to request three (3) on-call bulky item clean-ups per year on the regularly scheduled pick-up day.

Customers will be able to use our convenient bulky item collection request form on our website or call customer service to schedule a pick-up, at which time they are asked for their name, service address, billing address (if different) and daytime phone number, as well as what types of items they will be setting out for collection.

Bulky item collection will occur on regularly scheduled collection days with tracking managed via our InfoPro system. Once an on-call appointment is scheduled, the customer will receive a mailed brochure confirming collection date and detailing reuse options. It will also include set-out guidelines and provide a visual aid to support the guidelines and accepted materials list. Through Republic’s website or by speaking with a customer service representative, residents will also be provided contact numbers and addresses for local drop-off locations for organizations such as Goodwill, St. Vincent de Paul, Salvation Army and the Disabled American Veterans.

To perform this service and maximize recycling and reuse opportunities, Republic will operate either a flatbed or 20’-28’ box truck to collect large appliances, recyclable materials and reusable items. Residents will be instructed to leave materials at the curb on their collection day by 7 a.m. A separate garbage truck will collect the garbage. Accepted items include large appliances, furniture, mattresses, clothing, rimless tires (up to 4), oversized yard trimmings and branches not exceeding 2 feet in diameter and 4 feet in length, cardboard, recyclables, televisions, and garbage. We will collect up to 12 32-gallon bags or bundles of garbage that do not exceed 2 cubic yards. All items such as clothing, recycling or garbage must be bagged, boxed or bundled, labeled and must not weigh more than 60 pounds. Each set out may include up to two large items not exceeding 200 pounds each. Items not accepted include motor vehicles, motor cycles, vehicle parts and batteries, hazardous waste, construction and demolition debris (dirt, rocks, concrete, stucco), hot ashes, animal waste, poison oak, commercial refrigerators.

Items such as clothing and white goods collected as bulky items will be taken to Republic’s operations yard in Daly City for processing/recycling. Recyclables, mattresses and other items collected through the bulky program will be delivered to Ox Mountain, or other facility as agreed to by the Town and Republic for processing/transfer/recycling. Solid waste collected through the bulky program will be delivered to Ox Mountain for disposal. Republic will partner with local non-profits to donated acceptable items for reuse.

For Multi-Family Residential Service Recipients, Bulky Good Collection shall occur three times per year as scheduled by the owner or manager of the Multi-Family Property. Republic will work with the property owner/manager to customize the collection to best meet their

needs. This could entail identifying a designated area to stage the items for collection loose, providing containers for tenants to load their items, or a combination of the two.

Republic will collect the materials from both SFD and MFD bulky item collections in a manner that maximizes reuse, recycling, composting and diversion of materials from disposal. This includes providing SFD residents and MFD property owners/managers with information on how to properly prepare the items, list of acceptable items and places to donate items in advance of the collection. Loose items for reuse, recycling, composting and diversion, such as clothing, yard waste, recyclables must be bagged, boxed, bundled, labelled and must not weigh more than 60 pounds. The same guidelines are required for garbage. Bulky items and other materials will be collected by a separate truck(s) or in a separate container(s) than garbage.

## **10 Back Yard and Side Yard Collection**

To meet the needs of its senior and disabled customers in the Town of Colma, Republic will provide Back Yard/ Side Yard service to any resident who is physically unable to transport their solid waste, recycle and organic carts to the curb. Eligibility for this service will be determined by the Town.

## **11 Used Motor Oil and Used Motor Oil Filter Recycling Collection**

Republic has developed an environmentally responsible and efficient process for curbside collection of used motor oil and used motor oil filters. On regular recycling days, our drivers will pick up used motor oil and used filters that are placed in approved, sealed containers (e.g., milk carton or similar container). Customers may place up to two 1-gallon plastic jugs with screw-cap lids for used motor oil and 1-gallon plastic zip-lock type bags for used oil filters at the curb per week on their collection day. Specific directions for proper containment of used motor oil and used motor oil filters will be provided to all single-family customers.

At the curbside point of collection, our drivers will exit the vehicle, pick up the used oil containers and deposit them into a special holding container on the body of the vehicle for emptying and recycling. The used oil filters will be deposited in a special holding container on the body of the vehicle for emptying and recycling.

## **12 Battery and CFL Recycling Collection**

Republic will collect household batteries and compact fluorescent bulbs (CFLs) placed on top of the recycling cart in customer provided clear zip-lock or tie-close plastic bags clearly marked "Used Batteries" or "CFLs". Republic collection personnel will empty the bag at the point of collection and leave the bag to be reused by the customer by placing the bag inside the cart handle.

Acceptable batteries for collection include:

- Batteries that bear the three (3) chasing arrows or a comparable recycling symbol
- Nickel-cadmium batteries labeled "nickel-cadmium" or "Ni-Cad," with the phrase "Battery Must Be Recycled Or Disposed Of Properly."
- Regulated lead-acid batteries labeled "Pb" or with words "Lead, Return, and "Recycle" and if the regulated batteries are sealed, the phrase "Battery Must Be Recycled."
- Rechargeable consumer products containing non-removable Ni-Cad batteries must be labeled with the phrase "Contains Nickel-Cadmium Battery. Battery Must Be Recycled Or Disposed of Properly."
- Rechargeable consumer products containing non-removable regulated lead-acid batteries must be labeled with the phrase "Contains Sealed Lead Battery, Battery Must Be Recycled."

Customers may also drop-off household batteries, fluorescent tubes and CFLs free of charge at our conveniently located office on Edgeworth Avenue in Daly City. In addition, e-waste can be dropped-off at the same location for a nominal charge.

# 13 Town Services

## Containers at Town Facilities

Republic will collect solid waste, recyclables and organic waste from containers on Town properties listed in Exhibit A-1 to the Franchise Agreement and at such other Town-owned properties as the Town shall specify at no charge.

## Containers at Public Locations

Republic shall collect solid waste and recyclables from containers located near bus stops at the locations listed in Exhibit A-2 to the Franchise Agreement and such other public places in Colma as Town shall specify at no charge.

## Town-Sponsored Community Events

Republic will collect solid waste, recyclables, and organic waste at community events sponsored by the Town, such as Town Picnic, Annual Clean-up Day, etc., at no charge, and will participate in Town-held events listed in Exhibit A-3 to the Franchise Agreement. Republic’s participation will include assisting the Town with determining service needs for the events, coordinating the delivery and collection of containers, and staffing an information booth/table at events that are suitable.

## Free Compost

Republic will deliver to the Town corporation yard four (4) times a year at least twenty (20) cubic yards of free compost for use by residents and or the Town at dates to be coordinated with the Town annually. Two of the compost giveaways will be incorporated into the HHW, E-Waste and Universal Waste Collection Events.

# 14 Household Hazardous Waste (HHW), E-Waste and Universal Waste Collection Events

## Not all household products can be thrown in the regular garbage!

Three times each year on days selected by the Town and Republic, Republic will hold an HHW, E-Waste and Universal Waste drop-off event where residential service recipients and the Town may dispose of HHW, E-Waste and Universal Waste at no charge. Republic will also provide free shredding and other mutually agreed-upon services at that event. The location will be the Town corporation yard or other Town facility as specified. One of these three events can be combined with the Town Cleanup Day. Republic shall, upon request by the Town, collect up to one large item one week prior to Clean-Up Day. Republic will provide staffing for the events, with the Town providing staffing to check in residents and verify proof of address. Two of Republic’s compost giveaway events will be combined with these events, with the Town providing the bags for residents to take the compost.

In general, most ordinary household chemicals purchased at retail stores are eligible for the drop-off events. All containers must be labeled and not leaking. If a container is not labeled, participants are told to place a label on the container.

Commercial waste, industrial waste from businesses, unusually large quantities of the same waste are not eligible for the program. Please refer to the following page for a detailed list of acceptable and non-acceptable materials.

## Acceptable HHW

Pesticides  
Insect Sprays  
Herbicides  
Rust removers  
Swimming pool chemicals  
Wood preservatives

## Non-Acceptable

Biological Waste  
Radioactive materials including  
Smoke detectors  
Ammunition  
Explosives  
Commercial chemicals

Chlorine Bleach  
Drain Openers  
Corrosive Chemicals (non-commercial)  
Lye  
Muriatic Acid  
Hobby Chemicals  
Oil  
Used Motor Oil  
Used Transmission Fluid  
Gear Oil  
Paint Products  
Oil  
Latex  
Spray  
Stripper  
Paint Thinners  
Automotive Chemicals  
Waxes  
Polishes  
Cleaners  
Carburetor Cleaner  
Brake Fluid  
Gasoline  
Antifreeze

Large containers over 5 gallons  
Materials improperly packaged for  
Transportation  
Fire Extinguishers  
Gas Cylinders  
Unknown materials  
Tires  
Appliances  
Liquid Mercury  
Driveway Sealer limited to 5 gallon  
All Medicines/Pharmaceuticals

Acceptable E-Waste and U-Waste includes computers, monitors, keyboards, mouse and cables, cell phones, MP3 players, DVD players, small printers/fax machines, TVs, other electronics, fluorescent lighting and tubes and household batteries.

## **15 Commercial and Multi-Family Solid Waste, Recycling and Organics Collection**

Republic will offer Universal Recycling to all Commercial customers, which will include on-site visits with customers to the extent possible prior to establishing service levels to maximize diversion opportunities. All education and outreach efforts will follow the program as detailed in Republic's annual Public Education and Outreach Plan and the Commercial Recycling Technical Assistance Program. Republic will offer container, cart, roll-off box and compactor collection services to commercial solid waste, recycling and organic material customers, including MFDs, depending on the customer's specific needs. Service will be provided using collection trucks manned by one driver. Commercial solid waste, recycling and organics customers will be given a choice of subscription service levels:

Customers may select solid waste cart(s) 32, 64 and 96 gallon; 1-6 cubic yard-capacity solid waste bins; or 8-yard to 40-yard capacity open-top roll-off or compactor boxes. Commercial customers will be serviced at least once per week and up to six times per week depending on service needs. Commercial carts will be serviced with an ASL or REL vehicle. Please refer to Single-Family dwelling for description on vehicles and collection methodology.

Republic's roll-off and compactor customers will be serviced with 3-axle roll-off trucks capable of transporting containers ranging in capacity from 8-to-40 cubic yards. Compactor service will be available using compactors ranging from 8- to 40-yards capacity.

Customers may select single-stream recycling cart(s) that are 32, 64 and 96 gallon or 1-6 cubic yard bins. Commercial customers will be serviced at least once per week and up to six times per week depending on service needs. Commercial carts will be serviced with an ASL or REL vehicle. Please refer to Single-Family dwelling for description on vehicles and collection methodology.

Internal recycling containers will be provided to commercial customers on an as-needed basis within program guidelines approved by the Town. The containers will be plastic, with a minimum 20% of recycled content and a capacity of approximately 20 gallons.

## **16 Commercial and Multi-Family Organics and Food Scraps Collection**

Republic will offer food waste recycling services for all commercial accounts, including MFDs, based on customer need. Customers will receive 32-, 64- or 96-gallon carts or 1-3 cubic yard bins, depending on their needs, and have the option of receiving service up to six days per week. Republic will also provide each multi-family unit customer with an in-home Kitchen Food Waste Pail.

The same equipment and methodology will be implemented for commercial food waste cart and container collection previously described (ASL, FEL and REL trucks). Please refer to Single-Family Dwelling for description on vehicles and collection methodology.

Republic's compactor customers will be serviced with 3-axle roll-off trucks capable of transporting containers ranging in capacity from 8-to-40 cubic yards.

In order to maximize customer participation and material diversion, it is essential to implement a thoughtful and carefully executed approach that focuses on targeting key food generators and providing them with the tools, resources, and onsite assistance necessary to ensure a successful collection program.

Food scraps collection participants will be provided with a food scraps cart or bin. Internal food scraps containers will be provided to commercial customers on an as-needed basis within program guidelines approved by the town. The containers will be plastic, with a minimum 20% of recycled content and a capacity of approximately 20 gallons. Republic will steam clean commercial organic waste containers once a year without charge. Businesses that participate in the food scraps program (i.e., organics) will have their materials delivered to the South San Francisco Scavenger Company facility for transfer to our West Contra Costa Compost facility in Richmond where the organics will be composted.

Republic will use several steps to estimate the potential diversion from this commercial food waste program, including identifying commercial and industrial accounts that belong to high food waste-generating groups (healthcare facilities, hotels, restaurants, other food services, food stores and food manufacturing); estimating the annual volume collected (size of container x number of containers x number of weekly pick-ups x 52 weeks/year) assuming containers were full at pickup; and totalling the estimated volume disposed for each industry group. Republic will convert the annual volumes to annual tons using industry specific densities from California Integrated Waste Management Board (now CalRecycle) Statewide Waste Characterization Study Results and Final Report, prepared by Cascadia Consulting Group, December 1999. We will estimate the volume and tons of food waste and compostable paper disposed by each industry group, using business sector-based waste composition data from Republic's database of generator samples.

We are assuming that 50 percent of businesses would participate in program and that it would be possible to capture 65 percent of food waste and compostable paper from those businesses.

Republic's education and outreach team with assistance with Cascadia Consulting Group will target businesses that generate a high volume of organics material and we will work in phases to maximize business participation and recycling performance. In developing our target business list, we reviewed the service levels and business sectors for all businesses in Colma and highlighted those businesses that fall within the selected "high-volume organics generator" categories. Cascadia will provide training to our staff on assessment protocols, tools and analysis. Cascadia will also customize its EcoDiversion Calculator for use by Republic in the Town of Colma.

Each targeted business will receive a letter introducing the organics program two weeks prior to the Republic diversion coordinator performing an onsite visit. We find that providing notice ahead of time allows businesses to prepare for our visit and increases their willingness to discuss new service offerings.

During the site visit, the Republic diversion coordinator will perform a visual assessment of solid waste and recycling containers, documenting the percentages of material types, overall volumes, and recommendations for optimized service levels. The diversion

coordinator will perform a facility walk-through to identify areas where food scraps are generated, recommend locations for internal food scrap collection containers, and identify opportunities for improved recycling collection systems.

Outreach staff will also provide educational materials that explain the new food scraps collection program, and will attempt to schedule a follow-up visit to conduct employee training. During this initial site visit, we will recommend a food scraps collection service level and formalize next steps for cart or container delivery and service implementation. When performing the site visit, outreach staff will also assess businesses on a case-by-case basis to create an individualized program that is tailored to each business. The Republic diversion coordinator will use an audit form which allows for an easy way to accumulate all data from site visits and provides a brief summary report that can be provided to the customer. For all businesses, both pre-consumer “back-of-house” collection and post-consumer “front-of-house” collection will be evaluated, and the best collection system will be recommended.

For sit-down restaurants, outreach staff will focus on back-of-house collection and help train kitchen staff, bussers, and dishwasher staff to place materials in the correct container.

For cafeterias, and fast food style restaurants, we will address both back-of house and front-of-house collection to see if there are opportunities for adding proper signage or additional containers, as well as if the business could use compostable products to help prevent contamination. For each type of business, a phased-in approach would begin with:

1. implementing back-of-house recycling first to establish a successful program, and
2. adding front of-house food scraps and approved compostable paper products when the restaurant is able to manage collection of clean materials.

Following up with onsite business contacts in a timely manner is essential when launching a new collection service. Republic proposes sending a follow-up email or letter to the business documenting selected food scraps service levels, delivery dates for new containers, and dates for staff training (preferably coinciding with the cart or container delivery date). After the containers are delivered and all trainings have been performed, the Republic diversion coordinator will perform weekly site visits for the first month of service, monitoring the food scraps container to confirm the business is maximizing their diversion of food scraps with minimal contamination.

The Republic diversion coordinator will follow up with the business manager one month after their site visit to review progress and provide additional educational support or resources as needed, including photos of contamination if applicable. Republic recognizes that in order to maintain a successful food scraps collection program, it is essential to provide ongoing feedback and assistance throughout the term of the contract. Therefore, Republic will contact commercial food scraps participants semi-annually, addressing staff turnover and the need for ongoing engagement and educational refreshers.

Our proposed approach to educating and assisting business customers will involve a combination of onsite technical assistance, including staff trainings, and semi-annual customer follow-up as well as on-call customer assistance based on customer email or phone requests . We will also use collection drivers’ notes on contamination levels to identify potential training opportunities and begin a conversation with businesses on easy and affordable ways to reduce contamination. We will develop educational tools and resources for front-of-house and back-of-house collection stations that can be customized by businesses. All outreach materials will be readily accessible on our website, which will also include an interactive diversion calculator. The EcoDiversi<sup>o</sup>n® Calculator (EDC), developed by Cascadia, is an Excel-based tool used to facilitate more efficient commercial outreach activities. The EDC will be modified for this project in order to provide a customized tool for Colma. The EDC will automatically draw from the uploaded commercial account records, minimizing the data entry effort required by the outreach staff, while still allowing staff to enter critical on-site information. The EDC will generate the diversion rate, associated greenhouse gas reductions and cost savings.

Businesses can use these statistics to engage and motivate employees and impress customers. They will be encouraged to include this information in quarterly newsletters, on their website, and in other communication channels.

Organics educational materials will highlight specific materials accepted in the program, such as clean food scraps, green waste, approved paper products including cutlery and service-ware. Additionally, organic material can be placed either in a clear plastic bag or biodegradable bags that are accepted at the composting facility. However, it will depend on the Town’s selected processor as to whether

they will recycle the plastic bags, compost the biodegradable bags, or debug the material and place material directly into the trash.

## **17 Roll-off and Compactor Collection Methodology and Procedures**

Roll-off box and compactor collections may be regularly scheduled, temporary or on-call. Collection services are accomplished with roll-off trucks and boxes or compactors in sizes ranging from 8 to 40 cubic yards and a crew of one highly trained, professional driver. To ensure Republic roll-off drivers do not encounter overweight boxes, and to maximize diversion, customer service representatives will query customers when setting up the service as to the type and amount of waste materials they plan to discard.

Roll-off solid waste loads, recyclables, construction and demolition and organic loads are direct hauled to the designated facilities for transfer, disposal, processing, recycling or composting.

Roll-off boxes will be made available to customers of every generator type in a full range of sizes. Republic customer service representatives will help customers correctly size their containers to maximize diversion and mitigate weight issues. Hauling companies will provide a link between customers who desire compactors and compactor manufacturers and Republic has well established compactor manufacturer connections that we will provide to the customer upon request. Customers generally either lease or purchase a compactor.

Republic will service roll-off boxes and compactors with one new Autocar ACX 64 standard roll-off trucks with Amrep 22' hoist. Each vehicle is operated by a single driver. All vehicles will be painted in a uniform manner in Republic blue, featuring the Republic logo and company contact information.

## **18 Construction and Demolition Debris (C&D) Services**

C&D collection service will be accomplished with roll-off trucks and boxes in sizes ranging from 8 to 40 cubic yards and a crew of one highly trained, professional driver. To ensure Republic roll-off drivers do not encounter overweight boxes, and to maximize diversion, customer service representatives will query customers when setting up the service as to the type and amount of waste materials they plan to discard.

At no cost to the Town, Republic has retained Nick Russo as our construction representative that is assigned to all construction and demolition projects in the Town of Colma.

The role of the construction representative is to work directly with construction companies by visiting the site and tailoring the most appropriate method for managing the construction and demolition materials produced at the individual sites. These solutions are always site specific and are designed to assist Republic, and the overall project, in meeting the diversion requirements established by the Town of Colma. The construction representative is also responsible for providing Republic with the information needed for quarterly reports to ensure that the project is compliant with local ordinances and or other green building requirements.

The construction representative's onsite diversion approach often involves multiple, well-marked containers for single commodities. This approach includes frequent site training with construction workers and other staff as well as multiple project site visits per week to ensure signage on containers are clear and remain in place. When space constraints dictate a different approach, a recommendation can be made for commingled containers. This approach also involves well-marked containers, frequent site trainings and site visits and daily communication between the construction representative and the project lead or foreman onsite. Republic has found this personalized approach to our construction and demolition services to be extremely beneficial to the customer as well as being the most successful approach to meeting local diversion requirements. Republic commercial customers around the Bay Area are familiar with Republic's dedication to service and diversion and it's no different in Colma.



## 19 Vehicle Maintenance

### Preventative Maintenance Program for Collection Vehicles and Equipment

Republic is dedicated to owning the best running, safest and most environmentally friendly vehicles for our customers and we are able to achieve this through a rigorous maintenance program called OneFleet. With standardized procedures and consistent execution, we provide the best-in-class fleet management system, which gives our customers improved reliability and fleet availability.

There are six pillars to OneFleet:

#### 1. Preventive Maintenance (PM)

PMs are the hallmark of OneFleet. Republic Services prescribes six levels of PM activity (A-F) at varying truck hour markers.

- A. Every 150 hours (full inspection, including nuts/bolts/ fluids/no cracks)
- B. Every 450 hours (A plus, full lubrication service)
- C. Every 1350 hours (transmission, front suspension, air-to-air, hydraulics, CNG inspection)
- D. Every 2700 hours (A, B, C plus drain transmission, new filters and fluids; crank ventilation filters; exhaust system inspection/service, cleaning, catalyst inspection/service)
- E. Every 5400 hours (A, B, C, D plus differential fluids, DPF system, overhead valve adjustment, fuel systems inspection/service)
- F. Every Year – Annual Federal Safety Inspection

#### 2. Planning and Scheduling

Standardized planning and scheduling leads to increased shop capacity and/or reduced fleet down time. By planning preventative repairs, we have parts on hand, mechanics scheduled during off-route hours. This keeps the shop from being reactive and unprepared. We prioritize ticket items to adequately meet our operational needs – making sure the fleet is ready at route time.

#### 3. Workplace Organization

A clean and organized workplace provides a safer and more efficient environment. At Republic, we manage the Five S's:

- Sort
- Straighten
- Sanitize
- Standardize
- Sustain

#### 4. Repair Quality and Training

OneFleet initiatives are only as strong as the training we give our technicians. Quality Tech Training is our mantra – from on the job training to formal classroom programs.

#### 5. Driver Practices

Joint accountability and proper communication between maintenance crews and operations personnel (drivers and supervisors) fosters fewer unscheduled repairs and breakdowns. Each day, drivers:

- Perform a pre/post-trip driver quality control inspection
- Ensure that any issues they identify are accurately communicated to the shop
- Ensure that customer and route expectations are understood in the mornings

#### 6. Parts Management

The right part at the right time is critical to maintaining a fleet. With proper parts management, parts are on hand for all scheduled repairs, which decreases truck and labor down or delay time. Integral to the parts maintenance program is a maintenance bay, floor and shelves are

clean and orderly. With proper scheduling, parts are staged on carts in advance of a technician's arrival.

The bottom-line benefit of OneFleet is the positive impact to our customers. We begin the day (everyday) with a reliable fleet – both operationally and environmentally.

The bottom-line benefit of OneFleet is the positive impact to our customers. We begin the day (everyday) with a reliable fleet – both operationally and environmentally.

## **20 Vehicle Inspection Reports**

Key to the preventive maintenance program is daily completion of vehicle inspection reports. This is done by the collection vehicle's assigned CDL driver and includes both a pre-trip inspection and post-trip inspection.

- Drivers check fluid levels, lights, tires and other safety related areas of their truck and indicate on the inspection report any defects or deficiencies found that day.
- Shop personnel review the report and check any items marked by the driver as being questionable or problematic.
- Mechanics then make any needed repairs before the vehicle returns to the route. Furthermore, each vehicle undergoes a thorough and comprehensive preventative maintenance inspection (PMI) every 150 hours of service.
- This inspection is conducted by a trained and certified brake inspector, according to USDOT requirements.

## **21 Preventative Maintenance Program**

Each vehicle is inspected from the top to the bottom and the front to the rear including, but not limited to; tires, air pressure, brakes, air system, safety camera system, gauges, engine, cooling system, hydraulic system, batteries, road tested and general overall equipment operation. The vehicle is thoroughly lubricated and fluids sampled and changed if required. If repairs are needed, all priority repairs are completed prior to the vehicle being returned to service and repairs that can be, are scheduled to be completed at the next service.

Preventative Maintenance Inspections (PMI) are set at different levels, ranging from PMI-A to PMI-E. Each level is an increasingly more detailed inspection and/or requires different fluids to be changed e.g., oil, hydraulic, coolant, differential, etc. Once a year each vehicle is given a complete annual inspection in accordance with 49 CFR 396. Adherence to these programs reduces downtime and road calls which correspondingly increase customer satisfaction due to on time service and driver morale.

## **22 Vehicle Appearance**

It is a fact that vehicles that are clean in appearance are usually well-maintained as well. Republic washes its collection vehicles weekly, utilizing biodegradable cleansing products, high and low pressure washers using a brush. Truck washings will comply with BMP's governing storm water management.

## **23 Safety Overview**

Safety is Republic's highest priority. We've created a strict policy of safety protocols with supporting infrastructure, where employees are trained to think, choose, and work within a training framework designed for safety. Safety is our portal for the achievement of exceptional customer service, and is viewed as the responsibility of all employees. We take every step to ensure safety in our administrative offices, operations yards, on collection routes, and at our transfer/recycling facilities.

Our excellent safety record is achieved by the clear system of safety checks and balances we employ, our safety policies and procedures, and sound decision-making used when hiring, combined with the active retention of the very best employees.

New employees are required to attend and pass a new employee orientation/safety training class. In this class, company policies and

standards are fully explained. These include:

- Republic's alcohol and drug-free workplace;
- DOT requirements; personal protective equipment standards;
- Operation and care of equipment; injury and accident reporting procedures; H
- Hazardous communications procedures; spill prevention and contamination training;
- Collection service standards;
- Recycling and waste contamination communication procedures, service reporting and paperwork procedures.

Republic has recently instituted a new driver training program that has already been recognized as an industry best practice. This program involves two weeks of classroom training conducted by an industry trained expert employed by Republic.

Republic has invested in a state-of-the-art training center in Richmond, CA, which includes a fully developed obstacle course and training course. After two weeks of classroom training, new drivers will spend four weeks in behind-the-wheel (BTW) training followed by a final test that he/she must pass to be certified to ready on his/her own route.

## **24 Primary Safety Initiatives**

### **10-Key Safety Audit**

The 10-Key Safety Audit is one of the Republic's primary safety tools. It is used to measure the culture within Republic divisions through the thorough examination of 10 key areas related to management's effectiveness in leading their team's safety attitude.

The ten key areas are:

- General Manager Management
- General Manager Involvement
- Hiring
- Vehicle Specifications
- Hours of Service
- Safe Actions for Excellence (Republic's general safety handbook)
- Preventive Maintenance
- Employee Recognition and Discipline
- Republic Standards and Policies
- Claims Management

Under each of the above key areas, there are sub-topics that drill down to the core of the safety culture. Audits are performed by our regional safety staff, and take over three days to complete. The process includes: employee interviews and observations; record and program reviews; equipment and facility inspections; and process reviews with the leadership team. Upon completion of the audit a closing conference is conducted with the local leadership team as well as regional and corporate safety personnel. The leadership team receives a verbal and written report on each item listed, along with recommendations and action items for future growth. The final report is made available to leadership at all levels through an on-line reporting system.

### **Weekly Safety Conference Call**

Safety topics including local safety-related experiences are discussed for learning purposes.

### **Daily Route Observations**

Field supervisors ensure services are delivered in a safe manner and take the opportunity to counsel and interact with drivers on a regular basis through.

## Monthly Safety Alerts

Republic's regional and corporate headquarters safety departments send out alerts on various safety topics and safety related experience across the country that to bring awareness and education to Republic's employees.

## Not on My Watch

This is a training video conveying our employees' responsibility to take personal ownership in safety.

## Focus 6 Program

This innovative program is designed to bring our drivers' attention to the six types of accidents that cause the greatest human tragedy and most disruption to operations. These six categories are:

1. Intersections;
2. Employees;
3. Rear Collisions;
4. Rollovers;
5. Pedestrians; and
6. Backing.

Also included are DVDs, posters and discussion points for training.

## Weekly Safety Tool Box

Republic has a tremendous on-line safety program for managers to access. One of the outstanding features of this resource is its comprehensive list of topics for weekly safety meetings. For each of the dozens of topics listed is a detailed initiative to guide the presentation of the topic to workers.

## Dedicated to Safety - Employee Safety Award Program

This is a safety incentive program designed to motivate employees to achieve greater levels of safety through monthly and annual awards. This program has proven effective in keeping employees focused on safety and reducing accidents. Employees enrolled in the program receive vouchers each month if they have not had one of the following: a preventable accident; a lost-time injury; or a safety-related corrective action.

Voucher values range from \$25 to \$75 or more and can be redeemed on-line for merchandise that can be used for themselves or as gifts for family or friends. Republic employees have redeemed vouchers for refrigerators, television sets, sports equipment and even jewelry for their spouses. This program generates excitement among employees and encourages them to take the extra time to make the best decision: one that will allow them to complete their day, month, and even career, accident and injury free.

## 25 Additional Driver Requirements

### Driver Appearance and Compliance with All Applicable Rules, Regulations and Policies

Republic drivers will wear identification and a clean uniform each day. Drivers will at all times have on their person a valid California Driver License and medical card. Medical cards are good for two years and dictate that drivers must have passed a physical examination to obtain one. Drivers will behave responsibly and professionally, and will comply with all applicable Federal, State and Local regulations and laws governing any and all aspects of their work for Republic.

### Zero Tolerance Safety Guidelines

These guidelines list unsafe practices that will absolutely not be tolerated at Republic. An example of such an unsafe practice is "Refusal or failure to use appropriate personal protective equipment." We believe that setting expectations high and clearly stating behaviors and incidents that will trigger disciplinary action at the inception of an individual's employment creates the best work force possible.

## **Progressive Discipline Policy**

Republic strongly believes in developing and mentoring its employees. When it is necessary to administer corrective action, every effort is made to correct the behavior by coaching and/or retraining the employee as prescribed by the Collective Bargaining Agreement. Progressive discipline is used only when the behavior has not been corrected through coaching efforts. Progressive discipline is administered as follows:

1st Offense: Verbal Warning 2nd Offense: Written Warning 3rd Offense: 2nd Written Warning with Suspension 4th Offense: Discharge of Employment

Employees may be immediately discharged on grounds of dishonesty; recklessness; gross negligence; misrepresentation related to sick leave; failure to report an accident or injury; gross insubordination; abuse of customers or other persons; possession of firearms; criminal conduct; violation of Republic's Alcohol and Drug-Free Workplace and Substance Abuse policy; and/or if the removal of an employee is demanded by a municipality or government body. In the case of a safety violation or any accident, the 1st Offense step (verbal warning) is always skipped and a written warning is issued immediately.

## **Alcohol and Drug Testing**

Alcohol and drug testing are performed per the State Department of Transportation's testing procedures under the following circumstances:

- Pre-Employment
- Post-Accident
- Random
- Reasonable Suspicion
- Return-to-Work

## **26 Other Driver Requirements**

In addition to the above, Republic drivers must also:

- Pass a road test.
- Attend an orientation program that includes extensive management observation and coaching of driving skills.
- Review a copy of Republic's "SAFE - Safe Actions For Excellence" and Employee handbooks.
- Receive bi-annual training in the National Safety Council's Defensive Driving Course for the Professional Truck Driver.
- Attend required monthly safety meetings.
- Attend monthly tailgate meetings to receive defensive driving/space cushion instructions developed by the Smith System.

Additionally, Republic has created a continuous improvement model for its collection personnel, under which each month an incident/accident report is generated and used to identify any issues that compromise safety or the provision of exceptional customer service.

Republic drivers and other personnel are required to be current on our Policies and Procedures. On-line education and testing is available to ensure that knowledge of policies and procedures is kept at the most current level.





# Exhibit H

## Diversion Plan

**Town of Colma Request for Proposals for Collection and Processing  
Services for Recyclables, Organic Waste and Garbage**

**April 7, 2016**

# Exhibit H - Diversion Plan

---

## 1 Diversion Targets

Republic will provide a level of diversion that ensures the Town will be in full compliance with its State Diversion obligations, as defined as of the Effective Date by AB 939 and AB 341. Republic understands and agrees that the Town's diversion calculation will be measured for a given time period in terms of the tons of materials collected by Republic from the provision of collection services in the Town of Colma that are sold or delivered to a recycler, composting facility or re-use facility, net of all residue, divided by the total tons of materials collected in Town by Republic in each calendar year.

In order to maintain and exceed the diversion goals as stated in the Request for Proposal, Republic will work closely with the Town, businesses, MFDs, and the community to increase recycling participation and thereby increase diversion numbers. To achieve high diversion quickly and efficiently, Republic has developed a diversion plan with aggressive targets for both diversion numbers and the dates they will be achieved.

The current diversion goals, as stated in the RFP, are to:

1. Achieve and maintain a diversion rate of 22 percent by no later than January 1, 2018.
2. Maintain a minimum diversion rate of 22 percent from January 1, 2018 through December 31, 2019.
3. Achieve and maintain a diversion rate of 28 percent by January 1, 2020.
4. Maintain a minimum diversion rate of 28 percent from January 1, 2020 through December 31, 2022.
5. Achieve and maintain a diversion rate of 34 percent by January 1, 2023.
6. Maintain a minimum diversion rate of 34 percent from January 1, 2023 through December 31, 2024.
7. Achieve and maintain a diversion rate of 40 percent by January 1, 2025

The Table on the following pages details the estimated collected tons by service sector and collection programs and the required diversion for each of the target years. As can be seen, the estimated diversion rate for each time period exceeds the Town's required rate.



Diversion Plan Proposal				
Colma Required Diversion Rate: 22% Republic Estimated Diversion Rate: 23% Date Achieved: January 1, 2018				
		Estimated Diversion		
Service Sector	Programs	Collected Tons	Estimated Diversion (Net of Residue)	Estimated Increase in Diversion
Residential	MSW	271	0	N/A
	Recyclables	144	122	15%
	Organics	49	47	20%
Commercial (Cart/Bin)	MSW	1,006	0	N/A
	Recyclables	434	369	100%
	Organics	102	95	100%
Roll-Off	MSW	1,589	0	N/A
	Recyclables	350	298	100%
	Organics	104	97	100%
Compactor	MSW	894	0	N/A
	Recyclables	104	88	100%
	Organics	50	47	500%
		<b>5,097</b>	<b>1,162</b>	
Estimated Diversion Rate			<b>23%</b>	<b>7%</b>
Colma Required Diversion Rate: 28% Republic Estimated Diversion Rate: 29% Date Achieved: January 1, 2020				
		Estimated Diversion		
Service Sector	Programs	Collected Tons	Estimated Diversion (Net of Residue)	Estimated Increase in Diversion
Residential	MSW	271	0	N/A
	Recyclables	151	128	5%
	Organics	52	50	5%
Commercial (Cart/Bin)	MSW	1,006	0	N/A
	Recyclables	651	553	50%
	Organics	153	142	50%
Roll-Off	MSW	1,589	0	N/A
	Recyclables	525	446	50%
	Organics	156	145	50%
Compactor	MSW	894	0	N/A
	Recyclables	135	115	30%
	Organics	53	49	5%
		<b>5,635</b>	<b>1,629</b>	
Estimated Diversion Rate			<b>29%</b>	<b>6%</b>

Diversion Plan Proposal				
Colma Required Diversion Rate: 34% Republic Estimated Diversion Rate: 35% Date Achieved: January 1, 2023				
		Estimated Diversion		
Service Sector	Programs	Collected Tons	Estimated Diversion (Net of Residue)	Estimated Increase in Diversion
Residential	MSW	271	0	N/A
	Recyclables	157	133	4%
	Organics	53	51	3%
Commercial (Cart/Bin)	MSW	1,006	0	N/A
	Recyclables	781	664	20%
	Organics	191	178	25%
Roll-Off	MSW	1,589	0	N/A
	Recyclables	788	669	50%
	Organics	273	254	75%
Compactor	MSW	894	0	N/A
	Recyclables	270	230	100%
	Organics	55	51	5%
		<b>6,329</b>	<b>2,231</b>	
Estimated Diversion Rate			<b>35%</b>	<b>6%</b>
Colma Required Diversion Rate: 40% Republic Estimated Diversion Rate: 41% Date Achieved: January 1, 2025				
		Estimated Diversion		
Service Sector	Programs	Collected Tons	Estimated Diversion (Net of Residue)	Estimated Increase in Diversion
Residential	MSW	271	0	N/A
	Recyclables	160	136	4%
	Organics	54	52	3%
Commercial (Cart/Bin)	MSW	1,006	0	N/A
	Recyclables	937	797	20%
	Organics	239	222	25%
Roll-Off	MSW	1,589	0	N/A
	Recyclables	1,024	870	50%
	Organics	410	381	75%
Compactor	MSW	894	0	N/A
	Recyclables	406	345	100%
	Organics	58	54	5%
		<b>7,048</b>	<b>2,857</b>	
Estimated Diversion Rate			<b>41%</b>	<b>6%</b>

## 2 Residential Recyclables and Organics Diversion - Outreach and Technical Assistance

In order for Republic to achieve and maintain a consistent diversion rate, we propose focusing on residential customers and commercial businesses while providing continual outreach to all sectors through newsletters, outreach materials, recycling participation tools and easy-to-reference website materials. Additionally, the strategic use of our recycling diversion representatives, and help from community leaders to work with businesses and the residents to improve participation and increase recycling will be critical to our success. See Sections 4.3 for further details on our outreach plan and how we will use marketing, technical assistance, and resources to meet and exceed the diversion requirements.

Republic will also provide the following efforts to ensure increased diversion.

- **Mail quarterly newsletters** with information regarding recycling and resource conservation, updates on the Town of Colma's recycling

goals and the community's progress, tips for disposing bulky items, promotion of our "recycling champion" program, and other specific collection services, resources, and programs.

- **Create program-specific bill inserts** for residential and commercial customers, focusing on such items as the Bulky Item collection program, and AB 341 and AB 1826.
- **Educate businesses in both English and Spanish** in-language site visits and outreach materials available on our website.
- **Promote a proprietary interactive diversion calculator developed by Cascadia** that allows the Town's businesses to calculate their diversion rate, find ways to identify additional materials to recycle, associated greenhouse gas reductions, and cost savings.
- **Conduct site visits and assessments** for each business in the Town. Republic will visit all businesses in the Town annually, first focusing on the top 30 employers and then contacting all businesses in the Town to discuss best practices specifically by business type, and conducting site audits. The diversion coordinator will meet twice a year with the 30 employers with the most persons employed in Colma.
- **Perform visual assessments** of solid waste, recycling and organics containers, documenting the percentages of material types, overall volumes, and recommendations for optimal service.
- **Send a follow-up email or letter** to the business owner or property manager documenting new or changed service levels and delivery dates for new containers. The Republic recycling representative will follow up with businesses one month after the program is started to review progress and provide additional educational support or resources as needed, including photos of contamination if applicable.

### 3 Commercial Recycling, Organics and Food Scraps Diversion Plan

Republic will offer Universal Recycling to all Commercial customers, which will include on-site visits with customers to the extent possible prior to establishing service levels to maximize diversion opportunities. All education and outreach efforts will follow the program as detailed in Republic's annual Public Education and Outreach Plan and the Commercial Recycling Technical Assistance Program. Republic will offer container, cart, roll-off box and compactor collection services to commercial solid waste, recycling and organic material customers, including MFDs, depending on the customer's specific needs. Service will be provided using collection trucks manned by one driver. Commercial solid waste, recycling and organics customers will be given a choice of subscription service levels:

Customers may select single-stream recycling cart(s) that are 32, 64 and 96 gallon or 1-6 cubic yard bins. Commercial customers will be serviced at least once per week and up to six times per week depending on service needs. Customers may select organics collection cart(s) that are 32-, 64- or 96-gallon carts or 1-3 cubic yard bins, depending on their needs, and have the option of receiving service up to six days per week. Commercial carts will be serviced with an ASL or REL vehicle. Please refer to Single-Family dwelling for description on vehicles and collection methodology.

Internal recycling containers will be provided to commercial customers on an as-needed basis within program as Republic conducts site visits following the start of the new contract. The containers will be plastic, with a minimum 20% of recycled content and a capacity of approximately 20 gallons.

In order to maximize customer participation and material diversion, it is essential to implement a thoughtful and carefully executed approach that focuses on targeting key food generators and providing them with the tools, resources, and onsite assistance necessary to ensure a successful collection program.

Food scraps collection participants will be provided an organics cart or bin. Internal food scraps containers will be provided to commercial customers on an as-needed basis within program guidelines. The containers will be plastic, with a minimum 20% recycled content and a capacity of approximately 20 gallons. Businesses that participate in the food scraps program (i.e. organics) will have their materials delivered to the South San Francisco Scavenger Company Blue Line Transfer Station for transfer to our West Contra Costa Compost facility in Richmond where the organics will be composted.

We used the following steps to estimate potential diversion from this commercial food waste program:

1. Identified commercial and industrial accounts that belonged to high food-waste-generating groups: health care facilities, hotels, restaurants, other food services, food stores, and food manufacturing.
2. Estimated annual volume collected from these accounts using the below equation. Assumed containers were full at pick-up.  
- Size of container x number of containers x number of weekly pick-ups x 52 weeks/year
3. Summed estimated volume disposed for each industry group.

4. Converted annual volumes to annual tons using industry specific densities from California Integrated Waste Management Board (now CalRecycle) Statewide Waste Characterization Study Results and Final Report, prepared by Cascadia Consulting Group, December 1999.
5. Using business sector-based waste composition data from Republic's database of generator samples, we will estimate volume and tons of food waste and compostable paper disposed by each industry group.
6. Assuming that 50 percent of businesses would participate in program and that it would be possible to capture 65 percent of food waste and compostable paper from those businesses.

Republic's education and outreach team will target businesses that generate a high volume of organics material and will work in phases to maximize business participation and recycling performance. In developing our target business list, we reviewed the service levels and business sectors for all businesses in Colma and highlighted those businesses that fall within the selected "high-volume organics generator" categories.

Each targeted business will receive a letter introducing the organics program two weeks prior to the Republic diversion coordinator performing an onsite visit. We find that providing notice ahead of time allows businesses to prepare for our visit and increases their willingness to discuss new service offerings.

During the site visit, the Republic diversion coordinator will perform a visual assessment of solid waste and recycling containers, documenting the percentages of material types, overall volumes, and recommendations for optimized service levels. They will perform a facility walk-through to identify areas where food scraps are generated, recommend locations for internal food scrap collection containers, and identify opportunities for improved recycling collection systems. Outreach staff will also provide educational materials that explain the new food scraps collection program, and will attempt to schedule a follow-up visit to conduct employee training. During this initial site visit, we will recommend a food scraps collection service level and formalize next steps for cart or container delivery and service implementation. When performing the site visit, outreach staff will also assess businesses on a case-by-case basis to create an individualized program that is tailored to each business. The Republic diversion coordinator will use an audit form which allows for an easy way to accumulate all data from site visits and provides a brief summary report that can be provided to the customer. For all businesses, both pre-consumer "back-of-house" collection and post-consumer "front-of-house" collection will be evaluated, and the best collection system will be recommended.

For sit-down restaurants, outreach staff will focus on back-of-house collection and help train kitchen staff, bussers, and dishwasher staff to place materials in the correct container.

For cafeterias, and fast food style restaurants, we will address both back-of house and front-of-house collection to see if there are opportunities for adding proper signage or additional containers, as well as if the business could use compostable products to help prevent contamination. For each type of business, a phased-in approach would begin with implementing back-of-house recycling first to establish a successful program, and adding front-of-house food scraps and approved compostable paper products when the restaurant is able to manage collection of clean materials.

Following up with onsite business contacts in a timely manner is essential when launching a new collection service. Republic proposes sending a follow-up email or letter to the business documenting selected food scraps service levels, delivery dates for new containers, and dates for staff training (preferably coinciding with the cart or container delivery date). After the containers are delivered and all trainings have been performed, the Republic diversion coordinator will perform weekly site visits for the first month of service, monitoring the food scraps container to confirm the business is maximizing their diversion of food scraps with minimal contamination.

The Republic diversion coordinator will follow up with the business manager one month after their site visit to review progress and provide additional educational support or resources as needed, including photos of contamination if applicable. Republic recognizes that in order to maintain a successful food scraps collection program, it is essential to provide ongoing feedback and assistance throughout the term of the contract. Therefore, Republic will contact commercial food scraps participants annually, addressing staff turnover and the need for ongoing engagement and educational refreshers.

Our proposed approach to educating and assisting business customers will involve a combination of onsite technical assistance, including staff trainings, and annual customer follow-up as well as on-call customer assistance based on customer email or phone requests. We will also use collection drivers' notes on contamination levels to identify potential training opportunities and begin a conversation with businesses on easy and affordable ways to reduce contamination.

We will also develop educational tools and resources for front-of-house and back-of-house collection stations that can be customized by businesses. All outreach materials will be readily accessible on our website, which will also include an interactive diversion calculator that allows businesses to

calculate their diversion rate, associated greenhouse gas reductions, and cost savings. Businesses can use these statistics to engage and motivate employees and impress customers. They will be encouraged to include this information in quarterly newsletters, on their website, and in other communication channels.

Organics educational materials will highlight specific materials accepted in the program, such as clean food scraps, green waste, approved compostable paper products including cutlery and service-ware. Additionally, organic material can be placed either in a clear plastic bag or biodegradable bags that are accepted at the composting facility. However, it will depend on the Town's selected processor as to whether they will recycle the plastic bags, compost the biodegradable bags, or debug the material and place material directly into the trash.

## 4 Commercial Technical Assistance Program

Republic will provide commercial technical assistance as specified by the Town, including meeting with all employers and the top 30 employers, educating staff and personal on the programs and maximizing diversion, providing educational materials, completing the required reporting and meeting with the Town.

Republic will provide technical assistance to commercial customers as specified in Section 4.5 of the Franchise Agreement, including completing, Commercial Technical Assistance Program (CTAP) reports and other reporting requirements. The Diversion Coordinator will meet quarterly with Town staff.

The following areas are a priority for Republic in order to meet Colma's needs for reporting and compliance with such State mandates as AB 341 and AB 1826:

- **Outreach and education:** Republic will conduct outreach activities to inform the affected commercial generators of the mandatory recycling requirements and educate commercial generators about recycling opportunities available to them, as seen in the Outreach Plan in Section 4.3 of our proposal.
- **Monitoring:** Republic will review lists of affected generators to ensure they are subscribing to and participating in the commercial recycling and organics collection programs. We will also identify and notify businesses that are not in compliance, as well as provide the proper technical assistance to ensure they have recycling and comply with the ordinance.
- **Reporting:** Republic will report on progress implementing the commercial recycling programs, including outreach, education, and monitoring efforts as part of the CalRecycle annual report process. This reporting will include the activities to educate businesses on the mandatory requirements, as well as efforts to track and monitor compliance on the part of businesses.
- **Enforcement:** Republic will actively seek businesses that do not comply with the regulation and provide technical assistance efforts to recycle. If the business chooses not to comply, Republic will work with the Town to come up with an appropriate solution and potential enforcement follow through.

Commercial generators are more receptive to recycling programs when two elements are present: a) the opportunity to save money; and b) when the program is easy to use, so that staff time to manage wastes is not increased. Knowing this, Republic's diversion coordinator will emphasize these points during the initial recycling opportunity assessments with each targeted business. Outreach materials will be combined in a manner that addresses customer need, and will be submitted to customers in a subsequent mailing. Materials will be mailed if personal contact cannot be made between Republic and business managers during the initial assessment process

### 4.1 Informational Flyers and Posters

Republic will develop an informational flyer addressing the following business types:

1. Retail;
2. Business office;
3. Restaurant and bar; and
4. Manufacturing.

Each flyer will highlight recycling opportunities for the applicable business type, and will discuss program logistics—both for refuse and recyclable materials. Also, a specific flyer will be developed for roll-off customers that details recycling options, debris box sizes and the like. **All flyers will emphasize State mandatory recycling requirements such as AB 341 and AB 1826.**

## 4.2 Container Labels

Containers will be labeled with Republic contact information that is proportionally sized. These will include warning and acceptable content labels. For example, recycling bins will be labeled as forbidding solid waste, and will display an in-mold label describing acceptable contents. All labels will employ simple line graphics to convey general messages.

## 4.3 Recycling Workshops

Recycling workshops will be offered to those businesses with a need for, or that request such a service. In addition, workshops will be offered to business associations, Chamber of Commerce, Lions Club and any other applicable or interested organizations in the Town of Colma.

## 4.4 Miscellaneous Collateral Materials

It has been Republic's experience that often a particular business may need specialized outreach materials, such as information flyers to post in lunch rooms, or directives to send to each employee. Republic is committed to developing such materials, as requested by customers on a case-by-case basis. Republic is driven to produce collateral materials that will make business recycling programs a success. Republic will produce these items in-house.

Republic promotes the concepts diverting waste from landfill, waste reduction, reuse, recycling, and composting, as well as promoting the safe disposal of waste that cannot be diverted. Our diversion coordinator is critical to delivering these messages. The diversion coordinator will target its initial educational efforts on high-volume waste generators and the top 30 employers, and work directly with owners/property managers. Republic will also include the following approaches to ensuring the highest levels of commercial customer education, awareness and satisfaction:

- **Waste Audits and Technical Assistance:** Republic will continually track and monitor participation and contamination. Whenever issues are identified, we will provide appropriate solutions at the customer level, including but not limited to, personal phone calls, emails and on-site visits.
- **Annual Recycling Workshop:** Once a year, Republic will invite the largest 25 commercial customers and top 30 employers in Colma to a hosted Recycling Workshop, to discuss program strategies to recover Targeted Recyclables Materials, and distribute recycling information kits to attendees.
- **Janitorial and Food Service Employee Training Programs:** Republic will offer training for in-house and contracted janitorial companies, including multi-lingual educational materials and presentations to educate janitorial employees on recycling options, how to minimizing contamination, set-out procedures, and other recycling information.
- **Green Business Program:** Information on How to Become a Certified Green Business will be provided and promoted. The recycle representative will be available to assist the business with their certification if they are interested.
- **AB 341 and AB 1826 Outreach:** Notify customers twice a year of the requirements and benefits of AB 341 and AB 1826. Customers will receive a thank you for fulfilling their requirements in maintaining a recycling program.
- **Seal of Sustainability Award:** Republic will award commercial customers who have increased their recycling service levels by 10 percent or more with a "Seal of Sustainability" decal recognizing their achievement and commitment to the environment and "greening" their community. Republic will announce the recipients of the annual Seal of Sustainability via news releases, website, and newsletter.

Additional methods that Republic plans to engage commercial customers and maximize diversion include:

## 4.5 Business Recycling Recognition

This program will include a competition between businesses to reduce waste and increase diversion of recyclable and compostable materials. In addition, Republic will produce and make available on its website case studies that inspire other businesses to take action. Republic's website currently provides customers with service information, recycling guidelines, how to sustain a green business, and more. Upon award of the contract, Republic's website for the Town of Colma will be updated and become a tool customers can use to succeed in their recycling efforts.

## 4.6 Green Business Ambassador Training and Engagement Program

Republic will offer a training program for conservation ambassadors within the Town of Colma business community in exchange for their time educating others in their industry on sustainable business issues. These champions could also be encouraged to get their peers to participate in recycling and organics programs. Champions who successfully complete the training and their volunteer hours would receive a certificate of recognition from the Town.

## 4.7 Partnerships with Academic Institutions to Assist with Technical Assistance

The Bay Area is increasingly becoming a center for education related to sustainability and the environment. The emergence of the Presidio as a credible graduate school program, San Francisco State's Environmental Science program, and Berkeley's Haas School Center for Responsible Business exemplifies this green education trend.

Republic will partner with the Town of Colma to capitalize on this trend by forging partnerships with these institutions and engaging students as free or low-cost interns to provide technical assistance to Colma businesses, under the supervision of program specialists. The students, as well as their teachers and selected departments, could be enlisted to create case studies, document best practices, and benchmark resource conservation performance. This low cost help could be directed to selected business segments and communities, furthering the Town's goals of reaching diverse populations and business owners.

## 5 Monitoring Diversion and Reporting

Republic is committed to providing innovative programs and technical assistance in order to increase diversion and meet the statewide goal. Part of the continual oversight and management will be to monitor how the program is working and remain nimble and open to changing the outreach plan in order to hit target diversion.

There are a number of steps that go into monitoring a program, starting with understanding the community being served and the dynamics that come into play, and continually evaluating where the diversion numbers are, what is working, what is not, and what additional steps should be considered to keep the diversion meter moving forward.

Analysis of how the program is working will come from visiting businesses, performing characterizations or visual audits of containers to assess contamination and participation levels, talking with drivers who are on the route each day to learn about any gaps in the program, and reviewing commodity tonnage. Evaluation of all these pieces is critical to understanding the Town's progress with diversion and identifying opportunities to continually improve the program. The evaluations will take place quarterly and the results will be shared with the Town through the Quarterly and Annual Reports. Republic will develop a plan in collaboration with the Town if the results show that diversion is not occurring as projected.

Reporting is a priority for Republic. We work closely with our communities to effectively provide accurate and reliable data. For example, our accounting department has robust experience using spreadsheets and InfoPro to generate reports. While Republic has standard reports that we use, we are also open to any new reports that the Town of Colma would like to see generated. In addition to our own data, Republic has developed strong relationships with third-party processing facilities and uses those connections to receive tonnage information. We will integrate all the data points we collect into an easy-to-read spreadsheet that provides detailed specifics on each route and commodity type.

Reports Republic will prepare for the Town of Colma include:

**Quarterly Reports:** Republic will submit quarterly reports which will include the following information as described below:

1. Solid Waste Collected. The quarterly report shall specify the number of tons of Solid
2. Solid Waste Collected by service type (residential, commercial, self-haul, debris box, and compactor).
3. Recyclables Tonnages. The quarterly report shall specify the number of tons of recyclables collected by service type.
4. Yard Trimming/Food Waste and Organic Waste Tonnages. The quarterly report shall specify the number of tons of Yard Trimmings, Food Waste and other Organic Waste Collected by service type (residential, commercial, self-haul, debris box, and compactor).
5. Year-to-Date Data. The quarterly report shall include year-to-date data for Solid Waste

Recyclables, Yard Trimmings/Food Waste by service type and a Diversion rate for the quarter by service type.

For the purposes of the reports, quarters shall be defined as:

- **First Quarter** consisting of January, February and March
- **Second Quarter** consisting of April, May and June
- **Third Quarter** consisting of July, August and September
- **Fourth Quarter** consisting of October, November and December.

Republic will submit quarterly reports within thirty days after the end of each quarter.

## Annual Reports

Within forty-five days after the end of each calendar year, Republic will submit to the Town an annual performance report covering the immediately preceding calendar year and the report shall include all of the following information:

1. Summary of Quarterly Reports. A collated summary of the information contained in the quarterly reports, including the reconciliation of any adjustments from prior quarterly reports.
2. Annual Diversion Rate. A final annual Diversion rate for the previous calendar year.
3. Annual Outreach and Education Plan Summary. A detailed summary of the Contractor's educational outreach during the previous year. At a minimum, this shall include:
  - I. Public education materials produced.
  - II. Dates, times, and group names of meetings attended.
  - III. A summary of outreach and public education efforts, actions taken to resolve problems, increase efficiency, and increase recycling participation.

## 6 Diversion Coordinator Staffing and Budget

To accomplish all of the activities described in our Public Education and Outreach Plan, Republic will hire and employ one diversion coordinator who will be dedicated 100% (40 hours per week) to the Colma contract for the first two years of the contract term, especially focused on commercial and residential customers, including community organizations and events. The diversion coordinator will dedicate a minimum of approximately 50% of their time to the Town during the remaining term of the franchise agreement.

The estimated hours of technical assistance that will be provided per commercial account is 4 hours; some customer appointments take longer than others for various reasons so it's difficult to estimate the total technical assistant hours. The emphasis and full-time dedication during the first two years of the contract is to ensure that all of the programs are well established and meeting their goals. While the hours will be evaluated thereafter based on need and program results, the recycling representative will be dedicated a minimum of 20 hours per week to Colma throughout the remainder of the contract.

Republic will hire a well-qualified and experienced individual to provide public education and outreach to the Town's customers.

The proposed budget for public education and outreach during the start-up period of the Town of Colma contract is approximately \$56,011 (year one) and on an annual basis is approximately \$45,937. This budget is specifically for the development, production and distribution of public education and outreach materials, and does not include staffing,





# Exhibit I - Public Education and Outreach

## 1 Residential Public Education and Outreach Program

Republic is committed to working in partnership with the Town of Colma to develop and disseminate effective, targeted public education and promotional materials on a regular basis to all customers as part of a larger effort to achieve the Town's sustainability goals. Republic brings a proactive, integrated approach to its customer communications and will use a variety of methods, such as direct mail, posters, media relations, special events, reply and opt-in emails, website and other methods as appropriate, to convey service and recycling messages to reach various audiences. We have extensive experience designing and implementing customized education and outreach programs for residential, multi-family and commercial customers that effectively promote recycling and increase diversion.

The goal of Republic's Public Education and Outreach Program in the Town of Colma is to increase recycling participation by engaging community groups and business associations and by directly educating local residents and businesses about the key elements of the program, including relevant program changes, and highlighting customer service, cost, environmental benefits and State recycling requirements.

Republic will submit an annual Public Education and Outreach Plan specific to Colma residents and businesses. The Plan will be presented at a meeting with the Town staff in mid-April to cover all efforts in 2016. The 2017 Plan will be submitted by November 15, 2016. Going forward, starting with the Plan for 2018, Republic will submit its annual Public Education and Outreach Plan annually by November 1 for the following year during the Term of the Agreement. The Plan will include all education and outreach activities planned for the upcoming calendar year to coincide with other reporting cycles. All public education and outreach materials will be submitted to the Town for review and approval prior to distribution. In addition, the outreach materials shall use "Colma" when referring to the Town to the extent possible.

**Go beyond recycling and provide comprehensive sustainability services** – In addition to offering recycling-related services, Republic will equip customers in the Town of Colma with the tools to tackle other important environmental opportunities such as source education, environmentally preferable purchasing, resource conservation, sustainability, and mitigating climate change impacts. This strategy will be guided by State mandatory recycling requirements.

Republic's diversion coordinator will reach out to community leaders to become advocates for recycling. First we will encourage them to "walk the talk" by showing that they and their organizations are active participants, then by asking them to participate in community events with Republic.

Other elements of our messaging strategy include:

- **Terminology** – It is important to use words that the public understands, and avoid industry jargon. Prior to developing outreach materials, Republic will meet with Town staff to decide on preferred terminology.
- **Limited Text** – Writing clearly will enhance key message comprehension and retention. Avoiding use of excessive text, using simpler words, and eliminating redundancy are key to Republic's plan for effective collateral development.
- **Use of Graphics** – Messaging has moved from long "Yes, No" lists, to full-color photos and catchy graphics, especially in items designed to appeal to children. The use of blue to indicate recyclables and green for organics is becoming more widely accepted.
- **Easy-to-read** – Nearly every focus group review of outreach and marketing collateral reminds us that the usage of simple font in an appropriate text size is critical to the production of easy-to-read documents.
- At a minimum all written materials to be distributed to the public shall conform to the requirements of the Plan.
- Written materials shall be printed in English, Spanish, and other languages specified by the Town.
- Republic shall provide camera-ready copy to the Town for Town's staff's review and approval prior to printing and distribution.

- Printed materials shall be professionally printed on paper stock with not less than fifty percent (50%) recycled paper content including at least ten percent (10%) post-consumer recycled paper content.

PDF copies of final pieces will be provided to the Town and also available on Republic's website.

## **1.1 Residential Public Outreach Program**

Republic is committed to working in partnership with the Town of Colma to develop and distribute effective, targeted public outreach and promotional materials on a regular basis to all of our customers. We bring a proactive, integrated approach to our customer communications. We use a wide variety of methods to convey specific messages designed to reach various audiences, as one message never reaches everyone. Messaging will include bill inserts, direct mail, posters, paid advertising, media relations, special community events, opt-in emails, our website and other methods as appropriate. Republic will prepare and distribute public education materials to the Colma service recipients four times annually during the term of the agreement on a schedule approved by the Town. All outreach materials will be produced in English, and Spanish. Additionally, messaging will be culturally-appropriate for our customers. Republic will prepare outreach materials in other languages as requested by Town of Colma, as we maintain an ongoing contact for translation services.

## **1.2 Outreach Campaign Components**

The following collateral materials comprise the general components of Republic's public education and outreach plan, organized by service type. Should a component be one created specifically for the transition period only, it is indicated below.

## **1.3 Program Campaign Components**

The following components will be part of the collateral materials Republic develops for all customers. Distinct versions of all materials listed will be developed and tailored to meet the various generators to be serviced under this contract: single-family, commercial and industrial.

The schedule of distribution of items is noted with each outreach piece and the quantity distributed will be based on number of single-family, and commercial customers. All Republic materials have a professional, branded look and feel which will achieve a level of recognition and familiarity among our customers. We always ensure a minimum of 10 percent overrun of printed materials for any additional distribution and outreach material will be available for download on our website as appropriate.

## **1.4 Staffing**

To accomplish all of the activities described in our Public Education and Outreach Plan, Republic will employ for the Town one diversion coordinator who will dedicate 40 hours per week for the first two years to the Town of Colma contract, especially focused on special events and outreach to residential, and commercial customers.

Our municipal relationship manager, Ms. Monica Devincenzi, will manage the diversion coordinator for the Town's outreach activities. Once our programs are established, working and on-going, during the following years the diversion coordinator will dedicate a minimum of approximately 50% of their time to the Town and during the remaining term of the franchise agreement.

## **1.5 Budget**

The proposed budget for public education and outreach during the start-up period of the Town of Colma contract is approximately \$56,011 (year one) and on an annual basis is approximately \$45,937. This budget is specifically for the development, production and distribution of public education and outreach materials, and does not include staffing,

## **1.6 Door Hanger/Initial Mailing**

Republic will, in advance of the contract start date and in accordance with the finalized Agreement, prepare a door hanger for distribution and mail an initial brochure to all customers explaining any changes from the existing to new programs. The door hanger will specify the customer's scheduled collection day and summarize the bulky item collection program, holiday schedules and more. The mailing will describe program changes, route changes, dates of program implementation, recycling and diversion programs available, special services available, the holiday collection schedule, proper handling and disposal of HHW and Republic contact information. The initial mailing will be tailored to meet the collection specifics of each

generator type.

## **1.7 Services Questionnaire**

Republic has successfully provided questionnaires to residents in the past when changing cart service and it will be no different with the new franchise agreement. Residents will receive a services questionnaire detailing everything they need to know about our services including available container sizes, current and new rates and other pertinent information. Mailers can also be made available in a variety of languages available for download on our website.

## **1.8 Quarterly Newsletters**

Republic will use quarterly newsletters as an opportunity to provide informative and engaging information (e.g. special collection events, resources for disposing of household hazardous waste, e-waste recycling options, AB 341 mandates and the benefits of recycling and resource conservation). Republic will incorporate special articles into each newsletter, from spotlighting green businesses in May to reminding residents to compost their pumpkins in October, for example. Additionally, we propose to dedicate a portion of the newsletter to our younger recyclers; from waste prevention word searches to recycling quizzes, we want to engage family members of all ages.

Since a growing portion of the population prefers digital over paper, Republic will provide both paper and electronic newsletter options. Republic maintains a database of customer email addresses, provided by customers who prefer to receive electronic correspondence. These customers will receive electronic newsletters instead of paper. The benefits of providing an electronic newsletter option are two-fold. We will accommodate customer preferences, but electronic newsletters will also enable us to learn more about the effectiveness of our articles—for example, e-newsletters provide data regarding open rates, read rates for each article, and forward information—allowing us to understand what matters most to customers and tailor future outreach efforts.

## **1.9 Collection Day Change Notification**

We are constantly reviewing our processes to ensure efficiencies that will provide the best customer experience possible. To continue to reach this goal in the Town of Colma, Republic may perform collection reroutes for solid waste, recycling and organic collection if awarded the franchise agreement. Two weeks prior to the reroute start date, all affected customers (residential, MFD, commercial) will receive a postcard indicating new collection days.

## **1.10 Corrective Action Notice (Oops Tag)**

Corrective Action Notices are tags that our drivers leave that indicate set-out problems, and are tailored to residential and commercial generator types. These tags can be used as a courtesy notice, or as a notice of non-collection when so marked. When used as a courtesy notice, the materials in question are taken, but customers are informed of the improper element of their set-out and advised of what to do to ensure a proper set-out for next collection. When used as a non-collection notice, the cart in question is not collected, and the customer is advised of the exact problem. The problem must be corrected prior to the following week's service.

Although this element will not be used during the initial transition period, Republic's Corrective Action Notice, or Oops Tag, will be utilized in one of two ways, depending upon Town of Colma's preference. The tag can be utilized regularly by drivers, whenever improper set-outs are observed, or it may be used as part of a campaign, where, for example, one route will be focused on per month, and Corrective Action Notices issued during collections in that month.

The one exception to limited Corrective Action Notice distribution would be in cases where serious or unacceptable, recurring set-out problems by a particular customer or household are observed by the route driver. Corrective Action Notices will be used whenever a collection is unacceptable for health and safety reasons or due to a contamination in either the recyclables or organics cart or which includes materials that should have been disposed of as trash. When drivers turn in their Corrective Action Notices, the information is entered into InfoPro and used for detecting behavioral patterns or trends that need correcting via Republic's public education and outreach program. The form can be revised based on Town of Colma input.

We recognize the need to not only educate our customers on proper set-out and recycling procedures, but to also reward customers when they get it right. In addition to Oops Tags, we want to acknowledge customers with "Good Job" notices will be distributed to those who do an exemplary job of recycling all of the materials they can.

### **1.11 Senior Citizen Recycling Ambassador**

Republic recognizes the importance of utilizing community citizens who love where they live, have time to help, and are looked upon as leaders in their community. As such, Republic will identify senior citizens in the community who would like to become green stewards and help move the Town of Colma towards zero waste. This ambassador program will recruit, train, and support recycling outreach by using these individuals during community gatherings, art and wine festivals, trainings at senior centers, and other activities as appropriate.

We will work collaboratively with the Town staff to design and implement this program and will use mailings, newsletters, and press outreach efforts to promote the Senior Citizen Recycling Ambassador program during implementation and throughout the program.

Additional ways Republic will engage residential customers and maximize diversion include:

## **2 Public Events**

Republic is known as a true leader in the Town of Colma, not only because of our dedication to excellence in service, but because we are a proud community partner. We participate in numerous community events on an annual basis and propose to build on these existing efforts by partnering with the Town of Colma to develop and launch a sustainability-themed outreach schedule for public events.

The program would involve creating a family of “green” recycling-specific educational hand-outs, and a common, customizable booth design that could be used at local street fairs, art festivals and concerts to highlight local environmental initiatives. Republic will collaborate with the Town of Colma staff on publicity to increase awareness and foot traffic.

Republic will not only continue to provide service and assistance to community events, we will also work with event planners to bring additional value. This would include upfront planning for logistics detail, such as placement of containers, providing a full contingent of containers at each collection point with clear messaging to encourage recycling participation, clean up services, sponsorships, and educational materials. We see this as an opportunity to engage with the community to become even stronger and more vibrant. The Town of Colma can count on Republic to be a true corporate citizen and community partner in greening the service area and educating residents and businesses every step of the way.

### **2.1 In Partnership with the Community**

Republic is committed to community service wherever we operate. Our current Community activities and partnerships in the Town of Colma include:

- Town of Colma Town Wide Clean Up Day
- Earth Day Celebration
- Town of Colma Annual Picnic
- Colma-Daly City Chamber of Commerce
- Colma Fire Department
- Town of Colma Safety Awareness Event
- Colma National Night Out
- Town of Colma Pumpkin Carving Festival
- Colma Holiday Decoration Award
- Colma Police Department
- Town of Colma Spring Carnival
- Town of Colma Parks and Recreational Department
- Colma Historical Association

## **3 Multi-Family Public Education and Outreach Plan**

### **3.1 Multi-Family Outreach Program**

While there is only one multi-family complex in the Town, Republic will still offer a robust program to that facility as if it is one of many. Republic

recognizes the importance of providing multi-family customers with the opportunity to participate in a successful recycling program, especially with the advent of State recycling mandates. For this reason, we propose to offer them the resources and assistance necessary to maximize participation and diversion results. By touching every customer, but beginning with a concentration on high volume generators, we anticipate a significant increase in recycling participation. Maintaining ongoing success of multi-family recycling programs requires a significant amount of focus at that location as well as creative ideas to keep the stakeholders engaged.

Republic understands that the success of a multi-family recycling program is contingent on achieving the following:

- Gaining the support of resident managers or associations in larger complexes.
- Educating a relatively transient population on a continuous basis.
- Getting commitment from the renting population.
- Finding adequate storage space for central collection containers, as well as storage within the individual units.
- Distance between rental units and the central collection locations.
- Contamination issues.

To address these potential barriers, Republic will reach out to property managers and residents of multi-family units, and provide service and recycling information using direct mail, recycling totes, events on-site, delivery of door hangers and posters and any other means to create a successful program. Our recycling representatives will conduct on-site visits and waste assessments and be available via telephone and email.

Additional support for our recycling programs include:

### **3.2 Multi-Family Recycling Champion**

Multi-family recycling champion or ambassador programs recruit, train, and support recycling outreach efforts of volunteer multi-family residents and onsite managers. Such programs have grown in popularity in recent years. Municipalities in the United States and abroad have implemented similar programs, which center on the identification of an onsite multi-family resident or manager that has an interest in volunteering a small amount of time to help his or her neighbors to increase recycling. Efforts often made by onsite volunteers include:

- Posting and maintaining clear signage and educational posters
- Keeping an eye on shared recycling and garbage containers to identify contamination issues and note specific items of confusion
- Presenting recycling information at resident meetings or hosting a recycling information night
- Serving as an on-site contact for coordination, with additional education and outreach resources and programs provided by haulers and municipalities

Republic will implement an ongoing multi-family recycling champion program that incorporates best practices and lessons learned from similar programs. For example, similar champion programs have indicated that keeping on-site recycling champions engaged is key to producing diversion results.

We will work collaboratively with the Town of Colma staff to design and implement this program and will use mailings, newsletters, and press outreach efforts to promote the recycling champion program during implementation and throughout the program.

### **3.3 Development of “Recycling Welcome Kit” for New Multi-Family Residents**

Republic will develop recycling welcome kits for property managers to distribute to residents upon lease agreement. Republic will also place outreach materials under the door of each apartment twice a year to further increase awareness of the recycling program and help remind tenants. With information gathered through property manager focus groups, Republic will provide a comprehensive set of resources that may include:

- A recycling commitment pledge form requiring resident signature and commitment to recycle
- A reusable recycling tote bag to transport recyclables to shared containers (this tote bag will have an explanation of the acceptable/not-acceptable material list and may include information on wet/dry services if chosen)
- Recycling guidelines, such as a move-in/move-out resources guide with information on how to dispose of bulky items
- Local options for donating usable items

In addition, Republic proposes the development of resources that can be easily edited or customized by property managers, including identifying the location of recycling and solid waste containers/enclosures, information regarding who to contact if the containers are full or overflowing, and how to notify property management of illegal dumping concerns.

### **3.4 Annual Multi-Family Resident Newsletter**

Depending solely upon a property manager or building owner to disseminate key recycling information and resources to multi-family residents is ineffective. Unlike single-family residents, multi-family residents have traditionally received limited direct communication or educational materials about the recycling collection programs available at their property. As a supplement to Republic's quarterly newsletter (delivered to property managers for distribution to residents), we propose to send multi-family residents an annual newsletter with specific information regarding recycling and resource conservation; tips for disposing of bulky items when moving; and promotion of our recycling champion program and other multi-family specific collection services, resources, and programs. Similar to our single-family newsletter, Republic also suggests the inclusion of kid-friendly content such as recycling word searches or a waste prevention crossword puzzle.

### **3.5 Outreach and Program Tool Distribution**

Republic will provide a variety of tools for multi-family dwelling(s) to assist with active participation and increase diversion. Research has shown by providing different tools for a program to help with incentivizing and making a program easier will increase diversion.

### **3.6 Door-to-Door Outreach Distribution**

Republic will provide door-to-door delivery of multi-family recycling totes and organics kitchen pails during contract implementation with contractually agreed upon public educational materials.

## **4 Commercial Public Education and Outreach Plan**

Commercial generators are more receptive to recycling programs when two elements are present:

- the opportunity to save money; and
- when the program is easy to use, so that staff time to manage wastes is not increased.

Knowing this, Republic's diversion coordinator will emphasize these points during the initial recycling opportunity assessments with each business. Outreach materials will be combined in a manner that addresses the business customer need, and will be submitted to business customers during our review and audit process for each commercial business that wishes to participate or in a subsequent mailing.

Public education and outreach materials will be mailed if personal contact cannot be made between Republic and business managers during the initial assessment process.

Republic will provide technical assistance to commercial customers as specified in Section 4.5 of the Franchise Agreement, including completing, Commercial Technical Assistance Program (CTAP) reports and other reporting requirements. The Diversion Coordinator will meet quarterly with Town staff.

### **4.1 Initial Mailing**

Republic will, in advance of the contract start date and in accordance with the finalized Agreement, prepare and mail an initial mailing to all commercial customers explaining the transition from the existing to new programs. The mailing will describe program changes, route changes, dates of program implementation, recycling and diversion programs available, special services available, the holiday collection schedule, and Republic contact information, at least. The initial mailing will be tailored to meet the collection specifics of each commercial generator type.

### **4.2 Subscription Mailer**

First impressions are everything and we want to ensure we make a good and lasting one with our customers. To achieve this, Republic will distribute subscription mailers detailing everything they need to know about our services including available containers sizes, current and new rates and other

information pertinent to hauler transition. Mailers can also be made available in both English and Spanish for download from our website. We've utilized subscription mailers over many transitions in recent years with great success.

#### **4.3 Instructional How-To Packets**

Commercial customers will receive an introductory packet delivered via direct mail that will briefly introduce Republic, explain the transition, and ask customers to confirm their current level of service. Key transition dates, such as container delivery and start of service will be provided in the mailing, as will referrals for more information. These packets will be used primarily for transition, however, service guides will be used when new service is established for any customer, and will be updated from time to time with program changes.

#### **4.4 Annual Services Brochure**

Republic will collaborate with the Town in the design and delivery of the once annual distribution of program information in a newsletter or brochure format per the requirements of the finalized Agreement.

#### **4.5 Quarterly and Semi-Annual Newsletters**

Republic will prepare and distribute customer information on a quarterly basis for all commercial customers. The notices will explain specific programs, such as recycling, organic waste, and commercial food scraps collections. Most likely, this information will be developed as billing inserts.

#### **4.6 Container Labels**

Appropriate container labeling for all containers is part of Republic's education program. Container labeling will be primarily graphics-based, and with simple, general information about allowable container contents and our contact information when additional labels are requested by the customer.

#### **4.7 Corrective Action Notice (Oops Tag)**

Corrective Action Notices are tags that drivers leave that indicate set-out problems, and are tailored to commercial generator types. These tags can be used as a courtesy notice, or as a notice of non-collection when so marked. When used as a courtesy notice, the materials in question are taken, but customers are informed of the improper element of their set-out and advised of what to do to ensure a proper set-out for next collection. When used as a non-collection notice, the cart in question is not collected, and the customer is advised of the exact problem. The problem must be corrected prior to the following week's service.

Although this element will not be used during the initial transition period, Republic's Corrective Action Notice, or Oops Tag, will be utilized in one of two ways, depending upon the Town's preference. The tag can be utilized regularly by drivers, whenever improper set-outs are observed, or it may be used as part of a campaign, where, for example, one route will be focused on per month, and Corrective Action Notices issued during collections in that month. The one exception to limited Corrective Action Notice distribution via campaign would be in cases where serious or unacceptable, recurring set-out problems by a particular customer or household are observed by the route driver.

Naturally, Corrective Action Notices will be used whenever a collection is unacceptable for health and safety reasons or due to an unpermissible level of contamination is observed in either the recyclables or yard waste cart, which warrants the attention of the customer to clean up the materials or have the materials disposed of as trash. When drivers turn in their Corrective Action Notices, the information is input into a database, and used for detecting behavioral patterns or trends that need correcting via Republic's public education and outreach program. The form can be revised based on the Town's input.

We recognize the need to not only educate our customers on proper set-out and recycling procedures, but to also reward customers when they get it right. In addition to Oops Tags, we want to acknowledge customers with "Good Job" notices will be distributed to those who do an exemplary job of recycling all of the materials they can.





# Exhibit J – Processing and Disposal Plan

## Recyclables Processing, Organics Processing and Construction and Demolition Processing (C&D), Transfer and Disposal Facilities

This Exhibit designates the Approved Facilities and Approved Facility Owner/Operator to provide Post-Collection Services as of the Effective Date and describes Contractor's Plan for transporting, processing and disposing of Discarded materials.

### 1 Approved Facilities

The Approved facilities that Contractor will use for transfer, processing and disposal are:

- A - Disposal Facility
- B - Recyclables Processing Facility
- C - Organic Waste Processing Facility
- D - Transfer Station Facility

Sections 7 through 12 contain specifications for each of these facilities and its owner/operator.

### 2 Disposal Facilities

Municipal solid waste (MSW) from the Town of Colma will be received and disposed at the Ox Mountain Landfill located at 12310 San Mateo Road, Half Moon Bay, CA located 3 miles east of Half Moon Bay off of San Mateo Road (Hwy. 92). The facility is an affiliate.

#### General Operating Parameters

- Permitted days and hours of operation: Open to the public 8 am- 4:30 pm Monday through Saturday.
- Permitted days and hours of operation for commercial customers: Open 4 am- 4:30 pm Monday through Saturday.

Ox Mountain is unable to accept material outside of permitted hours of operation.

All inbound and outbound loads of materials will be weighed in at the facility scales and load data will be recorded in a PC Scales/TRUX or similar weighing database programs. The weighing system has been specifically designed for use by transfer, disposal and recycling operations and allows for the recording and reporting on all material flows. Inbound and outbound loads are recorded by customer, weight, truck number, date, time, material type and city of origin.

The Ox Mountain Landfill has a permitted capacity of 69,500,000 cubic yards. Currently, approximately 45,250,000 cubic yards have been utilized for disposal, leaving 24,250,000 cubic yards of remaining airspace. Current estimates indicate Ox Mountain will accept waste until approximately 2038 at the current fill rate of 2,260 tons per day (700,600 tons per year).

Annual flyovers are performed to determine airspace consumed along with remaining site capacity available each year. Ox Mountain's current footprint is 191 acres on a 2,786 acre property. The facility is permitted to receive 3,598 tons per day which calculates to 1,115,380 tons per year.

Based on the Town of Colma current disposal volume entering Ox Mountain Landfill, Republic Services guarantees there is more than adequate daily and annual capacity to accept the current and projected future volumes of waste generated by the Town now and for the term of the agreement. The facility is fully permitted to accept material from Colma and does not require any amendments to existing permits to continue acceptance of this refuse stream. No expansions of the facility are required to continue to accept the material from the Town of Colma

There are no import restrictions that will be applicable to the receipt of materials from the Town of Colma. The taxes and fees are as follows:

- AB 1220 paid to the CA Board of Equalization: \$1.40/ton. This is charged on waste that is buried in the active area of the landfill every day. Waste that can be used for a beneficial reuse would not be charged this tax.
- AB 939 paid to San Mateo County: \$9.83/ton on all waste that is disposed into the daily working area of the landfill. Waste that qualifies as beneficial reuse and can be used as daily cover or used to construct roads or working deck on the landfill will not be charged this tax.
- We charge an environmental fee as well as a fuel recovery fee to our customers to recover these costs imposed on us by regulatory and market conditions.

Ox Mountain is a “closed loop” facility. Collected green waste is chipped and used for erosion control or alternate daily cover; Storm water is treated and reused for dust control; Methane gas collected from landfill is processed through an onsite plant and provides electricity to nearby cities.

In the event that Republic is unable to deliver the MSW directly to Ox Mountain (e.g., no access to the landfill due to a closure on the highway), the Blue Line Transfer Station will be used as a contingency to transfer the material. As in Ox Mountain, all inbound and outbound loads will be recorded by customer, weight, truck number, date, time, material type and city of origin.

	Disposal	Transfer Contingency
Facility Name	Ox Mountain	Blue Line Transfer Station
Facility Location	Half Moon Bay	South San Francisco
Accepted Material	MSW C&D Waste Green Waste Recyclables Special Waste	MSW Green Waste C&D Recyclables

### 3 Recyclable Materials Facilities Processing Facilities

Recyclable materials collected from the Town of Colma will be received and processed at Republic’s Newby Island Recyclery located at the Newby Island Resource Recovery Park in San Jose, CA, a fully integrated waste management and recycling facility capable of processing thousands of tons of mixed wet and dry materials.

Receiving Hours of Operation:

Monday- Friday, 4 a.m.-5 p.m.

Saturday: 5 a.m.-1:30 p.m.

The operation is currently not set up to accept material outside of the receiving hours.

The annual processing capacities by material type are:

- Total annual permitted Recyclery tonnage is 584,000 tons for all processing lines combined (1,600 tons per day, seven days per week)
- Total annual permitted composting tonnage is 160,680 tons.
- Wet pre-processing capacity is 182,500 tons annually
- Single-stream processing system capacity is 185,000 tons annually
- Commercial dry material processing capacity is 142,000 tons annually
- The combined capacity of all processing lines is projected as 671,000 tons annually (1850 tons daily processing capacity)

Daily permitted capacity is 1,600 tons per day, seven days per week with no restrictions based on truck traffic or monthly limits. Projected average daily tonnage for Recyclery is 990 tons per day. Available capacity per day is 610 tons.

The recyclable materials from the Town will be delivered to a designated area at the Ox Mountain Landfill for transfer hauling to the Newby Island Recyclery for processing. All inbound and outbound loads will be recorded by customer, weight, truck number, date, time, material type and city of origin. Each jurisdiction is assigned a separate account in Republic’s scale system and all inbound loads of recyclable materials at Newby Island will also be weighed when they arrive at the facility. If for some reason, Ox Mountain is temporarily unable to accept material, Republic will use the Blue

Line Transfer Station as its contingency facility to transfer the recyclable materials to Newby Island.

The Newby Island Recyclery has the necessary capacity to guaranty capacity to process all single-stream recyclable materials delivered from the Town of Colma throughout the 10-year term. This guarantee is easily made as Newby Island is the Town's current recycling processor and is familiar with its processing needs. If for some reason, the Newby Island Recyclery is temporarily unable to accept material from the Town of Colma, Republic will process recyclables through the Blue Line Transfer Station or its West County Resource Recovery Facility located in Richmond. Republic will process the recyclables at no charge and rebate the Town \$20 per ton of recyclables processed through the term of the agreement.

	Transfer	Transfer Contingency	Process	Process Contingency	Process Contingency
Facility Name	Ox Mountain	Blue Line Transfer Station	Newby Island	Blue Line Transfer Station	West Contra Costa Sanitary Landfill Organics Processing Facility
Facility Location	Half Moon Bay	South San Francisco	San Jose	South San Francisco	Richmond
Accepted Material	MSW C&D Waste Green Waste Recyclables Special Waste	MSW Green Waste C&D Recyclables	MSW Mixed Recyclables	MSW Green Waste C&D Recyclables	Organics Wood Waste Wet Waste Dry Waste

## 4 Organic Waste Processing Facilities

Organic materials from the Town of Colma will be processed at Republic Services' owned and operated fully permitted West Contra Costa Sanitary Landfill Organic Materials Processing Facility (WCCSL OMPF). With a total area of 350 acres, WCCSL OMPF is situated on the closed WCCSL Class II landfill with its southern portion of the property located within the Richmond City limits, and the northern portion in the unincorporated area of Contra Costa County.

Receiving Hours of Operation:

- Public Self Haul is Monday-Friday, 7 a.m.-5 p.m. Saturday- Sunday: 9 a.m.-5 p.m.
- Commercial Customers:  
Monday-Friday, 5 a.m.-5 p.m.  
Saturday-Sunday, 9 a.m.-5 p.m. unless special arrangements are made in advance for earlier or late drop offs

The annual processing capacities by material type are:

- Total annual permitted tonnage is 1,134 tons seven days per week
- Total annual permitted composting tonnage is 45,000 tons

Daily permitted capacity is 1,134 tons per day, seven days per week with no restrictions based on truck traffic or monthly limits. Projected average daily tonnage for OMPF is 450 tons per day.

The organic materials from the Town will be delivered to the Blue Line Transfer Station for transfer hauling to the WCCSL OMPF for processing. All inbound and outbound loads will be recorded by customer, weight, truck number, date, time, material type and city of origin. Republic's organics processing proposal consists of a front-end system for cleaning/removal of contaminants from the organic streams in order to prepare the material for placement into the processing application. Depending upon the quality and type of non-organic material removed from the various streams, much of this can be diverted to suitable end markets that are available for metals, non-compostable fibers and other fractions of the recovered material.

Material that arrives at the facility is pre-sorted for contaminant removal, sized in a grinder, pre-screened to remove overs before final processing. All inbound and outbound loads of materials will be weighed in at the facility scales and load data will be recorded in a PC Scales/TRUX or similar weighing database programs. The weighing system has been specifically designed for use by transfer, disposal and recycling operations and allows for the recording and reporting on all material flows. Inbound and outbound loads are recorded by customer, weight, truck number, date, time,

material type and city of origin.

The organic materials processing utilizes up to 40 acres for location of the organic materials and composting processing operations. These facilities involve material receiving and handling areas, grinding and shredding areas, compost windrow processing areas, the lanes between the windrow piles, and curing pile areas.

The cleaned organic materials will then be shredded and ground using a loader tractor or hydraulic excavator to move waste material from the raw material stockpile into the grinder. Depending on the size of materials generated by the shredder, a screening step may also be employed to remove chip-size materials that will be recovered for biomass fuel or mulch ground cover. Once shredded and ground, raw organic material will be stockpiled for composting.

The food waste materials may contain putrescible wastes. The materials primarily will be plant or vegetative materials, although organics such as pre- and post-consumer meat, poultry or fish materials may be included. The materials will be either quickly covered or mixed with other compostable materials, shredded materials, or compost to reduce the vector and bird attraction. The food materials will be shredded with other green waste, thus mixing the food materials with other compostable materials. After shredding, the food materials will have been mixed with other compostable materials and they should have lost the vector (e.g., house flies) and bird (seagulls, starlings and blackbirds) attraction potential. As an alternative, fruit and vegetables can be effectively placed in the newly formed windrows in un-shredded form and the windrow turning machine will effectively grind them. As the materials are placed in windrows and turned, the attraction potential will be further reduced.

Of the 40 acres devoted to the Organics Materials Processing Facility, the upper portion of the landfill or up to 34 acres will be utilized as the main composting area. Within this upper landfill area, on average, the shredded material will be placed into active windrow piles. Mechanically aerated windrows will be filled and removed on an average of a 90 day cycle.

Republic guarantees the WCCSL OMPF has enough capacity to process organic materials delivered from Colma throughout the 10-year term. Additional organics composting is available at Forward Landfill in Stockton and at the Newby Island Resource Recovery Park in San Jose should the need arise.

	Transfer	Process
Facility Name	Blue Line Transfer Station	West Contra Costa Sanitary Landfill Organics Processing Facility
Facility Location	South San Francisco	Richmond
Accepted Material	MSW Green Waste C&D Recyclables	Organics Wood Waste Wet Waste Dry Waste

## 5 Construction and Demolition Materials Processing Facility

All C&D debris collected in the Town of Colma will be transported to the South San Francisco Scavenger Company (SSFSC) C&D processing facility, Blue Line Transfer Station (BLTS), located in South San Francisco. The facility is permitted to accept the following materials:

- Construction and Demolition Debris
- Residential, Commercial and Industrial Rubbish (Mixed Debris)
- All Non-hazardous/Non-Putrescible Solid Wastes

SSFSC is permitted to operate between the hours of 6 am and 6pm Monday through Sunday, and is open 361 days per year and closed on Easter Sunday, Thanksgiving Day, Christmas Day and New Year's Day. SSFSC will be able to accommodate the Town's waste stream and the company is committed to accepting and processing all of the C&D debris generated in the Town of Colma.

Mixed C&D debris is typically delivered in debris boxes, self-haul trailers and transfer trailers. The BLTS C&D unloading area has sufficient space to accommodate all types of vehicles. The material is unloaded, a load checker inspects the load for any hazardous or unacceptable materials prior to

the loader operator pushing the material onto the infeed conveyor belt. The material passes over a 2” disc screen (that captures and removes material suitable for use as ADC) and then along the conveyor where sorters remove cardboard, wood, metal, garbage, sheet rock, and beverage containers where they are dropped into bunkers below the sorting stations. SSFSC is currently utilizing the Ptarmigan sortline to process mixed C&D loads that contain smaller materials.

Larger C&D items are processed utilizing BLTS’ High Diversion Floor Sort System in the MRF. Dedicated bins are used to collect a variety of C&D commodities by the sorters who pull out specific items and organize them into the bins. The bins are moved in an efficient manner using forklifts, ensuring a continuous operation. The graphic below depicts the typical High Diversion Floor Sort for C&D Debris Processing at BLTS. BLTS guarantees a minimum 65% diversion rate from their Mixed C&D sorting operations. Self-haul customers from the Town with Mixed C&D loads will get a receipt that identifies their load as C&D material which also identifies the customer as a Colma resident or business and includes the weight of the transaction. Commercial/Industrial C&D account customers will receive a monthly invoice that includes frequency of collection and weights. SSFSC will direct all recovered materials to an appropriate end use and market. The table below summarizes these end uses and markets.

Material Name	End Uses & Markets		Material Name	End Uses & Markets
Wood	Co-Generation Amendment	Fuel/Soil	Carpet	Carpet Recycling Market
Cardboard	Fiber Market		Carpet Padding	Plastics/Foam Market
Ferrous Metals	Metals Recycling Market		Fines (used as ADC)	Alternative Landfill Cover
Non-Ferrous Metals	Metals Recycling Market		Brush	Co-Generation Amendment
Mixed Paper	Fiber Market		Tires	Rubber Products Market
Rigid Plastics	Plastics Market		E-Waste	Electronics Recycling
Sheetrock	Soil Amendment Market		Appliances	Metals Market
Concrete/Asphalt	Site Grading/Aggregate		CRY Plastic Bottles	Plastics Market
Mattresses	Refurbishing/Reuse		CRY Aluminum Cans	Metals Market

	C&D Process
Facility Name	Blue Line
Facility Location	South San Francisco
Accepted Material	MSW Green Waste C&D Recyclables

## 6 Household Hazardous Waste Processing and Disposal Facilities

The HHW will be transferred by Safety-Kleen to its facility in San Jose and prepared and transferred to various Safety-Kleen and Clean Harbors facilities in California and other states for proper recycling and disposal. Safety-Kleen's San Jose facility is permitted as a 10-day holding facility. The type of material that is to be recycled or disposed will determine which location the material will ultimately be sent to.

## 7 Approved Disposal Facility

1. Name of Disposal Facility.....	<u>Ox Mountain Landfill</u>
2. Location of Disposal Facility .....	<u>Half Moon Bay, CA</u>
3. Contractor's role in the Disposal Facility ....	<u>Affiliate</u>
4. Other contracting parties .....	<u>N/A</u>
5. Name, telephone number and address of Disposal Facility owner .....	<u>Carl Mennie, General Manager</u> <u>1680 Edgeworth Avenue</u> <u>Daly City, CA 94015</u> <u>650-756-1603</u>
6. Types of materials accepted .....	<u>MSW</u> <u>C&amp;D Waste</u> <u>Green Waste</u> <u>Special Waste</u>
7. Quantity of materials permitted by material type (tpd and tpy) .....	<u>MSW – 3,598 tpd max., avg. 1,800-1,900</u> <u>tpd</u> <u>C&amp;D Waste – No limit, avg. 300 tpd</u> <u>Green Waste – No limit, avg. 80 tpd</u> <u>Special Waste – No limit, avg. 1,165 tpd</u>
8. CalRecycle Permit Type and Number .....	<u>Solid Waste Facility Permit # 41-AA-0002</u>
9. Local Land-use Permit Number .....	<u>San Mateo County Use Permit No. 81-34</u>
10. Per ton disposal fee (by material type).....	<u>\$55.00</u>

## 8 Approved Recyclables Processing Facility

1. Name of Processing Facility .....	<u>Newby Island Resource Recovery Park</u>
2. Location of Processing Facility .....	<u>San Jose, CA</u>
3. Contractor's role in the Processing Facility	<u>Affiliate</u>
4. Other contracting parties.....	<u>N/A</u>
5. Name, telephone number and address of Processing Facility owner .....	<u>Evan Boyd, General Manager</u>
.....	<u>1601 Dixon Landing Road</u>
.....	<u>Milpitas, CA 95035</u>
	<u>650-678-3330</u>
6. Types of materials accepted .....	<u>Non-Hazardous MSW</u>
.....	<u>Non-Hazardous Mixed Recyclables</u>
.....	
7. Quantity of materials permitted by material type (tpd and tpy) .....	<u>Non-Hazardous MSW, Non-Hazardous Mixed Recyclable</u>
.....	<u>1,600 tpd 7 days p/week</u>
.....	<u>584,000 tpy</u>
8. CalRecycle Permit Type and Number.....	<u>Solid Waste Facility Permit # 43-AN-0014</u>
9. Local Land-use Permit Number.....	<u>ER 93-04-015</u>
	<u>PD 97-03251</u>
	<u>PD 93-09-032</u>
10. Per ton processing fee (by material type) ...	<u>(\$20.00)</u>

## 9 Approved Recyclables Processing Facility

1. Name of Processing Facility .....	<u>Blue Line Transfer Station</u>
2. Location of Processing Facility .....	<u>South San Francisco</u>
3. Contractor's role in the Processing Facility.	<u>Prime Contractor</u>
4. Other contracting parties .....	<u>N/A</u>
5. Name, telephone number and address of Processing Facility owner .....	<u>Doug Button, President, SSFSC</u>
.....	<u>500 E. Jamie Court</u>
.....	<u>South San Francisco, CA 94080</u>
	<u>650-589-4020</u>
6. Types of materials accepted .....	<u>C&amp;D</u>
.....	
.....	
7. Quantity of materials permitted by material type (tpd and tpy) .....	<u>MSW, C&amp;D, Recyclables</u>
.....	<u>1,200 tpd and 433,200 tpy</u>
8. CalRecycle Permit Type and Number .....	<u>Solid Waste Facility Permit # 41-AA-0185</u>
9. Local Land-use Permit Number .....	<u>P12-0022</u>
	<u>UPM12-002</u>
10. Per ton processing fee (by material type) ....	<u>\$105.00 (C&amp;D)</u>



## 10 Approved Organic Waste Processing Facility

1. Name of Processing Facility .....	<u>West Contra Costa Sanitary Landfill</u> <u>Organics Processing Facility</u>
2. Location of Processing Facility .....	<u>Richmond, CA</u>
3. Contractor's role in the Processing Facility	<u>Affiliate</u>
4. Other contracting parties.....	<u>N/A</u>
5. Name, telephone number and address of Processing Facility owner .....	<u>Peter Nuti, Division Manager</u> <u>One Parr Boulevard</u> <u>Richmond, CA 94806</u> <u>510-412-4503</u>
6. Types of materials accepted.....	<u>Organics</u> <u>Wood Wastes</u> <u>Wet Waste</u> <u>Dry Waste</u>
7. Quantity of materials permitted by material type (tpd and tpy) .....	<u>Organics – 630 tpd</u> <u>Wood Wastes – 504 tpd</u> <u>Wet Waste/Dry Waste – 196 tpd</u>
8. CalRecycle Permit Type and Number .....	<u>Solid Waste Facility Permit # 07-AA-0044</u>
9. Local Land-use Permit Number.....	<u>Contra Costa County LUP 2054-92</u> <u>City of Richmond CU-92-53</u>
10. Per ton processing fee (by material type) ...	<u>\$62.00</u>

## 11 Approved Transfer Station Facility

1. Name of Transfer Station Facility .....	<u>Ox Mountain Landfill</u>
2. Location of Transfer Station Facility .....	<u>Half Moon Bay, CA</u>
3. Contractor's role in the Transfer Station Facility .....	<u>Affiliate</u>
4. Other contracting parties .....	<u>N/A</u>
5. Name, telephone number and address of Transfer Station Facility owner..... ..... .....	<u>Carl Mennie, General Manager</u> <u>1680 Edgeworth Avenue</u> <u>Daly City, CA 94015</u> <u>650-756-1603</u>
6. Types of materials accepted ..... ..... .....	<u>MSW</u> <u>C&amp;D Waste</u> <u>Green Waste</u> <u>Special Waste</u>
7. Quantity of materials permitted by material type (tpd and tpy) ..... .....	<u>MSW – 3,598 tpd max., avg. 1,800-1,900 tpd</u> <u>C&amp;D Waste – No limit, avg. 300 tpd</u>
8. CalRecycle Permit Type and Number .....	<u>Green Waste – No limit, avg. 80 tpd</u> <u>Special Waste – No limit, avg. 1,165 tpd</u>
9. Local Land-use Permit Number .....	<u>Solid Waste Facility Permit # 41-AA-0002</u> <u>San Mateo County Use Permit No. 81-34</u>
10. Per ton transfer fee (by material type)	<u>N/A</u>

## 12 Approved Transfer Station Facility

1. Name of Transfer Station Facility .....	<u>Blue Line Transfer Station</u>
2. Location of Transfer Station Facility .....	<u>South San Francisco</u>
3. Contractor's role in the Transfer Station Facility .....	<u>Prime Contractor</u>
4. Other contracting parties .....	<u>N/A</u>
5. Name, telephone number and address of Transfer Station Facility owner..... ..... .....	<u>Doug Button, President, SSFSC</u> <u>500 E. Jamie Court</u> <u>South San Francisco, CA 94080</u> <u>650-589-4020</u>
6. Types of materials accepted .....	<u>MSW</u> <u>C&amp;D</u> <u>Recyclables</u>
7. Quantity of materials permitted by material type (tpd and tpy) .....	<u>MSW, C&amp;D, Recyclables</u> <u>1,200 tpd and 433,200 tpy</u>
8. CalRecycle Permit Type and Number .....	<u>Solid Waste Facility Permit # 41-AA-0185</u>
9. Local Land-use Permit Number .....	<u>P12-0022</u> <u>UPM12-002</u>
10. Per ton transfer fee (by material type) .....	<u>\$42.48 (Organics)</u> <u>\$26.61 (MSW)</u>



## Exhibit L - CONTAINER SPECIFICATIONS

<b>1. Material to be Collected.</b>	Refuse <input checked="" type="checkbox"/> Recyclables <input type="checkbox"/> Organic Waste <input type="checkbox"/> Food Waste <input type="checkbox"/> Green Waste <input type="checkbox"/>
<b>2. Manufacturer.....</b>	<u>Schaefer Systems International</u>
<b>3. Material of Construction</b>	<u>High Density Polyethylene</u>
<b>4. Recycled Content (percentage).....</b>	<u>30%</u>
<b>5. Manufacturing Method (rotational molding, injection molding, other.) .....</b>	<u>Injection Molding</u>

  

Container Size	20 gal	32 gal	64 gal	96 gal
<b>6. Color</b>	<u>Gray</u>	<u>Gray</u>	<u>Gray</u>	<u>Gray</u>
<b>7. Durability (in service years)</b>	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>
<b>8. Cost of Each Container</b>	<u>\$45.75</u>	<u>\$31.00</u>	<u>\$38.85</u>	<u>\$42.85</u>
<b>9. Dimensions of Each Container (Length x Width x Height)</b>	<u>22" x 19" x 37"</u>	<u>22.3" x 22.8" x 38.5"</u>	<u>26.5" x 25.9" x 42.4"</u>	<u>31.5" x 27.6" x 44.3"</u>
<b>10. Wheel Size</b>	<u>8"</u>	<u>8"</u>	<u>10"</u>	<u>10"</u>
<b>11. Manufacturer's warranty (10-year minimum for carts)</b>	<u>10 Year</u>	<u>10 Year</u>	<u>10 Year</u>	<u>10 Year</u>

## Exhibit L - CONTAINER SPECIFICATIONS

<b>1.</b> Material to be Collected.	Refuse <input checked="" type="checkbox"/>				
	Recyclables <input type="checkbox"/>				
	Organic Waste <input type="checkbox"/>				
	Food Waste <input type="checkbox"/>				
	Green Waste <input type="checkbox"/>				
<b>2.</b> Manufacturer.....	<u>Rehrig Pacific Company</u>				
<b>3.</b> Material of Construction	<u>High Density Polyethylene</u>				
<b>4.</b> Recycled Content (percentage).....	<u>30%</u>				
<b>5.</b> Manufacturing Method (rotational molding, injection molding, other.) .....	<u>Injection Molding</u>				
Container Size	20 gal	32 gal	64 gal	96 gal	
<b>6.</b> Color	<u>Gray</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	
<b>7.</b> Durability (in service years)	<u>25</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	
<b>8.</b> Cost of Each Container	<u>\$36.50</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	
<b>9.</b> Dimensions of Each Container (Length x Width x Height)	<u>16" x</u> <u>16" x</u> <u>30"</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	
<b>10.</b> Wheel Size	<u>8"</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	
<b>11.</b> Manufacturer's warranty (10-year minimum for carts)	<u>10 Year</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	

## Exhibit L - CONTAINER SPECIFICATIONS

<b>1.</b> Material to be Collected.	Refuse <input type="checkbox"/> Recyclables <input checked="" type="checkbox"/> Organic Waste <input type="checkbox"/> Food Waste <input type="checkbox"/> Green Waste <input type="checkbox"/>
<b>2.</b> Manufacturer.....	<u>Schaefer Systems International</u>
<b>3.</b> Material of Construction	<u>High Density Polyethylene</u>
<b>4.</b> Recycled Content (percentage).....	<u>30%</u>
<b>5.</b> Manufacturing Method (rotational molding, injection molding, other.) .....	<u>Injection Molding</u>

  

Container Size	20 gal	32 gal	64 gal	96 gal
<b>6.</b> Color	<u>N/A</u>	<u>Blue</u>	<u>Blue</u>	<u>Blue</u>
<b>7.</b> Durability (in service years)	<u>N/A</u>	<u>25</u>	<u>25</u>	<u>25</u>
<b>8.</b> Cost of Each Container	<u>N/A</u>	<u>\$31.00</u>	<u>\$38.85</u>	<u>\$42.85</u>
<b>9.</b> Dimensions of Each Container (Length x Width x Height)	<u>N/A</u>	<u>22.3" x 22.8"</u> <u>x 38.5"</u>	<u>26.5" x 25.9"</u> <u>x 42.4"</u>	<u>31.5" x 27.6"</u> <u>x 44.3"</u>
<b>10.</b> Wheel Size	<u>N/A</u>	<u>8"</u>	<u>10"</u>	<u>10"</u>
<b>11.</b> Manufacturer's warranty (10-year minimum for carts)	<u>N/A</u>	<u>10 Year</u>	<u>10 Year</u>	<u>10 Year</u>

## Exhibit L - CONTAINER SPECIFICATIONS

<b>1. Material to be Collected.</b>	Refuse <input type="checkbox"/> Recyclables <input type="checkbox"/> Organic Waste <input checked="" type="checkbox"/> Food Waste <input checked="" type="checkbox"/> Green Waste <input checked="" type="checkbox"/>
<b>2. Manufacturer.....</b>	<u>Schaefer Systems International</u>
<b>3. Material of Construction</b>	<u>High Density Polyethylene</u>
<b>4. Recycled Content (percentage).....</b>	<u>30%</u>
<b>5. Manufacturing Method (rotational molding, injection molding, other.) .....</b>	<u>Injection Molding</u>

  

Container Size	20 gal	32 gal	64 gal	96 gal
<b>6. Color</b>	<u>N/A</u>	<u>Green</u>	<u>Green</u>	<u>Green</u>
<b>7. Durability (in service years)</b>	<u>N/A</u>	<u>25</u>	<u>25</u>	<u>25</u>
<b>8. Cost of Each Container</b>	<u>N/A</u>	<u>\$31.00</u>	<u>\$38.85</u>	<u>\$42.85</u>
<b>9. Dimensions of Each Container (Length x Width x Height)</b>	<u>N/A</u>	<u>22.3" x 22.8"</u> <u>x 38.5"</u>	<u>26.5" x 25.9"</u> <u>x 42.4"</u>	<u>31.5" x 27.6"</u> <u>x 44.3"</u>
<b>10. Wheel Size</b>	<u>N/A</u>	<u>8"</u>	<u>10"</u>	<u>10"</u>
<b>11. Manufacturer's warranty (10-year minimum for carts)</b>	<u>N/A</u>	<u>10 Year</u>	<u>10 Year</u>	<u>10 Year</u>



## Exhibit F - VEHICLE SPECIFICATIONS

(Complete one exhibit for each vehicle.)

<b>1. Material to be Collected</b>	<input checked="" type="checkbox"/> Refuse	<input checked="" type="checkbox"/> Recyclables	<input checked="" type="checkbox"/> Organic Waste
<b>2. Manufacturer and Model.....</b>			
		<u>See Below</u>	
<b>a. Cab and Chassis.....</b>		<u>Autocar ACX</u>	
<b>b. Body.....</b>		<u>McNeilus 4L87</u>	
<b>c. Engine.....</b>		<u>Cummins ISL-G</u>	
<b>d. Transmission.....</b>		<u>Allison 3000 RDS</u>	
<b>3. Cab and Chassis:</b>			
<b>a. Cab Height .....</b>	<u>103</u>		inches
<b>b. Number of Axles .....</b>	<u>4</u>		
<b>c. Overall Length With Body Mounted .....</b>	<u>410</u>		inches
<b>4. Body:</b>			
<b>a. Type of Body.....</b>	<u>McNeilus Contender FEL</u>		
<b>b. Rated Capacity.....</b>	<u>40</u>		cu. yd.
<b>c. Practical or Net Capacity.....</b>	<u>40</u>		cu. yd.
<b>d. No. of Collection Compartments.....</b>	<u>1</u>		cu. yd.
<b>e. Net Capacity of Each Compartment .....</b>	<u>40</u>		cu. yd.
<b>f. Overall Body Length.....</b>	<u>297</u>		inches
<b>g. Body Height .....</b>	<u>162</u>		inches
<b>h. Body Width .....</b>	<u>102</u>		inches
<b>i. Loading Height Above Ground.....</b>	Minimum	<u>195</u>	inches
	Maximum	<u>227</u>	inches
<b>5. Weight.....</b>	GVW <u>57,500</u>	lbs.	Tare <u>38,000</u> lbs.
<b>6. Will the vehicles be owned, leased, or other?.....</b>			
<u>Owned</u>			

<b>7. Purchase cost of each vehicle.....</b>	<u>\$323,000</u>	
<b>8. Fuel type.....</b>	<u>CNG</u>	
<b>9. Fuel usage.....</b>	<u>4.5 DGE (measured by</u> <u>gallons p/engine hour, not</u> <u>mpg)</u>	mpg
<b>10. Average fuel per fill.....</b>	<u>32 DGE</u>	gal/fill
<b>11. Average fills per day.....</b>	<u>1</u>	fills/day
<b>12. Average fills per week (M-F).....</b>	<u>5</u>	fills/week
<b>13. Emissions rating</b>		
<b>a. CO.....</b>	<u>14.2</u>	g/bhp/hr
<b>b. HC (total hydrocarbons).....</b>	<u>.13</u>	g/bhp/hr
<b>c. NO<sub>x</sub>.....</b>	<u>.13</u>	g/bhp/hr
<b>d. Particulate Matter.....</b>	<u>.002</u>	g/bhp/hr
<b>14. Safety Features.....</b>	<u>3<sup>rd</sup> Eye Sixth Sense Warning System:</u> <u>Backup and Blindspot Cameras</u> <u>Backup Alarm</u> <u>Strobe Lights</u>	
<b>15. Color.....</b>	<u>Republic Blue</u>	
<b>16. GPS Monitoring and Tracking Features</b>	<u>FleetMind or Equivalent On Board</u> <u>Computing System</u>	
<b>17. Use a separate page(s) to discuss advantages of this vehicle in terms of a) past experience; b) efficiency; c) ease of operations; d) cost of operations; and e) clean air standards. See following pages.</b>		

## Exhibit F - VEHICLE SPECIFICATIONS

(Complete one exhibit for each vehicle.)

<b>1. Material to be Collected</b>	<input checked="" type="checkbox"/> Refuse	<input checked="" type="checkbox"/> Recyclables	<input checked="" type="checkbox"/> Organic Waste
<b>2. Manufacturer and Model.....</b>			
		<u>See Below</u>	
<b>a. Cab and Chassis.....</b>		<u>Autocar ACX</u>	
<b>b. Body.....</b>		<u>McNeilus 2748</u>	
<b>c. Engine.....</b>		<u>Cummins ISL-G</u>	
<b>d. Transmission.....</b>		<u>Allison 3000 RDS</u>	
<b>3. Cab and Chassis:</b>			
<b>a. Cab Height .....</b>	<u>103</u>		inches
<b>b. Number of Axles .....</b>	<u>4</u>		
<b>c. Overall Length With Body Mounted .....</b>	<u>394</u>		inches
<b>4. Body:</b>			
<b>a. Type of Body.....</b>	<u>McNeilus ZR (Zero Radius)</u> <u>ASL</u>		
<b>b. Rated Capacity.....</b>	<u>27</u>		cu. yd.
<b>c. Practical or Net Capacity.....</b>	<u>27</u>		cu. yd.
<b>d. No. of Collection Compartments.....</b>	<u>1</u>		cu. yd.
<b>e. Net Capacity of Each Compartment .....</b>	<u>27</u>		cu. yd.
<b>f. Overall Body Length.....</b>	<u>288</u>		inches
<b>g. Body Height .....</b>	<u>158</u>		inches
<b>h. Body Width .....</b>	<u>101</u>		inches
<b>i. Loading Height Above Ground.....</b>	Minimum	<u>90</u>	inches
	Maximum	<u>95</u>	inches
<b>5. Weight.....</b>	GVW <u>57,500</u>	lbs.	Tare <u>35,500</u> lbs.
<b>6. Will the vehicles be owned, leased, or</b>		<u>Owned</u>	

other?.....		
7. Purchase cost of each vehicle.....	\$342,000	
8. Fuel type.....	CNG	
9. Fuel usage.....	4.3 DGE (measured by gallons p/engine hour, not mpg)	mpg
10. Average fuel per fill.....	30 DGE	gal/fill
11. Average fills per day.....	1	fills/day
12. Average fills per week (M-F).....	5	fills/week
13. Emissions rating		
a. CO.....	14.2	g/bhp/hr
b. HC (total hydrocarbons).....	.13	g/bhp/hr
c. NO <sub>x</sub> .....	.13	g/bhp/hr
d. Particulate Matter.....	.002	g/bhp/hr
14. Safety Features.....	3 <sup>rd</sup> Eye Sixth Sense Warning System: Backup and Blindspot Cameras Backup Alarm Strobe Lights	
15. Color.....	Republic Blue	
16. GPS Monitoring and Tracking Features	FleetMind or Equivalent On Board Computing System	
17. Use a separate page(s) to discuss advantages of this vehicle in terms of a) past experience; b) efficiency; c) ease of operations; d) cost of operations; and e) clean air standards. See following pages.		

## Exhibit F - VEHICLE SPECIFICATIONS

(Complete one exhibit for each vehicle.)

<b>1. Material to be Collected</b>	<input checked="" type="checkbox"/> Refuse	<input checked="" type="checkbox"/> Recyclables	<input checked="" type="checkbox"/> Organic Waste
<b>2. Manufacturer and Model.....</b>			
			<u>See Below</u>
<b>a. Cab and Chassis.....</b>			<u>Autocar ACX</u>
<b>b. Body.....</b>			<u>McNeilus 2511</u>
<b>c. Engine.....</b>			<u>Cummins ISLG</u>
<b>d. Transmission.....</b>			<u>Allison 3000 RDS</u>
<b>3. Cab and Chassis:</b>			
<b>a. Cab Height .....</b>	<u>103</u>		inches
<b>b. Number of Axles .....</b>	<u>3</u>		
<b>c. Overall Length With Body Mounted .....</b>	<u>385</u>		inches
<b>4. Body:</b>			
<b>a. Type of Body.....</b>	<u>McNeilus HD REL</u>		
<b>b. Rated Capacity.....</b>	<u>25</u>		cu. yd.
<b>c. Practical or Net Capacity.....</b>	<u>25</u>		cu. yd.
<b>d. No. of Collection Compartments.....</b>	<u>1</u>		cu. yd.
<b>e. Net Capacity of Each Compartment .....</b>	<u>25</u>		cu. yd.
<b>f. Overall Body Length.....</b>	<u>275</u>		inches
<b>g. Body Height .....</b>	<u>141</u>		inches
<b>h. Body Width .....</b>	<u>98</u>		inches
<b>i. Loading Height Above Ground.....</b>	Minimum	<u>40</u>	inches
	Maximum	<u>45</u>	inches
<b>5. Weight.....</b>	GVW <u>50,000</u>	lbs.	Tare <u>36,100</u> lbs.
<b>6. Will the vehicles be owned, leased, or other?.....</b>			
			<u>Owned</u>

<b>7. Purchase cost of each vehicle.....</b>	<u>\$300,000</u>	
<b>8. Fuel type.....</b>	<u>CNG</u>	
<b>9. Fuel usage.....</b>	<u>4.3 DGE (measured by</u> <u>gallons p/engine hour, not</u> <u>mpg)</u>	mpg
<b>10. Average fuel per fill.....</b>	<u>30 DGE</u>	gal/fill
<b>11. Average fills per day.....</b>	<u>1</u>	fills/day
<b>12. Average fills per week (M-F).....</b>	<u>5</u>	fills/week
<b>13. Emissions rating</b>		
<b>a. CO.....</b>	<u>14.2</u>	g/bhp/hr
<b>b. HC (total hydrocarbons).....</b>	<u>.13</u>	g/bhp/hr
<b>c. NO<sub>x</sub>.....</b>	<u>.13</u>	g/bhp/hr
<b>d. Particulate Matter.....</b>	<u>.002</u>	g/bhp/hr
<b>14. Safety Features.....</b>	<u>3<sup>rd</sup> Eye Sixth Sense Warning System:</u> <u>Backup and Blindspot Cameras</u> <u>Backup Alarm</u> <u>Strobe Lights</u>	
<b>15. Color.....</b>	<u>Republic Blue</u>	
<b>16. GPS Monitoring and Tracking Features</b>	<u>FleetMind or Equivalent On Board</u> <u>Computing System</u>	
<b>17. Use a separate page(s) to discuss advantages of this vehicle in terms of a) past experience; b) efficiency; c) ease of operations; d) cost of operations; and e) clean air standards. See following pages.</b>		

## Exhibit F - VEHICLE SPECIFICATIONS

(Complete one exhibit for each vehicle.)

<b>1. Material to be Collected</b>	<input checked="" type="checkbox"/> Refuse	<input checked="" type="checkbox"/> Recyclables	<input checked="" type="checkbox"/> Organic Waste	
<b>2. Manufacturer and Model.....</b>	<u>See Below</u>			
<b>a. Cab and Chassis.....</b>	<u>Autocar ACX</u>			
<b>b. Body.....</b>	<u>AmRep</u>			
<b>c. Engine.....</b>	<u>Cummins ISL-G</u>			
<b>d. Transmission.....</b>	<u>Allison 3000 RDS</u>			
<b>3. Cab and Chassis:</b>				
<b>a. Cab Height .....</b>	<u>103</u>		inches	
<b>b. Number of Axles .....</b>	<u>3</u>			
<b>c. Overall Length With Body Mounted .....</b>	<u>385</u>		inches	
<b>4. Body:</b>				
<b>a. Type of Body.....</b>	<u>Amrep Roll-Off</u>			
<b>b. Rated Capacity.....</b>	<u>N/A</u>		cu. yd.	
<b>c. Practical or Net Capacity.....</b>	<u>N/A</u>		cu. yd.	
<b>d. No. of Collection Compartments.....</b>	<u>N/A</u>		cu. yd.	
<b>e. Net Capacity of Each Compartment .....</b>	<u>N/A</u>		cu. yd.	
<b>f. Overall Body Length.....</b>	<u>298</u>		inches	
<b>g. Body Height .....</b>	<u>54</u>		inches	
<b>h. Body Width .....</b>	<u>102</u>		inches	
<b>i. Loading Height Above Ground.....</b>	Minimum	<u>103</u>	inches	
	Maximum	<u>147</u>	inches	
<b>5. Weight.....</b>	GVW	<u>52,000</u>	lbs.	Tare
				<u>32,000</u>
<b>6. Will the vehicles be owned, leased, or other?.....</b>	<u>Owned</u>			

<b>7. Purchase cost of each vehicle.....</b>	<u>\$240,000</u>	
<b>8. Fuel type.....</b>	<u>CNG</u>	
<b>9. Fuel usage.....</b>	<u>4.1 DGE (measured by</u> <u>gallons p/engine hour, not</u> <u>mpg)</u>	mpg
<b>10. Average fuel per fill.....</b>	<u>29 DGE</u>	gal/fill
<b>11. Average fills per day.....</b>	<u>1</u>	fills/day
<b>12. Average fills per week (M-F).....</b>	<u>5</u>	fills/week
<b>13. Emissions rating</b>		
<b>a. CO.....</b>	<u>14.2</u>	g/bhp/hr
<b>b. HC (total hydrocarbons).....</b>	<u>.13</u>	g/bhp/hr
<b>c. NO<sub>x</sub>.....</b>	<u>.13</u>	g/bhp/hr
<b>d. Particulate Matter.....</b>	<u>.002</u>	g/bhp/hr
<b>14. Safety Features.....</b>	<u>3<sup>rd</sup> Eye Sixth Sense Warning System:</u> <u>Backup and Blindspot Cameras</u> <u>Backup Alarm</u> <u>Strobe Lights</u>	
<b>15. Color.....</b>	<u>Republic Blue</u>	
<b>16. GPS Monitoring and Tracking Features</b>	<u>FleetMind or Equivalent On Board</u> <u>Computing System</u>	
<b>17. Use a separate page(s) to discuss advantages of this vehicle in terms of a) past experience; b) efficiency; c) ease of operations; d) cost of operations; and e) clean air standards. See following pages.</b>		





# STAFF REPORT

TO: Mayor and Members of the City Council  
FROM: Brad Donohue, Director of Public Works  
VIA: Sean Rabé, City Manager  
MEETING DATE: April 27, 2016  
SUBJECT: 2016-17 Water Conservation Incentive Program

---

## RECOMMENDATION

Staff recommends that the City Council

RESOLUTION ESTABLISHING THE AUTHORIZED SUBSIDY AT \$80,000 FOR THE WATER CONSERVATION INCENTIVE PROGRAM IN FISCAL YEAR 2016-17

## EXECUTIVE SUMMARY

In July 2012, City Council approved a Water Conservation Incentive Program for all sewer service customers in Town. The program grants each sewer service user a subsidy if the customer used the same amount of water or less compared to the average of the prior three years.

The proposed resolution would approve an authorized subsidy of \$80,000 for the Water Conservation Incentive Program and direct the City Manager to include the appropriation in the proposed budget for fiscal year 2016-17 (as a reduction of sewer charge revenue).

Approval of an authorized subsidy of \$80,000 would reduce the sewer service charge for each eligible customer by approximately 10% for fiscal year 2016-17.

## FISCAL IMPACT

The maximum cost the Town could incur for FY 2016-17 would be \$80,000. The maximum expenditure would only be met if every customer met the demands of the of the water conservation program of using the same or less water than the average of the past three years of water usage.

## BACKGROUND

By Resolution 2012-28, adopted in July 2012, the City Council approved a Water Conservation Incentive Program for all residential and commercial sewer service customers beginning in fiscal year 2014-15. The program's purpose was to create an incentive program by promoting water conservation, which if complied with, would help ease the cost of increasing sewer service rates.

Resolution 2012-28 provides for implementing the program as follows:

- First, the City Council must approve an authorized subsidy, which shall be included in and approved as part of the Town's operating budget.
- The City Manager would then calculate the amount by which each eligible customer's sewer service charge will be reduced in the upcoming fiscal year by dividing the **Authorized Subsidy** by the **Annual Cost of Service**, which is the amount payable by the Town to the sewer service providers. The resulting fraction will be expressed as a percentage and is called the **Individual Sewer Service Discount**.
- The City Manager would also calculate the sewer service charge applicable to each parcel, using the sewer service rate for 2016-17 approved by the Colma City Council.
- Finally, the City Manager must reduce each eligible customer's sewer service charge by the **Individual Sewer Service Discount**.

## ANALYSIS

### Authorized Subsidy

The proposed resolution would establish \$80,000 as the Authorized Subsidy for the Water Conservation Incentive Program. The Town's Annual Cost of Service for providing Town-wide sewer service is estimated to be \$797,620 for FY 2016-17. Using these data, the Individual Sewer Service Discount would be calculated as follows:

<b>Authorized Subsidy</b>	\$80,000
<b>Annual Cost of Service</b> (South San Francisco + NCSMSD annual charges)	\$797,620
<b>Individual Sewer Service Discount</b> (Authorized Subsidy divided by Annual Cost of Service)	10.02%

Here's an example of how this discount could affect an eligible residential customer<sup>1</sup>:

Sewer service charge applicable to parcel	\$575.00
Individual Sewer Service Discount	10%
Savings to customer	\$57.50
Net charge to Eligible Customer	\$517.50

<sup>1</sup> Using a hypothetical customer in the South San Francisco District

It is highly unlikely that every user will qualify as an Eligible Customer. Thus, the maximum cost to the Town could be less than \$80,000. The actual cost will be determined when the Town has compared this year's water usage data with the average of the prior three years.

### **Council Adopted Values**

The Water Conservation Incentive Program serves a valid public purpose by rewarding and encouraging water conservation by both residents and businesses especially in the period of current drought that the State of California is experiencing. The program is innovative, providing for an annual sewer subsidy for those who want to conserve a valued natural resource; demonstrates the City Council's commitment to adopting and implementing sustainability policies and programs; and is affordable.

### **Sustainability Impact**

Programs such as the Water Conservation Incentive Program demonstrate what it means to be a sustainable community. Programs such as this bring focus to the importance of conservation.

### **Alternatives**

Several alternatives are available to the Council:

- The Council could lower the proposed Authorized Subsidy, which in turn would lower the Individual Sewer Service Discount to which each Eligible Customer would be entitled. For example, lowering the Authorized Subsidy to \$40,000 would result in each Eligible Customer receiving a 5 percent reduction in his or her sewer service charge.
- The Council could raise the proposed Authorized Subsidy, which in turn would increase the Individual Sewer Service Discount to which each eligible customer would be entitled. For example, increasing the Authorized Subsidy to \$120,000 would result in each Eligible Customer receiving a 15 percent reduction in his or her sewer service charge.

Staff does not recommend lowering the Authorized Subsidy because the Town can afford the recommended amount of \$80,000. Staff does not recommend raising the Authorized Subsidy because it could raise expectations for the future, and it would be irresponsible to promise a higher authorized subsidy without considering the long-term consequences to the Town.

### **Next Steps**

With City Council approval of the Water Conservation Incentive Program, the City Engineer will prepare the Annual Engineer's Report which will show the proposed sewer charge for each parcel for 2016-17. The report will show the the proposed new rates and the proposed rates should a majority rate protest occur, in accordance with Proposition 218<sup>2</sup>. In either case, the charges to property owners who are eligible for the Water Conservation Incentive Program will

---

<sup>2</sup> This year Staff will be preparing a Proposition 218 notice, (commonly referred to as a protest vote) that will go to all property owners in Colma informing them of a rate increase due to rate increases in both wastewater districts. The Proposition 218 notice enables each property owner who is affected by the sewer rate increase to file a protest against the increase. If a majority protest occurs (50 percent plus one of the eligible property owners), the rate increases do not take effect.

be reflected in the property owners annual cost for sanitary sewer charges. The Engineer's Report will be presented to the City Council at the July 13, 2016 City Council meeting for approval. Upon approval, the Engineer's Report will be submitted to the County Tax Collector, who shall then collect the sewer service charge against each parcel at the same time as the Collector collects the property tax against that parcel.

## **CONCLUSION**

Staff recommends allocating \$80,000 for the Water Conservation Incentive Subsidy to help users reduce annual sewer charges while making a strong statement regarding the Town's stance on meeting our sustainability goals.

## **ATTACHMENTS**

- A. Resolution

**RESOLUTION NO. 2016-\_\_**  
**OF THE CITY COUNCIL OF THE TOWN OF COLMA**

**A RESOLUTION ESTABLISHING THE AUTHORIZED SUBSIDY AT \$80,000 FOR  
THE WATER CONSERVATION INCENTIVE PROGRAM IN FISCAL YEAR 2016-17**

The City Council of the Town of Colma hereby resolves:

**1. Background**

In July 2012, by Resolution 2012-28, the City Council approved a Water Conservation Incentive Program for all sewer service customers in Town. The proposed Program would grant each sewer service user a subsidy if the customer used the same amount of water or less compared to the average of the prior three years.

The City Council finds that the payments to be made under the Water Conservation Incentive Program serve a valid public purpose -- to reduce water consumption -- and that the program is fair and equitable to all users. The Council further finds that, because the amount of the subsidy is determined each year as part of the budget process, it will be affordable.

**2. Findings**

The City Council finds as follows:

- (a) The Water Conservation Incentive Program serves a valid public purpose, to wit, it rewards and encourages water conservation by both residents and businesses especially in the current drought period;
- (b) The program is *innovative*, providing for an annual sewer subsidy for those who want to conserve a precious natural resource;
- (c) The program demonstrates the City Council's commitment to adopting and implementing sustainability policies and programs;
- (d) The proposed Authorized Subsidy described herein is affordable; and
- (e) In establishing the Authorized Subsidy described herein, the City Council has considered the long-term consequences to the financial health of the Town.

**3. Order**

The City Council establishes an Authorized Subsidy of \$80,000 for the Water Conservation Incentive Program for 2016-17 and directs the City Manager to include that amount in the proposed budget for fiscal year 2016-17.

///

///

///

### Certification of Adoption

I certify that the foregoing Resolution No. 2016-\_\_\_\_ was duly adopted at a regular meeting of the City Council of the Town of Colma held on April 27, 2016, by the following vote:

Name	Counted toward Quorum			Not Counted toward Quorum	
	Aye	No	Abstain	Present, Recused	Absent
Diana Colvin, Mayor					
Helen Fisicaro					
Raquel "Rae" Gonzalez					
Joseph Silva					
Joanne del Rosario					
<i>Voting Tally</i>					

Dated \_\_\_\_\_

\_\_\_\_\_  
Diana Colvin, Mayor

Attest: \_\_\_\_\_  
Caitlin Corley, City Clerk



# STAFF REPORT

TO: Mayor and Members of the City Council  
FROM: Brad Donohue, Public Works Director  
VIA: Sean Rabé, City Manager  
MEETING DATE: April 27, 2016  
SUBJECT: 2016-17 Capital Improvement Plan

---

## RECOMMENDATION

Provide direction to staff as necessary. No other council direction is required at this time.

## EXECUTIVE SUMMARY

As component of the Fiscal Year 2016/17 Budget, the upcoming Capital Improvement Plan (CIP) has been scaled back for the upcoming fiscal year in order to provide staff the opportunity to focus on existing projects from previous years that have already had resources appropriated to them. Staff is proposing a few new projects that are aimed at meeting current operational needs and the City Council's goals for economic development. Because this is a deviation from the previously-approved CIP, staff felt it was prudent to bring this matter before the City Council in a study session.

## FISCAL IMPACT

The proposed CIP for FY 2016/17 totals \$790,000 and includes \$550,000 in appropriations from the General Fund. The remaining amount (\$240,000) is anticipated from outside revenue sources such as Measure M or traffic safety grants. If those funding sources do not materialize the corresponding expenditures will not occur.

## Background

The CIP has been in place since 2013/14 and has been active in delivering various improvements and upgrades to the Town's facilities, infrastructure needs, information technologies, and other projects. A status update of the CIP's projects is provided in the analysis section of this staff report.

The adopted CIP identified projects totaling \$2.5 million for FY 2016/17; however, no budgetary appropriation has been approved for those projects. In order to complete several ongoing projects that have been ongoing for some time, staff is proposing to scale back the FY 2016/17 CIP to include a fewer number of projects that are critical to the Town's current operational needs and that meet the Council's goals for economic development. The City Manager will be proposing the establishment of a vehicle replacement fund through the FY 2016/17 budget process as well.

Staff intends to return to the City Council in the Fall or Winter with a study session to update the CIP and prioritize future projects for the next five years. At this time staff is not proposing shifting any funding from already-appropriated projects, though the CIP update may include defunding projects in favor of other higher priority capital expenses.

## **ANALYSIS**

The first portion of this analysis updates the status of the current ongoing and approved projects from FY 2013/14 through FY 2015/16.

### **CIP #901 HILLSIDE BOULEVARD BEAUTIFICATION**

Phase I of the three phase Hillside Beautification Project has been completed, (Hoffman Street to 600 feet south of Serramonte Boulevard). The FY 2015/16 budget included a \$1,070,000 appropriation to finish the design and construct Phase II, (starting from the end of the phase I project to Sand Hill Road). This portion of the Hillside Boulevard Beautification project has not started because staff has been pursuing outside funding to assist with offsetting the project costs. Staff applied for two different grants, after the scoring of the project, we did not qualify for either grant. A total of \$1,068,060 remains appropriated for this project.

### **CIP # 903 MISSION ROAD IMPROVEMENT STUDY**

The FY 2015/16 budget included a \$50,000 appropriation for this project. Staff has placed this project on hold until we see the various offsite improvements that will be installed via the proposed Mercy Housing Project that will front Mission Road from El Camino Real to Holy Cross Cemetery. A total of \$50,000 remains appropriated for this project.

### **CIP # 905 Collins Avenue Improvement Study**

The FY 2015/16 budget included a \$50,000 appropriation for this project. Staff has placed this project on hold because the project may be coordinated with potential improvements to Serramonte Boulevard. A total of \$50,000 remains appropriated for this project.

### **CIP #911 SERRAMONTE BOULEVARD BEAUTIFICATION**

The FY 2015/16 budget included a \$50,000 appropriation for this project, which was intended to study various ADA enhancements, enhanced walkways, street lighting and other minor improvements. Since Serramonte Boulevard is a key component to the Town's economic success, staff felt this project should be analyzed to a greater degree through the preparation of a comprehensive beautification plan for this area of Town. A total of \$50,000 remains appropriated for this project, and staff is recommending additional appropriations in the FY 2016/17 budget (to be discussed in the next section).

### **CIP #932 COLMA CREEK CHANNEL REPAIRS**

The FY 2015/16 budget included a \$50,000 appropriation for this project. Staff has placed this project on hold pending discussions with the Colma Creek Flood Control District to assist with some of the various minor repairs to the concrete creek walls. A total of \$50,000 remains appropriated for this project.

### **CIP #947 TOWN HALL RENOVATION PROJECT**

The FY 2015/16 amended budget included a \$13 Million appropriation for this project. As of April, the feasibility study has been completed, hazardous materials have been removed from



the facility, the 1986 addition has been demolished, and the mass grading project that will stabilize the grade and install the majority of the retaining and foundation walls is underway. Bids for the facility's construction phase have been received. Staff is currently negotiating with the low bidder and, if negotiations are successful and a construction contract is awarded timely, construction on the 1941 facility should begin in late May early June. A total of \$11.67 Million remains appropriated for this project.

#### **CIP #954 CORPORATION YARD IMPROVEMENTS**

The FY 2015/16 budget included a \$75,000 appropriation for this project, which included installing an automatic front gate with remote access, installing a power rollup door to one of the bays, replacing the aluminum siding on the western side of the building and replacing the steel man doors to the various bays within the building. These improvements are anticipated to take place this summer. A total of \$75,000 remains appropriated for this project.

#### **CIP #955 TOWN WIDE IRRIGATION SYSTEM ENHANCEMENTS**

The FY 2015/16 budget included a \$25,000 appropriation for this project. Staff and with the Town's Landscape Maintenance Contractor were able to review and make recommendations regarding the current irrigation systems throughout the Town. Thus, staff recommends holding this project until the CIP update. A total of \$25,000 remains appropriated for this project.

#### **CIP #956 LAWNSDALE BOULEVARD LANDSCAPE IMPROVEMENTS**

The FY 2015/16 budget included a \$100,000 appropriation for this project. This project has been put on hold because of the drought. Staff has placed this project on hold until the CIP is updated. A total of \$100,000 remains appropriated for this project.

#### **CIP #971 SANITARY SEWER SYSTEM ASSESSMENTS**

The FY 2015/16 budget included a \$106,000 appropriation for this project. However, the project was put on hold because of a lack of needed rainfall over the last few years to determine inflow and infiltration rates. Staff anticipates work on the study for current use and projected future growth to begin next year. A total of \$106,000 remains appropriated for this project.

#### **CIP #981 RECORD INFORMATION MANAGEMENT SYSTEM (RIMS)**

The Police Department completed the installation and the various other components to get their RIMS operation up and running. Annual costs to service and maintain RIMS are incorporated into the Police Departments annual budget. This project has no remaining appropriation.

#### **CIP #982 TOWN WIDE TELEPHONE SYSTEM**

This capital project is complete, the annual costs to service and maintain the phone system is part of the Town's annual operation budget. This project has no remaining appropriation.

#### **CIP #983 ACCESS CONTROL**

The FY 2015/16 budget included a \$10,000 appropriation for this project, which involved a study to improve upon the existing access control system. Staff placed this project on hold until the system for Town Hall was designed so that the system can incorporate the various buildings throughout the Town. A total of \$10,000 remains appropriated for this project, and staff is recommending additional appropriations in the FY 2016/17 budget (to be discussed in the next section).

#### **CIP #984 RECREATION SOFTWARE**

Recreation staff has purchased and installed the software that assists in managing the Town's recreation programs and allows online registration and credit card payments. The annual service charges and maintenance fees are budgeted in the Town's annual operation budget. There is no remaining appropriation for this project.

#### **CIP #985 GEOGRAPHIC INFORMATION SYSTEM (GIS)**

The FY 2015/16 budget included a \$25,105 appropriation for this project. This is an ongoing project to make portions of the town's GIS available to the public via the Town's Web page. Once these systems are developed, the annual cost for servicing and upgrading the system will be incorporated into the Town's annual budget. A total of \$25,105 remains appropriated for this project.

#### **CIP #986 TOWN'S INFORMATION TECHNOLOGY UPGRADES**

The FY 2015/16 budget included a \$30,000 appropriation for this project. The anticipated equipment purchases were not made during FY 2015/16, though staff anticipates this project being completed during the Summer. A total of \$30,000 remains appropriated for this project.

#### **CIP 991 GENERAL PLAN UPDATE**

The FY 2015/16 budget included a \$203,650 appropriation for this project. The various consultant studies and reports anticipated for the General Plan were not completed during the fiscal year. The draft General Plan will be assembled by staff during the upcoming year, and the Town will hire an outside consultant towards the end of the year to start the Environmental Impact Report (EIR) process.

#### **CIP #992 AMERICAN DISABILITY ACT (ADA) TRANSITION PLAN UPGRADES**

The FY 2015/16 budget included a \$212,000 appropriation for this project. Because the anticipated improvements focused on making the Town Hall restrooms ADA compliant, this project is no longer required. Staff anticipates removing this project from the updated CIP; however at this time a total of \$212,000 remains appropriated.

### **FY 2016/17 Proposed Appropriations**

#### **CIP # 911 SERRAMONTE BOULEVARD BEAUTIFICATION**

Staff is requesting that City Council appropriate an additional \$200,000 for this project in FY 2016/17. The purpose of this study is to gain a greater understanding of the potential of Serramonte Boulevard regarding economic development, public safety, environmental issues, aesthetic upgrades, and an urban design to tie into the potential of the proposed Town Center. The study will also review the potential of Collins Avenue and how it relates to Serramonte Boulevard. With the previously appropriated amount of \$50,000, this project will have a total of \$250,000 in funding.

#### **CIP #983 – ACCESS CONTROL SYSTEM**

As noted above, this project currently has a \$10,000 appropriation to study the needs of the various facilities regarding access control systems. Staff is proposing an additional \$210,000 appropriation in the FY 2016/17 budget for the study and installation of an access control

system that will service Town facilities. With the previously appropriated amount this project will have \$220,000 in funding.

#### **CIP #9XX – PAINTING OF THE POLICE STATION (NEW CAPITAL PROJECT)**

The Police Department is now 10 years old and in need of new paint. Staff estimates \$50,000 to be needed to prep and paint the facility, including a contingency for unforeseen conditions.

#### **CIP #9YY – FLEET AND EQUIPMENT PURCHASES (NEW CAPITAL PROJECT)**

Various departments have requested replacement vehicles or equipment, as some of these have reached their useful life. The requests are as follows:

- Colma Police Department – Replacement Motorcycle (\$60,000) and new squad car (\$50,000). The purchase of the motorcycle is contingent on award of a Office of Traffic Safety grant.
- Recreation Department – New Mini Van (\$40,000)
- Public Works Maintenance – New Street Sweeper (\$180,000), to be funded through San Mateo County Measure M funds. This purchase is contingent on the award of the Measure M funds.

The various requested vehicles are proposed to be funded through Grants, County allocations of Measure M funds and Town Reserves. Breakdown is as follows

#### **SUMMARY**

Below is a summary of the proposed FY 2016/17 CIP for by funding source.

PROJECT	General Fund Transfer To CIP FY 16/17	Office Traffic Safety Grant Pending	Measure M- San Mateo County	GRAND TOTAL
#911- Serramonte Blvd	\$200,000			\$200,000
#983 – Access Control	\$210,000			\$210,000
#9xx – Police Facility Painting	\$ 50,000			\$ 50,000
#9yy- Fleet Replacements	\$ 90,000	\$60,000	\$180,000	\$330,000
TOTAL	\$ 550,000	\$60,000	\$ 180,000	\$ 790,000

#### **Council Adopted Values**

City Council is demonstrating fiscal **RESPONSIBILITY** by reviewing and reprioritizing past and future projects that best benefit the Town and the public at large.

#### **CONCLUSION**

Staff seeks Council direction on the proposed FY 2016/17 CIP, which totals \$790,000 and includes \$550,000 in appropriations from the General Fund.

#### **ATTACHMENTS**

A. Proposed FY 2016/17 CIP



## CAPITAL IMPROVEMENT PROJECTS

CAPITAL IMPROVEMENT PROJECTS		FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 AMENDED	FY 2015-16 ESTIMATED	FY 2016-17 PROPOSED
901	Hillside Boulevard Beautification	145,190	2,049,378	1,070,000	5,000	
903	Mission Road Improvements	6,144	146,003	50,000	-	-
905	Collins Avenue Improvements			50,000	-	-
913	Serramonte Boulevard Beautification			50,000	-	200,000
934	El Camino Drainage Improvements			50,000	-	
947	Town Hall Campus Renovation	75,349	458,309	12,541,691	1,375,000	-
954	Corporation Yard Improvements			75,000	15,000	-
9##	Police Facility Painting					50,000
955	Townwide Irrigation System Enhancements			25,000	-	-
956	Lawndale Blvd Landscape Imp			100,000	-	-
958	Recreation Center Playground Equipment Upgrade			-	-	-
971	Sanitary Sewer System Assessment	53,469	10,531	106,000	-	-
981	RIMS (Police Records)		294,129	-	-	-
982	Townwide Telephone Sys Upgrade		159,304	-	-	-
983	Access Control at Town Facilities			10,000	10,000	210,000
984	Recreation Software Upgrade		12,848	-	-	-
985	Geographic Information System	21,210	3,686	25,105	10,000	-
986	Town's IT Infrastructure Upgrades		48,076	30,000	-	
9##	Fleet Replacements*				-	330,000
	* Fleet Replacements in part contingent on Grant funding					
991	General Plan Update	142,428	3,920	203,650	-	-
992	ADA Transition Plan Upgrades	68,263	-	212,000	-	-
<b>TOTAL CAPITAL OUTLAY</b>		<b>512,052</b>	<b>3,186,182</b>	<b>14,598,446</b>	<b>1,415,000</b>	<b>790,000</b>





# STAFF REPORT

TO: Mayor and Members of the City Council  
 FROM: Sean Rabé, City Manager; Paul F. Rankin, Finance Director  
 MEETING DATE: April 27, 2016  
 SUBJECT: Preliminary Fiscal Year 2016 – 2017 Budget and Financial Plan

---

## RECOMMENDATION

Staff recommends that the City Council provide direction on the proposed approach to the Annual Operating Budget. No formal action is required at this time.

## EXECUTIVE SUMMARY

Fiscal Year 2016/17 revenues in all funds are projected to be approximately \$17.02 million, pending any additional information from the Town's sales tax consultants. Additional information regarding anticipated sales tax revenue will be presented at the May meeting. Excluding from the Fiscal Year 2015/2016 Estimated Revenue (all funds), proceeds from the Town Hall COP debt issuance, the anticipated revenue in the upcoming year is expected to decrease by \$677,000 (or about 4 percent).

These resources are proposed to fund \$14.5 million in Operating Expenses (including debt service) and \$550,000 in new Capital Project appropriations.

The preliminary projection is that General Fund Revenue (net of transfers) will exceed expenditures by approximately \$1.7 million. Staff is proposing that a portion of this amount be contributed to the Retirement Trust established last year to fund unfunded pension liabilities. Staff will also be exploring the potential allocation of an amount towards an Equipment Replacement Fund, in order to stabilize future expenditures.

## FISCAL IMPACT

The FY 2016/2017 Preliminary Budget appropriates \$17.02 million in resources. In addition to the appropriation for current year activities there will also be an appropriation to "reserves" in all funds except the Police Grant – COPS Fund. As noted above, preliminary recommendations are to use a portion of the General Fund surplus to address retirement unfunded liabilities. The Preliminary Budget does include the contribution of the full Actuarial Required Contribution (ARC) to the OPEB-Retiree Medical Trust Fund. This expense is approximately \$493,000 more than if the Town only budgeted the expected "pay-as-you-go" liability.

## **BACKGROUND**

The Town's fiscal year starts on July 1<sup>st</sup> and ends on June 30<sup>th</sup>. During the year the Finance Department works with department heads to address funding issues and monitor expenditures. As you know, staff prepared a Mid-Year Budget Review and presented it to the Council and the public at the February City Council Meeting. That report provided Council with a review of expenses and revenues halfway through the fiscal year.

During March and April, Consulting Finance Director Paul Rankin and I met with department heads to review the Town's fiscal status and to provide direction on budget preparation. Generally, departments were requested to prepare status-quo budget proposals, keeping expenditures and service levels even with FY 2015/2016 (with the exception of personnel-related costs that departments have no control over, such as medical insurance and retirement costs). This is the same approach taken in fiscal year 2015/2016 as well. Some personnel changes are being recommended in the City Manager Department, as outlined in the Analysis section below.

The Preliminary Budget before you is meant to provide the City Council an initial discussion on the Town's spending plan for next fiscal year, with a more complete detailed Proposed Budget to be presented in May. The format of the documents has been revised to capture Revenue, Expenditures, and Transfers by Fund on a single page. In addition Staff is reviewing possible changes in the allocation of some costs as part of the more detailed Budget to be presented in May. For example, all Retiree Medical costs are currently expensed in the City Manager Department. In order to understand the true costs of operating departments this cost should be allocated based on proportionate salaries in each department.

The next version will also incorporate changes based on Council's review tonight, with the Proposed Budget (including any revisions) presented at the May 25 meeting. Additional review and discussion on the proposed final budget will occur during a public hearing held at the June 8 City Council meeting. At the conclusion of the public hearing, the Council takes action on the budget. The Town is required by law to adopt a budget by June 30th of each year.

## **ANALYSIS**

### **Budget Preparation Approach**

Each department was asked to keep its budget request as close to the FY 2015/2016 budget as possible. Departments were not asked to absorb medical insurance or other benefit cost increases. Because it represents the most significant portion of the City's operation the focus of this analysis is on General Fund Revenues and Expenditures.

### **Revenues**

Revenues are projected to be approximately \$17.02 million, pending additional information from Town's sales tax consultants. Taxes represent the largest category of the annual Town Revenue as can be observed in upper section of the schedule presented in Attachment A (Summary FY 2016/2017 Budget – Revenue, Expenditures, and Transfers - All Funds).

The largest single revenue is Sales Tax which in FY 2016/2017 represents 64 percent of the total General Fund revenue. Cardroom Taxes are the second largest source representing 23 percent. Sales Tax in FY 2016/2017 is expected to decrease by approximately \$400,000 (or 4 percent) compared to the current year. This reflects both economic factors as well as one-time



revenue resulting from changes in the State distribution process. In terms of Cardroom taxes, the Budget assumes that these will remain flat from current estimates.

### **Expenditure Highlights:**

The center portion of the schedule included as Attachment A breaks down expenditures by fund. Nearly all of the Town's operating expenditures are recorded in the General Fund. The two exceptions are Traffic Signal Maintenance (funded by Gas Tax revenue) and the Police Community Services activity (funded by the State COPS grant).

Attachment B shows the Preliminary Budget which includes divisions within departments, compared to prior years. Both of these schedules provide a very high level snapshot. The document to be provided at the May meeting will include additional detail on the composition of the expenditures (i.e. Salaries, Benefits, Contract Services, Capital).

- Total expenses in the Operating Budget are only \$ 169,103 more than the amended 2015/2016 Operating Budget. As shown on Attachment B, the current projection is that Fiscal Year 2015/2016 expenses will be approximately \$928,000 less than the adopted Budget. This budgetary savings is made up of a variety of factors. Some of the more significant areas include: City Attorney services under a restructured arrangement are expected to be \$150,000 under budget; Police Department savings amount to approximately \$194,000 (largely from overtime savings as well as vacancies and changes in Staff); approximately \$134,000 in savings in the Maintenance department (largely due to restructuring of the Supervisor duties with Town Staff); and approximately \$220,000 in savings in Planning based on workload and need services.
- Key expenditure points include the following:
  - Debt service payments are included in the FY 2016/2017 budget based on the schedule established with the Town Hall COP debt.
  - Increases throughout all Departments reflecting adjustments to benefits. As the collective bargaining process is underway, the budgeted salaries are baseline with only adjustments made for scheduled movement within a pay range based on tenure and performance. Adjustments to salaries will also impact benefit costs based on salaries.
  - This budget continues to include a fully-staffed Police Department as funded in the original FY 2015/2016 Budget.
  - Additional changes to staffing are discussed later in this report.
  - CIP projects including vehicle replacements are discussed later in this report as well as during the separate Capital Improvement Program item presented earlier this evening.
  - The water conservation incentive program sewer subsidy is funded at \$80,000.
  - Sewer revenues are assumed at 100 percent of actual cost, less the water conservation program subsidy

## **Fund Balance Highlights**

The Preliminary FY 2016/2017 Budget is balanced with current year resources. Further, it is projected that all of the committed and assigned reserves will be maintained in accordance with the policy currently in place. As this is only the first review of the Preliminary Budget, Staff intends to present in May a recommended allocation of the \$1.7 million General Fund surplus. The focus will be to use a portion of these funds to address long term liabilities. In addition, it is expected to allow a portion to be appropriated to General Fund reserves in order to continue to maintain a strong financial base.

## **Staffing Changes**

As noted in the expenditure highlights above, this budget includes the following staffing changes to the City Manager's Office and Recreation Department:

- Elimination of the part-time Senior Project Manager in the City Manager Office. This position assisted in Fiscal Year 2015/2016 for the Garbage and Cable franchise processes.
- A new Administrative Services Director position is proposed, with the position allocated 75 percent in Recreation and 25 percent in the City Manager's Office in the initial year.

The FY 2016/2017 Preliminary Budget staffing chart (Attachment D) reflects these proposed staffing changes. The total net change in Full-Time Equivalent (FTE) positions is a reduction of 0.25 FTE. The staffing presented only reflects actual Town Employees and does not calculate the staffing obtained as professional services from other public agencies and private firms.

## **NON-PROFIT DONATION REQUESTS**

The Preliminary Budget provides a total of \$95,000 in non-profit funding (spread between the City Council and General Services departments). While this appears to be a decrease of \$1,800 from FY 2015/16, two non-profits that the Town has funded in the past through the non-profit process – InnVision Shelter Network (\$3,000) and HIP Housing (\$5,000) – are now funded through the Planning Department. This has been done because both are required to be funded through the Town's Housing Element. Thus, the Preliminary Budget includes a net increase of \$6,200 in the City Council Department budget for non-profit donations. Council will allocate the funding after the Final Budget has been approved.

## **CAPITAL IMPROVEMENT PROGRAM**

The FY 2016/17 Preliminary Budget includes new appropriations of \$790,000 for Capital Improvement Projects. Included in this amount is \$60,000 for a Police Motorcycle proposed to be funded by an Office of Traffic Safety grant and \$180,000 for a new street sweeper to be funded through Measure M. Neither funding source has been awarded at this time, and if the funding does not materialize the expenditures will need to be considered in a future year. The CIP also includes \$40,000 for the purchase of a new minivan for the Recreation Services Department. A separate Staff report regarding the CIP details was presented to the Council earlier this evening.

## **Reasons For the Recommended Action**

Providing for early public discussion of the Town Financial Plan allows an opportunity for Staff to evaluate and incorporate any new items that may not be included in the baseline budget.

## **COUNCIL ADOPTED VALUES**

The Staff recommendation is consistent with the Council adopted values of:

- *Responsibility:* Making decisions after prudent consideration of their financial impact, taking into account the long-term financial needs of the agency, especially its financial stability.
- *Fairness:* Support the public's right to know and promote meaningful public involvement.

## **CONCLUSION**

Staff is requesting comments from the Council and the public on the FY 2016/2017 Preliminary Budget during the April 27, 2016 Study Session. A second Study Session will be held on May 25, 2016 and a public hearing will be held on June 8, 2016. A more detailed budget document will be provided in advance of these meetings.

Staff is prepared to answer any questions you may have.

## **ATTACHMENTS**

- A. Summary – FY 2016/2017 Budgeted Revenue, Expenditures and Transfers (All Funds)
- B. Summary Multi-Year Budget Comparison To Preliminary FY 2016/2017 Expenditures (By Department and All Funds)
- C. Staffing Schedule
- D. CIP Historical Capital Expenditures



**TOWN OF COLMA - SUMMARY OF PRELIMINARY BUDGET FY 2016-2017**  
**REVENUE, EXPENDITURES, AND TRANSFERS BY FUND**

ATTACHMENT A

	General Fund (11)	Gas Tax Fund (21)	Measure A Fund (22)	Police Grants (COPS) Fund (29)	Capital Impvt Project Fund (31)	COP Town Hall Fund (33)	Debt Service Fund (43)	TOTAL ALL FUNDS
<b>REVENUE</b>								
Property Tax	\$576,300							\$576,300
Sales Tax	10,550,000							10,550,000
Cardroom Tax	3,790,000							3,790,000
Other Taxes	117,900	\$44,700						162,600
Licenses and Permits	149,050							149,050
Fines and Forfeitures	68,000							68,000
Intergovernmental	16,060		\$50,750	\$163,750	\$180,000			410,560
Use of Money & Property	427,402	500	500	300				428,702
Sewer Service Charges	710,000							710,000
Other Charges For Services	141,700							141,700
Other Revenue	36,300							36,300
<b>TOTAL REVENUE</b>	<b>\$16,582,712</b>	<b>\$45,200</b>	<b>\$51,250</b>	<b>\$164,050</b>	<b>\$180,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,023,212</b>
<b>OPERATING EXPENDITURES</b>								
110 - CITY COUNCIL	\$250,940							\$250,940
130 - CITY ATTORNEY	310,000							310,000
140 - CITY MANAGER/CITY CLERK	1,773,640							1,773,640
141 - HUMAN RESOURCES	215,420							215,420
150 - FINANCE	415,360							415,360
151 - GENERAL SERVICES	1,018,850							1,018,850
210-240 - POLICE	5,452,950			\$118,540				5,571,490
310 - PW ADMIN/ENGINEERING/BUILDING	910,000							910,000
320 - PW MAINTENANCE	881,670	\$25,000						906,670
330 - SEWER OPERATIONS	815,000							815,000
410 - PLANNING	497,000							497,000
510 - RECREATION SERVICES	885,370							885,370
800's - FACILITY OPERATIONS MAINTENANCE	580,450							580,450
DEBT SERVICE - TOWN HALL COP							\$303,170	303,170
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$14,006,650</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$118,540</b>	<b>\$0</b>	<b>\$0</b>	<b>\$303,170</b>	<b>\$14,453,360</b>
<b>CAPITAL PROJECT EXPENDITURES</b> <b>(New Appropriations For 2016/17)</b>								
STREETS, SIDEWALKS, BIKEWAYS					200,000			200,000
SEWERS & STORM DRAINS					260,000			260,000
CITY FACILITIES / LONG RANGE PLANS					270,000			330,000
MAJOR EQUIPMENT				\$60,000				
<b>TOTAL NEW CIP APPROPRIATIONS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60,000</b>	<b>\$730,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$790,000</b>
<b>OTHER FINANCING SOURCES / (USES)</b>								
<b>TRANSFERS IN</b>								
TRANSFER IN (From General Fund)					\$550,000		\$303,170	\$853,170
<b>TRANSFERS OUT</b>								
TRANSFERS OUT (For Debt Service)	(\$303,170)							(303,170)
TRANSFERS OUT (For Capital Projects)	(550,000)							(550,000)
<b>TOTAL OTHER FINANCING SOURCES / (USES)</b>	<b>(\$853,170)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$550,000</b>	<b>\$0</b>	<b>\$303,170</b>	<b>\$0</b>
<b>EXCESS / (DEFICIENCY)</b>								
<b>REVENUE OVER EXPENDITURES</b>	<b>\$1,722,892</b>	<b>\$20,200</b>	<b>\$51,250</b>	<b>(\$14,490)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,779,852</b>



## EXPENDITURE SUMMARY BY DEPARTMENT

## SUMMARY MULTI-YEAR COMPARISON PRELIMINARY BUDGET - Fiscal Year 2016/2017

ALL FUNDS (April 18, 2016)

ATTACHMENT B

EXPENDITURES BY TYPE	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 AMENDED	FY 2015-16 ESTIMATED	FY 2016-17 PROPOSED
<b>Operating Expenditures</b>					
110 - CITY COUNCIL	220,645	219,830	239,561	172,710	250,940
120 - CITY TREASURER	7,964	3,475	-	-	-
130 - CITY ATTORNEY	388,159	257,606	401,000	250,000	310,000
140 - CITY MANAGER/CITY CLERK ADMIN	972,972	1,946,766	1,188,831	1,203,340	1,773,640
141 - HUMAN RESOURCES	195,791	191,146	239,627	236,270	215,420
150 - FINANCE	257,819	314,975	412,661	375,170	415,360
151 - GENERAL SERVICES	930,774	970,137	1,028,790	944,200	1,018,850
210 - POLICE ADMINISTRATION	840,123	889,747	1,041,047	1,014,110	1,080,790
220 - POLICE PATROL	3,555,973	3,117,403	3,571,255	3,405,370	3,534,100
230 - POLICE COMMUNICATIONS	769,019	721,377	830,865	832,690	838,060
240 - POLICE COMMUNITY SERVICES	114,109	114,200	118,220	115,580	118,540
310 - PW ADMIN/ENGINEERING/BUILDING	736,639	845,874	878,000	910,500	910,000
320 - PW MAINTENANCE	1,762,506	1,770,185	1,931,600	1,797,280	1,721,670
410 - PLANNING	417,626	410,941	588,000	365,000	497,000
510 - RECREATION SERVICES	797,257	824,246	882,580	875,520	885,370
800's - FACILITY OPERATIONS MAINTENANCE	510,995	522,685	629,050	555,600	580,450
<b>SUBTOTAL OPERATING EXPENDITURES</b>	<b>12,478,371</b>	<b>13,120,593</b>	<b>13,981,087</b>	<b>13,053,340</b>	<b>14,150,190</b>
<b>COPs DEBT SERVICE FUND</b>					
<b>620 - COPs DEBT SERVICE</b>	<b>12,677,209</b>	<b>-</b>	<b>308,990</b>	<b>439,390</b>	<b>303,170</b>
<b>SUB-TOTAL OPERATING &amp; DEBT SERVICE</b>	<b>25,155,580</b>	<b>13,120,593</b>	<b>14,290,077</b>	<b>13,492,730</b>	<b>14,453,360</b>
<b>CAPITAL IMPROVEMENT FUNDS</b>					
<b>900's - CAPITAL IMPROVEMENT PROJECTS</b>	<b>512,052</b>	<b>3,186,182</b>	<b>14,598,446</b>	<b>1,415,000</b>	<b>790,000</b>
<b>GRAND TOTAL ALL EXPENDITURES</b>	<b>25,667,632</b>	<b>16,306,776</b>	<b>28,888,523</b>	<b>14,907,730</b>	<b>15,243,360</b>





## STAFFING

POSITION TITLE	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 AMENDED	FY 2015-16 ESTIMATED	FY 2016-17 ADOPTED
<b>Town Staffing</b>					
<b>GENERAL GOVERNMENT</b>					
Administrative Services Dir. (also see Recreation)	-	-	-	-	0.25
Accounting Technician	0.75	0.75	1.80	1.80	1.80
Administrative Technician I	-	-	-	1.00	1.00
Administrative Technician II/III	1.50	1.50	1.50	-	-
City Clerk	-	-	-	1.00	1.00
City Manager	-	-	-	1.00	1.00
City Manager / City Clerk	1.00	1.00	1.00	-	-
Human Resources Manager	1.00	1.00	1.00	1.00	1.00
Special Projects Management Analyst	-	-	-	0.25	-
City Manager Department Total	4.25	4.25	5.30	6.05	6.05
<b>PUBLIC WORKS</b>					
Maintenance Supervisor	-	-	-	1.00	1.00
Maintenance Technician I	1.00	1.00	1.00	1.00	1.00
Maintenance Technician II	1.00	1.00	1.00	1.00	1.00
Maintenance Technician III	1.00	1.00	1.00	-	-
Public Works Department Total	3.00	3.00	3.00	3.00	3.00
<b>RECREATION</b>					
Administrative Services Dir. (also see City Mgr)	-	-	-	-	0.75
Administrative Technician II	1.00	1.00	-	-	-
Part-time Facility Attendant (7 x .5)	3.50	3.50	3.50	3.50	3.50
Part-time Recreation Leader (8 x .5)	4.00	4.00	4.00	4.00	4.00
Recreation Coordinator	1.00	1.00	2.00	2.00	2.00
Recreation Services Director	1.00	1.00	1.00	1.00	-
Recreation Department Total	10.50	10.50	10.50	10.50	10.25
<b>POLICE</b>					
Administrative Technician III	1.00	1.00	1.00	1.00	1.00
Community Services Officer	1.00	1.00	1.00	1.00	1.00
Detective	1.00	1.00	1.00	1.00	1.00
Detective Sergeant	1.00	1.00	1.00	1.00	1.00
Dispatch Supervisor	1.00	1.00	1.00	1.00	1.00
Dispatcher	3.20	3.20	3.20	3.20	3.20
Officer	11.00	11.00	11.00	11.00	11.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Commander	1.00	1.00	1.00	1.00	1.00
Sergeant	4.00	4.00	4.00	4.00	4.00
Police Department Total	25.20	25.20	25.20	25.20	25.20
<b>Total Budgeted Staffing</b>	<b>42.95</b>	<b>42.95</b>	<b>44.00</b>	<b>44.75</b>	<b>44.50</b>

Contract Services:

In addition to the Town Staff positions noted above, the Town contracts for services such as: City Attorney, Building & Safety, Engineering, Finance, Information Technology Support, Planning, and Public Works. This allows for flexibility and efficient delivery of services. If the Town were to directly staff these services additional staffing would be required.



**CAPITAL IMPROVEMENT PROJECTS**

<b>CAPITAL IMPROVEMENT PROJECTS</b>		<b>FY 2013-14 ACTUAL</b>	<b>FY 2014-15 ACTUAL</b>	<b>FY 2015-16 AMENDED</b>	<b>FY 2015-16 ESTIMATED</b>	<b>FY 2016-17 PROPOSED</b>
901	Hillside Boulevard Beautification	145,190	2,049,378	1,070,000	5,000	
903	Mission Road Improvements	6,144	146,003	50,000	-	-
905	Collins Avenue Improvements			50,000	-	-
913	Serramonte Boulevard Beautification			50,000	-	200,000
934	El Camino Drainage Improvements			50,000	-	
947	Town Hall Campus Renovation	75,349	458,309	12,541,691	1,375,000	-
954	Corporation Yard Improvements			75,000	15,000	-
9##	Police Facility Painting					50,000
955	Townwide Irrigation System Enhancements			25,000	-	-
956	Lawndale Blvd Landscape Imp			100,000	-	-
958	Recreation Center Playground Equipment Upgrade			-	-	-
971	Sanitary Sewer System Assessment	53,469	10,531	106,000	-	-
981	RIMS (Police Records)		294,129	-	-	-
982	Townwide Telephone Sys Upgrade		159,304	-	-	-
983	Access Control at Town Facilities			10,000	10,000	210,000
984	Recreation Software Upgrade		12,848	-	-	-
985	Geographic Information System	21,210	3,686	25,105	10,000	-
986	Town's IT Infrastructure Upgrades		48,076	30,000	-	
9##	Fleet Replacements*				-	330,000
	* Fleet Replacements in part contingent on Grant funding					
991	General Plan Update	142,428	3,920	203,650	-	-
992	ADA Transition Plan Upgrades	68,263	-	212,000	-	-
<b>TOTAL CAPITAL OUTLAY</b>		<b>512,052</b>	<b>3,186,182</b>	<b>14,598,446</b>	<b>1,415,000</b>	<b>790,000</b>

