AMENDED AND RESTATED FRANCHISE AGREEMENT

BETWEEN

CITY OF SAN MATEO

AND

RECOLOGY SAN MATEO COUNTY

FOR

RECYCLABLE MATERIALS, ORGANIC MATERIALS, AND SOLID WASTE COLLECTION SERVICES

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TABLE OF CONTENTS

RECITALS 1

ARTICLE 1 DEFINITIONS 3
1.01 Definitions 3
1.02 Statutory Definitions 3

ARTICLE 2 REPRESENTATION AND WARRANTIES OF CONTRACTOR 4
2.01 Corporate Status 4
2.02 Corporate Authorization 4
2.03 Agreement Duly Executed 4
2.04 No Conflict with Applicable Law or Other Documents 4
2.05 No Litigation 4
2.06 Financial Condition 4
2.07 Ability to Perform 5
2.08 Contractor's Investigation 5
2.09 Statements and Information in Proposal 5
2.10 Iran Contracting Certification 5

ARTICLE 3 TERM OF AGREEMENT 6
3.01 Effective Date and commencement date 6
3.02 Term 6
3.03 Extension of Term 6
3.04 Conditions to Effectiveness of Agreement 7

ARTICLE 4 SCOPE OF AGREEMENT 9
4.01 Scope of Agreement 9
4.02 Limitations on Scope 9
4.03 Geographic Limits on Contractor's Operations 10

ARTICLE 5 COLLECTION SERVICES 11
5.01 General 11
5.02 Solid Waste Collection 11
5.03 Targeted Recyclable Materials Collection 16
5.04 Organic Materials Collection 20
5.05 Residential On-Call Bulky Item Collection Service 23
5.06 Agency Facility On-Call Bulky Item Collection Service 25
5.07 Confidential Document Destruction Service Event 26
5.08 Collection for Large Venues and Community Events 26
5.09 Abandoned Waste Cleanup Collection Service 28
5.10 Coats for Kids Program 29
5.11 Compost Give-Away 29
5.12 Reserved 29
5.13 Community Drop-Off Events 29
5.14 Mixed Use Buildings 31

ARTICLE 6 TRANSPORTATION 33
6.01 Transportation of Collected Materials 33
6.02 Limitations on Contamination 33
6.03 Contractor Methods of Controlling Contamination 34

6.04 Processing of Other Materials 36

ARTICLE 7 OTHER SERVICES 37
7.01 Customer Billing 37
7.02 Customer Service 39
7.03 Public Education and Promotion 43
7.04 Commercial Recycling Promotion Program 48
7.05 Multi-Family Recycling Promotion Program 50
7.06 Waste Generation/Characterization Studies 51
7.07 Program Evaluation 52
7.08 Provision of Emergency Services 53
7.09 MFD and Commercial Recycling Blitz 53
7.10 Carbon Footprint Measuring 53
7.11 Environmental Management Program 53
7.12 Annual Route Assessment 54
7.13 Right of Agency or SBWMA to Make Changes to Other Services 54

ARTICLE 8 REQUIREMENTS FOR OPERATIONS, EQUIPMENT, AND PERSONNEL 56
8.01 Collection Hours and Schedules 56
8.02 Collection Standards 57
8.03 Unloading Materials at the Designated Transfer and Processing Facility 61
8.04 Vehicles 61
8.05 Containers 65
8.06 Personnel 67
8.07 Hazardous Waste Inspection and Handling 69
8.08 Communication and Cooperation with Agency and SBWMA 71
8.09 Cooperation with Designated Transfer and Processing Facility Operator 72
8.10 Buy-Recycled Policy 72
8.11 Annual Performance Hearing 73

ARTICLE 9 RECORD KEEPING AND REPORTING 75
9.01 General 75
9.02 General Record Keeping Provisions 75
9.03 Record Keeping Requirements 76
9.04 General Reporting Requirements 79
9.05 Monthly Reports 80
9.06 Quarterly Reports 81
9.07 Annual Reports 83
9.08 Required Specific Reporting 86
9.09 Upon-Request Reporting 86

ARTICLE 10 FRANCHISE FEE AND OTHER FEES 88
10.01 General 88
10.02 Franchise Fee 88
10.03 Other Fees 88
10.04 Time and Method of Payment 88
10.05 Adjustments to Fees; Additional Fees 88

ARTICLE 11 CONTRACTOR'S COMPENSATION AND RATES 89
11.01 Overview 89
11.02 Determination of Contractor's Compensation 90
11.03 Annual Revenue Reconciliation Process 91

11.04 Application Process for Contractor's Compensation 92
11.05 Special Compensation Review 93
11.06 Compensation Adjustments for Changes in Scope of Services or Service Levels 94
11.07 Rate-Setting Process 95
11.08 Notice of Rate Adjustments 96
11.09 Potential Rate Constraints 96

ARTICLE 12 AGENCY RIGHT TO USE EQUIPMENT AND FACILITIES 97
12.01 Purpose 97
12.02 Conditions Authorizing Agency's Right to Use of Facilities and Equipment 97
12.03 Notice to Contractor 97
12.04 Rights and Responsibilities of Parties 98
12.05 Duration of Agency's Right to Possession and Use of Vehicles/Equipment 98
12.06 General 98

ARTICLE 13 INDEMNITY, INSURANCE, BOND, GUARANTY 100
13.01 Indemnification 100
13.02 Insurance 100
13.03 Faithful Performance Bond 103
13.04 Alternative Security 104
13.05 Hazardous Waste Indemnification 104
13.06 Indemnification Related to Various State Requirements 104
13.07 Guaranty 104

ARTICLE 14 DEFAULT AND REMEDIES 106
14.01 Events of Default 106
14.02 Right to Suspend or Terminate Upon Default 106
14.03 Specific Performance 107
14.04 Right to Perform; Use of Contractor Property 107
14.05 Damages 107
14.06 Agency's Remedies Cumulative 107
14.07 Liquidated Damages 107
14.08 Agency Default 108
14.09 Excuse from Performance 109
14.10 Assurance of Performance 109

ARTICLE 15 OTHER AGREEMENTS OF THE PARTIES 111
15.01 Relationship of Parties 111
15.02 Compliance with Law 111
15.03 Assignment 111
15.04 Affiliated Entity 112
15.05 Contractor's Investigation 113
15.06 Reserved 113
15.07 Condemnation 113
15.08 Notice 113
15.09 Representatives of the Parties 114
15.10 Duty of Contractor Not to Discriminate 114
15.11 RESERVED 114
15.12 Right of Agency to Make Changes in Services and Service Levels 114
15.13 Transition to Next Service Provider 115
15.14 Reports as Public Records 115

ARTICLE 16 MISCELLANEOUS PROVISIONS **116**
16.01 Governing Law 116
16.02 Jurisdiction 116
16.03 Binding on Successors 116
16.04 Parties in Interest 116
16.05 Waiver 116
16.06 Attachments 116
16.07 Entire Agreement 116
16.08 Section Headings 116
16.09 Interpretation 116
16.10 Amendment 116
16.11 Severability 117
16.12 Costs and Attorneys' Fees 117
16.13 No Damages for Invalidation of Agreement 117
16.14 References to Laws 117
16.15 Indemnity Against Challenges to Agreement 117
16.16 Dispute Resolution 117

Attachments

A Definitions
B Service Levels of Agency Facilities
C Community Events
D Container Specifications
E-1 Contamination Measurement Methodology – Single Loads
E-2 Reserved
F Faithful Performance Bond
G Guaranty
H Delinquent Payment Policy
I Performance Incentives and Disincentives
J Liquidated Damages
K Contractor's Compensation and Rate Setting Process
L Reserved
M Agency's Franchise Fee and Other Fees
N Contractor's Compensation and Operating Statistics
O List of Contractor's Personnel
P Vehicle Specifications
Q Additional Services
R Secretary's Certificate
S Interest Payment Arrangement Memorandum of Understanding

AMENDED AND RESTATED FRANCHISE AGREEMENT FOR RECYCLABLE MATERIALS, ORGANIC MATERIALS, AND SOLID WASTE COLLECTION SERVICES

THIS AMENDED AND RESTATED AGREEMENT ("Agreement") is made as of this _____ day of _____, 2017, by and between the City of San Mateo, a Municipal Corporation ("Agency"), and RECOLOGY SAN MATEO COUNTY, a California corporation ("Contractor").

RECITALS

This Agreement is entered into with reference to the following facts and circumstances:

WHEREAS; the State of California has, through enactment of the California Integrated Waste Management Act of 1989 ("Act"), determined each of the following:

A. That management of solid waste is a shared responsibility of the State and local governments;

B. That it is in the public interest for local governments to be authorized and required to provide adequate solid waste handling services;

C. That the amount of solid waste generated in California, coupled with diminishing landfill space, potential adverse environmental impacts from landfilling solid waste, and the need to conserve natural resources have created an urgent need for State and local agencies to enact and implement an aggressive integrated waste management program; and,

WHEREAS; the State of California, through the Act, has directed the responsible State agency and all local agencies to maximize the use of feasible waste reduction, recycling, and composting options in order to reduce the amount of solid waste that must be disposed of in landfills; and, the State of California through AB 341, AB 1826, SB 1383, and other legislation have established additional requirements for increased diversion of recyclable materials and organic materials from landfill disposal; and,

WHEREAS; Agency is a member of the South Bayside Waste Management Authority ("Authority" or "SBWMA"), established pursuant to the California Joint Exercise of Powers Act. In November, 2007, the SBWMA, acting on behalf of Agency and its other members, issued a Request for Proposals to provide collection of solid waste, recyclable materials, and organic materials and related services to Agency and other members of SBWMA; and,

WHEREAS; on March 11, 2008, Contractor submitted a proposal to provide these services, which was evaluated by the SBWMA; and, on the basis of that evaluation, the SBWMA recommended that Agency enter into an agreement with Contractor; and,

WHEREAS; in 2009, Agency independently evaluated Contractor's proposal and determined that Contractor had proposed to provide solid waste handling services including collection of recyclable and organic materials in a manner and on terms which were in the best interests of

Agency, its residents and businesses, taking into account the qualifications and experience of Contractor and the cost of providing such services; and,

WHEREAS; on [redacted] 2009, the City Council approved Resolution No. [redacted], which awarded an exclusive franchise agreement to Recology San Mateo County for Recyclable Materials, Organic Materials, and Solid Waste Collection Services dated September 8, 2009, with a term from January 1, 2011 through December 31, 2020 ("2009 Franchise Agreement"); and,

WHEREAS; on [redacted] 2013, the City Council approved Resolution No. [redacted], which amended the 2009 Franchise Agreement; and,

WHEREAS; on [redacted] 2016, the SBWMA's Board of Directors directed SBWMA staff to negotiate, acting on behalf of Agency and its other members, with Contractor an extension of the 2009 Franchise Agreement, and to do so without a competitive bidding for the collection services; and,

WHEREAS; the SBWMA and Contractor negotiated a Model Amended and Restated Franchise Agreement that was intended to serve as a model agreement for each Member Agency to use as a basis for its negotiations with Contractor;

WHEREAS; the SBWMA presented the Model Amended and Restated Franchise Agreement to the SBWMA's Board of Directors on June 22, 2017; and, the Board took action recommending that each Member Agency negotiate an Amended and Restated Franchise Agreement using the Model Amended and Restated Franchise Agreement as the basis for such negotiations; and,

WHEREAS; the City Council authorized City staff to negotiate this Amended and Restated Franchise Agreement with a term of fifteen (15) years from January 1, 2021 through December 31, 2035, and, on [redacted] 2017, authorized the City Manager to execute this Agreement; and,

WHEREAS, this Agreement has been developed by and is satisfactory to the Parties.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, and for other good and valuable consideration, Agency and Contractor agree as follows:

ARTICLE 1
DEFINITIONS

1.01 DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth in the definitions contained in Attachment A.

1.02 STATUTORY DEFINITIONS

Unless a term is otherwise defined in this Agreement, terms used in this Agreement shall have the same meaning as the definitions of those terms contained in the Act. In the event of a conflict between the definition of a term in the Act and in this Agreement, the definition in the Agreement shall prevail.

ARTICLE 2
REPRESENTATION AND WARRANTIES OF CONTRACTOR

Contractor represents and warrants, as of the date of its execution of this Agreement, the following:

2.01 CORPORATE STATUS

Contractor is a corporation, duly organized, validly existing and in good standing under the laws of the State of California, and is qualified to do business in the State of California.

2.02 CORPORATE AUTHORIZATION

Contractor has the authority to enter into and perform its obligations under this Agreement. The directors (and shareholders, if necessary) of Contractor have taken all actions required by law, the articles of incorporation and bylaws or otherwise to authorize the execution of this Agreement.

2.03 AGREEMENT DULY EXECUTED

The persons signing this Agreement on behalf of Contractor have been authorized to do so and the Secretary's Certificate in Attachment R confirms this. Upon the Effective Date, this Agreement will constitute a legal, valid and binding obligation of Contractor.

2.04 NO CONFLICT WITH APPLICABLE LAW OR OTHER DOCUMENTS

Neither the execution and delivery by Contractor of this Agreement, nor the performance by Contractor of its obligations hereunder (i) conflicts with, violates, or will result in a violation of any existing Applicable Law; or (ii) conflicts with, violates, or will result in a breach or default under any term or condition of any existing judgment, order, or decree of any court, administrative agency or other governmental authority, or of any existing contract or instrument to which Contractor is a party or by which Contractor is bound.

2.05 NO LITIGATION

There is no action, suit, proceeding, or investigation at law or in equity, before or by any court or governmental entity, pending or threatened against Contractor, or otherwise affecting Contractor, wherein an unfavorable decision, ruling, or finding, in any single case or in the aggregate, would (a) materially adversely affect Contractor's performance 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 the entity providing the guaranty of Contractor's performance.

2.06 FINANCIAL CONDITION

Contractor has made available to Agency information on its financial condition. Contractor recognizes that Agency has relied on this information in evaluating the sufficiency of Contractor's financial resources to perform this Agreement. To the best of Contractor's knowledge, this information is complete and accurate, does not contain any material misstatement of fact and does not omit any fact necessary to prevent the information provided from being materially misleading.

2.07 ABILITY TO PERFORM

Contractor has the expertise and professional and technical capability to perform all of its obligations under this Agreement.

2.08 CONTRACTOR'S INVESTIGATION

Contractor has made an independent investigation and analysis, the results of which are satisfactory to Contractor, of the conditions and circumstances surrounding the Agreement, its content and preparation, and the work to be performed by Contractor under the Agreement. The Agreement accurately and fairly represents the intentions of Contractor, and Contractor enters into this Agreement on the basis of that independent investigation and analysis.

2.09 STATEMENTS AND INFORMATION IN PROPOSAL

The Contractor's "Proposal to Amend and Restate the Franchise Agreement for Recyclables, Organics, and Solid Waste Collection Services", dated January 10, 2017, and supplementary information submitted thereafter by the Contractor to the SBWMA during the SBWMA's negotiation of a Model Amended and Restated Agreement do not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in light of the circumstances in which they were made, not misleading.

2.10 IRAN CONTRACTING CERTIFICATION

Contractor hereby certifies that Contractor is not identified on a list created by the California Department of General Services ("DGS") pursuant to California Public Contract Code Section 2203 of the Iran Contracting Act of 2010 (the "ICA") as a Person engaging in investment activities in Iran described in Section 2202.5(a) of the ICA, or as a person described in Section 2202.5(b) of the ICA, as applicable. Contractor hereby certifies that Contractor is not a financial institution that extends twenty million dollars ($20,000,000) or more in credit to another Person, for forty-five (45) Days or more, if that Person will use the credit to provide goods or services in the energy sector in Iran and is identified on the DGS list made pursuant to Section 2203(b).

As used in this Section 2.10, "Person" shall mean a "Person" as defined in California Public Contract Code Section 2202(e).

ARTICLE 3
TERM OF AGREEMENT

3.01 EFFECTIVE DATE AND COMMENCEMENT DATE

This Agreement shall become binding and enforceable as of the date (the "Effective Date") that two-thirds (2/3) of SBWMA's Member Agencies have approved and signed agreements with Contractor substantially similar to this one, as required by Section 3.04.B, and all other conditions set forth in Sections 3.04.A and 3.04.B have been satisfied or waived.

Contractor's obligation to Collect Solid Waste, Targeted Recyclable Materials, and Organic Materials under the terms and conditions of this Agreement shall begin on January 1, 2021 at 12:01 a.m. (the "Commencement Date") and shall continue for the remainder of the Term.

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

3.02 TERM

Notwithstanding any other provision of this Agreement to the contrary, the 2009 Franchise Agreement, this amendment and restatement thereof, and any other amendments mutually agreed by the Parties, shall together constitute a single agreement between the Parties with a single unbroken term (the "Term").

The original Term, set forth in the 2009 Franchise Agreement, began on January 1, 2011 with an initial duration of ten (10) years, ending on December 31, 2020. This amendment and restatement extends the Term for an additional fifteen (15) years, for a total Term of twenty-five (25) years. Upon the Effective Date, the Term shall be extended until midnight on December 31, 2035, unless earlier terminated, or extended as provided in Section 3.03.

Except as provided below in this Section 3.02, the Parties intend for the 2009 Franchise Agreement to govern the rights and obligations of the Parties through December 31, 2020, and for this Agreement to govern the rights and obligations of the Parties from and after January 1, 2021. Thus, to the extent this Agreement amends the 2009 Franchise Agreement, the amendments shall not take effect until January 1, 2021, and shall not be retroactive.

As an exception to the foregoing, upon the Effective Date, (i) the 2009 Franchise Agreement shall be amended to extend the Term to 2035 as provided above, and (ii) the 2009 Franchise Agreement shall be amended to the extent necessary to give effect to Section 11.02.F of this Agreement.

3.03 EXTENSION OF TERM

A. **Voluntary Extension.** At Agency's discretion, but subject to Contractor's consent, this Agreement may be extended without amendment for a period of no less than one (1) and no more than five (5) additional years for a total Term that does not exceed thirty (30) years or extend beyond December 31, 2040). If Agency desires to extend the Agreement, Agency shall provide the Contractor with written notice of its intention to extend the Agreement on or before December 31, 2032. Such notice by Agency shall specify the duration of the extension. Contractor shall provide written notice to

Agency and SBWMA on or before January 31, 2033 whether it consents to the extension.

B. **Mandated Extension.** If the Agency and Contractor do not mutually agree to extend the Term of the Agreement, the Agency shall have the sole discretion to extend the Term for a period of twelve (12) months or less by providing the Contractor written notice of its election on or before December 31, 2034, provided, however, that the Term shall only be so extended if eight (8) of the SBWMA's Member Agencies, collectively representing at two thirds (2/3) of the Member Agencies, make such an election for an identical extension period by December 31, 2034. Notwithstanding the foregoing, if Contractor demonstrates based on the audited financial statements for the Agency's operations that it experienced a net loss as shown on the Statement of Income and Stockholder's Investment reduced by the amount of general and administrative expenses greater than 9.5% of Total Operating Revenue (if general and administrative expenses are greater than 9.5% of Total Operating Revenue) for its fiscal year ending September 30, 2034, then Agency and Contractor shall meet and confer to discuss the extension and Contractor's Compensation during the period of such extension.

3.04 CONDITIONS TO EFFECTIVENESS OF AGREEMENT

A. **Obligation of Agency to Perform.** The obligation of Agency to perform under this Agreement is subject to satisfaction, on or before the Effective Date, of each of the conditions set out below, each of which may be waived in whole or in part by Agency:

1. Accuracy of Representations. The representations and warranties made by Contractor in Article 2 shall be true and correct on and as of the Effective Date.

2. Absence of Litigation. There shall be no litigation pending on the Effective Date in any court challenging the execution of this Agreement or seeking to restrain or enjoin its performance.

3. Effectiveness of Agency's Approval. The approval of this Agreement by Agency shall have become effective, pursuant to California law, on or before the Effective Date.

B. **Obligation of Contractor to Perform.** The obligation of Contractor to perform under this Agreement is subject to the satisfaction of the conditions set forth below, each of which may be waived in whole or in part by Contractor.

1. Absence of Litigation. There shall be no litigation pending on the Effective Date in any court challenging the execution of this Agreement, or seeking to enjoin its performance.

2. Effectiveness of Agency's Approval. The approval of this Agreement by Agency shall have become effective, pursuant to California law.

3. Approvals by Other Member Agencies. On or before June 30, 2018, a minimum of eight (8) of the governing bodies of the SBWMA's Member Agencies, collectively representing at least two thirds (2/3) of the Member Agencies, have approved and signed agreements with Contractor substantially similar to this one.

C. **Notice.** If either Party wishes to assert that a condition for its benefit has not been satisfied and has not been waived, it must deliver written notice to that effect to the

other party on or before the Effective Date. If no such notice is received, the Agreement will become effective on the Effective Date.

D. **Good Faith**. Each Party is obligated to perform in good faith the actions, if any, which this Agreement requires it to perform before the Effective Date and to cooperate towards the satisfaction of the conditions set forth above.

ARTICLE 4
SCOPE OF AGREEMENT

4.01 SCOPE OF AGREEMENT

A. Through this Agreement, Agency grants to Contractor an exclusive franchise, except as provided in Section 4.01.B and in Section 4.02, to Collect the following materials in the Service Area:

1. Solid Waste generated at Residential Premises, Commercial Premises and Agency Facilities; and,

2. Source Separated Targeted Recyclable Materials and Source Separated Organic Materials generated at Residential Premises.

B. Through this Agreement, Agency grants to Contractor a non-exclusive right to Collect the following materials in the Service Area:

1. Source Separated Targeted Recyclable Materials and Source Separated Organic Materials generated at Commercial Premises;

2. Major Appliances and Specialty Recyclable or Reusable Materials generated at Residential Premises; and,

3. Non-putrescible wastes placed in Drop Boxes.

4.02 LIMITATIONS ON SCOPE

Agency may permit the Collection, Recycling, or Disposal of any of the following materials by Persons other than Contractor without seeking or securing any approval from Contractor:

A. Solid Waste, Targeted Recyclable Materials, and Organic Materials which are transported personally by the Owner or Occupant of the Premises at which they are generated (or by his or her employees) to a processing or Disposal facility;

B. Targeted Recyclable Materials and Organic Materials which are Source Separated by the Generator and donated to youth, civic, or charitable organizations;

C. Recyclable beverage containers delivered for Recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500 *et seq.* California Public Resources Code;

D. Animal waste and remains from slaughterhouse or butcher shops, grease waste, and used cooking oil;

E. By-products of sewage treatment including sludge, sludge ash, grit, and screenings;

F. Hazardous Waste, Household Hazardous Waste, and Infectious Waste;

G. Source Separated E-Scrap and Source Separated Universal Waste;

H. Organic Materials composted at Residential and Commercial Premises;

I. Materials generated by State facilities (including public schools), provided that the Generator has arranged services with other Persons or has arranged services with the Contractor through a separate agreement;

J. The incidental removal of Solid Waste, Recyclable Materials, or Organic Materials when the primary service performed is either of the following:

1. Landscaping, gardening, weed or refuse abatement, yard clean-up, or grading of a lot; or,

2. Construction, remodeling, or demolition of a building or structure.

K. Solid Waste generated at Residential Premises collected by others on an infrequent, unscheduled, "on-call" basis (other than On-Call Bulky Item Collection Service scheduled by Customers per Section 5.05).

4.03 GEOGRAPHIC LIMITS ON CONTRACTOR'S OPERATIONS

Contractor was established specifically to perform services for some or all of the SBWMA Member Agencies. The methodology established in this Agreement, and in those agreements between Contractor and other Member Agencies, for adjusting Contractor's Compensation annually and allocating it among Member Agencies depends on accurate financial and accounting records. For that reason, Contractor will limit its operations to only SBWMA Member Agencies so that its annual financial reports will contain only costs and revenues associated with service to those Member Agencies.

Affiliates of Contractor may perform services for other communities in San Mateo County so long as they do not use Contractor's resources (equipment or labor) and so long as costs associated with their operations are not included in Contractor's financial statements.

ARTICLE 5
COLLECTION SERVICES

5.01 GENERAL

A. The work to be performed and services to be provided by Contractor include the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the work and provide the services described, at the times and in the manner required by this Agreement. The enumeration of, and specification of requirements for, particular items of labor, supervision, equipment, materials, or supplies shall not relieve Contractor of the duty to furnish all others, as may be required, whether enumerated elsewhere in the Agreement or not.

B. Contractor shall perform the work and provide the services pursuant to this Agreement in a thorough and professional manner so that the residents and businesses within the Agency are provided reliable, courteous, and high-quality service at all times. The enumeration of, and specification of requirements for, particular aspects of service quality shall not relieve Contractor of the duty of accomplishing all other aspects in the manner provided in this Article, whether such other aspects are enumerated elsewhere in the Agreement or not.

C. Contractor acknowledges that the Agency is committed to diverting materials from Disposal through the implementation of source reduction, donation, reuse, Recycling, and composting programs and that the Agency may, at some time in the future, implement, in accordance with Section 15.12, new programs that may impact the overall quantity or composition of Solid Waste, Targeted Recyclable Materials, and/or Organic Materials to be Collected by Contractor.

5.02 SOLID WASTE COLLECTION

A. **Single-Family Dwelling (SFD)**

1. General. Contractor shall Collect Solid Waste from SFD once per week from Contractor-provided Carts, and shall bill Customers for the service at Agency-approved Rates. Contractor shall provide extra Collection pick-ups of Containers within one (1) Business Day of Customer's request and shall bill Customer at Agency-approved Charges specified in Attachment Q.

2. Collection Location. Contractor shall Collect Carts Curbside unless: (i) the Occupant is provided a Special Handling Service exemption; or, (ii) the Customer has requested Backyard Collection Service and has agreed to pay for Backyard Collection Service at the Agency-approved Charge. Contractor shall bill Customers with Backyard Collection Service at Agency-approved Charges specified in Attachment Q. For Customers with Special Handling Service and Backyard Collection Service, Contractor shall Collect Carts from and return Carts to the alternative service location (such as the side yard or backyard) specified by the Customer. Contractor shall make reasonable accommodations with regard to provision and servicing of Containers (e.g., Container size and type, placement of Containers for Collection, etc.) at no additional cost to Customers who meet the Agency's Special Handling Service criteria.

3. Informing Customer of Collection Location Options. Contractor will notify all Residential Customers annually of the Special Handling Service and Backyard

Collection Service options and submit, for approval, a draft notification to Agency thirty (30) Days prior to the anticipated date of distribution to Customers. New service recipients shall be notified upon signing up for Collection service of the Special Handling Service and Backyard Collection Service options.

4. Special Handling Service Eligibility. Customers desiring Special Handling Service will be required to submit an application, in a form approved by Agency. Contractor shall review applications to determine whether the Customer meets Agency's eligibility criteria and shall provide a written response within five (5) Business Days after receipt of the application. Unless otherwise directed by Agency, Customers are eligible if they provide (i) evidence of their "handicap status" by the California Department of Motor Vehicles, or (ii) evidence that no Occupant of the Residential Premises is physically able to place Carts Curbside for Collection. On an annual basis, Contractor may request reverification of Special Handling Service eligibility from Customer.

B. **Multi-Family Dwellings**

1. General. Contractor shall Collect Solid Waste from Multi-Family Dwellings as frequently as scheduled by Customer, but not less than once per week, and shall bill Customers at Agency-approved Rates. Contractor shall provide extra Collection pick-ups of Containers within one (1) Business Day of Customer's request and shall bill Customers at Agency-approved Charges specified in Attachment Q. Customers must subscribe to a minimum service level of three (3) times per week Collection in order to be eligible for Collection on Saturday and/or Sunday.

2. Containers. Contractor shall allow Multi-Family Dwelling Customers to use Carts or Bins for Solid Waste Collection that are shared by the Occupants of the Premises. Contractor shall provide one (1) or more Cart(s) or Bin(s) to such Customers as requested by Customer, provided that no less than ninety-six (96) gallons per week of Container capacity are provided for every five (5) dwelling units in the Multi-Family Residential Complex.

3. General Service Conditions. The standard Rates for Collection services assume that Containers are accessible by Contractor's vehicles and personnel.

   If the Container is wheeled and is three (3) cubic yards or less in capacity and is not a Compactor, the standard Rate includes Collection from the Container located Curbside or in enclosures or on private or public property at a distance less than or equal to fifty (50) feet of access by Contractor's vehicle, provided that access to the Container is paved and the slope is less than seven percent (7%). The distance to the Container shall be measured in one of the following ways depending on the conditions of the Premises: (i) from the face of the curb to the nearest edge of the Container, (ii) if there is no curb, from the edge of the roadway nearest the nearest edge of the Container, or (iii) from the lifting mechanism on the Collection vehicle if the vehicle can be driven on the Premises.

   If the Container does not have wheels, or is greater than three (3) cubic yards in capacity, or is a Compactor, the standard Rate includes Collection from a location accessible by Contractor's vehicle (regardless of the distance from the curb or roadway), provided that access to the Container is paved and the slope

is less than seven percent (7%). A slope shall be deemed to be seven percent (7%) or more if the slope measures 7% or more using a slope measurement device.

For each Container that does not meet the above accessibility requirements, Contractor shall offer Long Distance Service or Container Relocation Service as described below for Containers that are eligible for such service. If the Container is not eligible for such service, or the Customer notifies Contractor that it does not want such service, then Contractor shall not be required to Collect the Container unless it meets the above accessibility requirements.

4. Long Distance Service. For wheeled Containers that are more than fifty (50) feet from the curb or edge of roadway (using the measurement method described above), Contractor shall provide Long Distance Service. Long Distance Service is an additional service Contractor shall provide that involves Contractor's route personal manually pushing, pulling, or otherwise moving the Container more than fifty (50) feet to a serviceable location and returning the Container to its storage location after Collection. The Long Distance Service is a regularly scheduled service that is performed each day the Contractor provides Collection service for the Container. Contractor shall charge the Customer for Long Distance Service at Agency-approved Charge specified in Attachment Q.

5. Container Relocation Service. If a Container is located in an area that is not serviceable by a regular Collection vehicle, Contractor shall provide Container Relocation Services. Contractor shall charge the Customer for Container Relocation Service at Agency-approved Charge specified in Attachment Q. Conditions in which Container Relocation Services may be applicable include: sloped access with slope greater than or equal to seven percent (7%); subterranean areas that are inaccessible by a regular Collection vehicle; and gravel areas.

   Container Relocation Service is an additional service provided by Contractor that involves the Contractor dispatching a secondary vehicle and route personnel to move the Container with the assistance of the vehicle from an inaccessible storage location to a serviceable location. In such case, the service also involves the return of the Container to its storage location, which may be performed manually by route personnel of the regular Collection vehicle or by using the secondary vehicle. The Container Relocation Service is a regularly scheduled service that is performed each day the Contractor provides Collection service for the Container. If Contractor provides Container Relocation Service for a Container, it is not entitled to charge for Long Distance Service.

6. Determination of Service Needs and Disputes. Whether the Customer receives Long Distance Service or Container Relocation Service shall be determined by Contractor in its reasonable discretion based on conditions at the Customer's site or the need to maintain safety or operational efficiency. In the event of a dispute between Contractor and a Customer regarding the Long Distance Service, Container Relocation Service, and/or the distance or degree of slope, Contractor shall provide email notification to Agency and Customer, and Agency shall work with the Contractor and Customer to resolve the dispute. Agency may independently measure the slope and/or distance. Agency shall make the final

determination of the service arrangements and whether any Attachment Q Charges apply.

7. Container Collection Location. Contractor shall give special consideration when determining the Collection location for Multi-Family Residential complexes to ensure that the flow of traffic is not impeded and that it does not result in aesthetic degradation of an area. The designated Collection location, if disputed by Customer or Contractor, shall be determined by the Agency. Additionally, if, in the Agency's opinion, the location of an existing Collection location is inappropriate, Agency may require the Customer or Contractor to relocate the Collection Containers.

C. **Commercial Premises**

1. General. Contractor shall Collect Solid Waste from Commercial Premises as frequently as scheduled by the Customer, but not less than once per week, and shall bill Customers for the service at Agency-approved Rates. Contractor shall provide extra Collection pick-ups of Containers within one (1) Business Day of Customer's request and shall bill Customer at Agency-approved Charges specified in Attachment Q. Customers must subscribe to a minimum service level of three (3) times per week Collection in order to be eligible for Collection on Saturday and/or Sunday.

2. Container Service Requirements. Container service requirements described for Multi-Family Premises in Sections 5.02.B.3 through 5.02.B.7 are applicable for Commercial Premises.

3. Service Methods. Specifically, the Contractor shall offer the following Collection service methodologies to Commercial Customers:

   a. Individual Cart or Bin Service. Contractor shall allow each Commercial Premises to use Carts, Bins, Compactors, or Drop Boxes for Solid Waste Collection.

   b. Centralized Cart or Bin Service. Contractor shall allow each Commercial Premises to use Carts or Bins for Solid Waste Collection that are shared by the Occupants of two (2) or more adjacent Commercial Premises. In such case, Contractor shall provide one or more Carts or Bins as requested by the Customer(s) provided that no less than ninety-six (96) gallons of Container capacity is provided for every four (4) Commercial Premises.

   c. Drop Boxes and Compactors. Contractor shall allow a Customer to use a Drop Box or Compactor for Solid Waste Collection to meet the Customer's Disposal needs. In such case, Contractor shall provide Customer with a choice of Container capacities ranging from three (3) to forty (40) cubic yards (or similar sizes). Contractor shall allow Customers to purchase or lease Compactors through an outside vendor. Regular maintenance of Compactors shall be required by Customer (or outside vendor) as frequently as needed to keep the Compactors in good working order and functioning at high compaction levels.

D. **Agency Facilities**

1. General. Contractor shall Collect Solid Waste from Agency Facilities as frequently as scheduled by the Agency, but not less than once per week. Agency must subscribe to a minimum service level of three (3) times per week Collection in order to be eligible for Collection on Saturday and/or Sunday.

2. Service Methods. Specifically, the Contractor shall offer the following Collection service methodologies to Agency Facilities:

    a. Individual Cart or Bin Service. Contractor shall allow each Agency Facility to use Carts, Bins, Compactors, or Drop Boxes for Solid Waste Collection.

    b. Centralized Cart or Bin Service. Contractor shall allow each Agency Facility to use Carts or Bins for Solid Waste Collection that are shared by the Occupants of two or more adjacent Agency Facilities. In such case, Contractor shall provide one or more Carts or Bins as requested by the Agency provided that no less than ninety-six (96) gallons of Container capacity is provided for every four (4) Agency Facilities.

    c. Drop Boxes and Compactors. Contractor shall allow Agency to use a Drop Box or Compactor for Solid Waste Collection to meet the Agency's Disposal needs. In such case, Contractor shall provide Agency with a choice of Container capacities ranging from three (3) to forty (40) cubic yards (or similar sizes). Contractor shall allow Agency to purchase or lease Compactors through an outside vendor. Regular maintenance of Compactors shall be required by Agency (or outside vendor) as frequently as needed to keep the Compactors in good working order and functioning at high compaction levels.

3. Solid Waste from Public Street, Parks, and Parking Lot Litter Receptacles. Contractor shall Collect Solid Waste from public litter receptacles located on streets and in parking lots, and from public litter receptacles in parks that are accessible for Curbside Collection. Contractor shall also Collect Solid Waste that is contained in bags or boxes and placed adjacent to public litter receptacles. These Collections will be made between one (1) and seven (7) Days per week, as determined by Agency. Contractor is responsible for notifying Agency if a public litter receptacle is inoperable within twenty-four (24) hours of observing or being notified of the defect. A list of public litter receptacles is included in Attachment B. Agency shall annually be allowed to increase the number of public litter receptacles provided Collection service by an additional five percent (5%) of the total number of receptacles in service as of January 1 of each Rate Year after Rate Year Eleven (2021) without being billed for such service. The maximum number of public litter receptacles that Contractor will service without billing Agency shall increase by five percent (5%) each Rate Year after Rate Year Eleven (2021), even if Agency does not actually increase the number of receptacles by five percent (5%) in that Rate Year.

4. Scope of Service Requirements. Contractor shall provide the Agency with the Collection services described above at the service locations, service levels, and frequencies identified in Attachment B. Contractor shall provide and maintain Collection Containers for the Agency's use, with the exception of public litter receptacles (or public Solid Waste receptacles) and public Targeted Recyclable Materials receptacles, which shall be provided and maintained by the Agency.

Contractor shall offer the type and size of Collection Containers that Contractor provides Commercial Customers pursuant to Section 5.02.C.

5. Tonnage Allocation. Contractor may integrate Collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials from Agency Facilities with other Collection services in the Service Area, provided that Contractor attributes estimated Tonnage Collected from Agency Facilities separately from other Customers upon the Agency's request.

6. No Billing for Service. Contractor shall not bill Agency for the services required by this Section 5.02.D, including Long Distance Service, Container Relocation Service, and lock/unlock service.

5.03 TARGETED RECYCLABLE MATERIALS COLLECTION

A. **General.** Contractor shall Collect Targeted Recyclable Materials from Customers that have Source Separated the Targeted Recyclable Materials from Solid Waste and placed these materials in the Customer's Recyclable Materials Collection Container for Collection by Contractor.

In accordance with Section 15.12, the Agency may direct that Contractor modify its scope of service to include Collection of additional types of Recyclable Materials beyond those materials defined as Targeted Recyclable Materials in Attachment A. If the Agency directs Collection of additional Recyclable Materials, such Recyclable Materials shall thereafter be considered Targeted Recyclable Materials and Contractor shall not receive additional Contractor's Compensation for Collection service if the Targeted Recyclable Materials are placed by Generator in the Recyclable Materials Container unless Contractor can demonstrate that Collection of the additional material(s) requires modification to Collection routes to accommodate the additional volume of the material(s).

B. **Single-Family Dwellings**

1. General. Once per week, Contractor shall Collect Single-Stream Targeted Recyclable Materials from SFD. Contractor shall provide each SFD Customer with one (1) Cart for Single-Stream Targeted Recyclable Materials. Contractor shall provide each Customer with a sixty-four (64) gallon Cart specified in Attachment D, unless Customer requests an alternative Cart specified in Attachment D. Customers can request additional Targeted Recyclable Materials Carts from Contractor for regular weekly Collection service, and Contractor shall bill Customers at Agency-approved Charges specified in Attachment Q.

2. Collection Location. For SFD Recyclable Materials Cart Collection, Contractor shall comply with the same Collection provisions specified for Solid Waste Cart Collection pursuant to Sections 5.02.A.2, 5.02.A.3, and 5.02.A.4.

3. Used Motor Oil and Used Motor Oil Filters. Contractor shall Collect Used Motor Oil and Used Motor Oil Filters placed at the Collection location by Customer for Collection in Contractor-provided or Contractor-approved Containers. Contractor shall not be required to Collect more than five (5) gallons of Used Motor Oil per Customer per Collection. Contractor shall provide up to five (5) one-gallon translucent plastic Used Oil jugs with screw-on tops for Used Motor Oil Collection and up to five (5) six (6) mil plastic zip-close type bags for Used

Motor Oil Filter Collection to SFD Customers, upon Customer's request, within five (5) Business Days of such request, at no additional cost to Customer. Information in English and Spanish, regarding the Used Motor Oil and Used Motor Oil Filter Collection program and instructions for the use and set out of these materials shall be provided with the Used Motor Oil jugs and Used Motor Oil Filter bags. Diversion of Used Motor Oil shall be calculated with a conversion factor of one (1) gallon of Used Motor Oil equaling seven (7) pounds.

4. Household Batteries and Cell Phones. Contractor shall Collect from SFD Premises Household Batteries and Cell Phones placed on top of the Recyclable Materials Cart in Contractor-provided or Customer-provided clear zip-close or tie-close plastic bags clearly marked "Used Batteries and Cell Phones." Contractor shall empty the bag at the point of Collection and leave it to be reused by the Customer by placing it inside the Cart handle. Customers will be notified to place all Household Batteries in a clear zip-close plastic bag; tape the contacts of button cell batteries; and wrap Cell Phones in paper (for protection) prior to placing in the plastic bag. While Customers will be encouraged to follow the participation parameters, Contractor shall be required to Collect if Customers do not follow these instructions.

5. Collection Day. Contractor shall Collect Targeted Recyclable Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries, and Cell Phones from SFD on the same day that Solid Waste Collection is provided.

C. **Multi-Family Residential Premises**

1. General. Multi-Family Dwelling Customers that subscribe to Solid Waste Collection service shall be entitled to Single-Stream Targeted Recyclable Materials Collection at no additional charge, and Contractor shall provide the level of service required by Multi-Family Dwelling Customers requesting Recyclable Materials Collection services. Contractor shall provide each Multi-Family Dwelling Customer with Containers for Single-Stream Targeted Recyclable Materials Collection. At a minimum, Contractor shall provide twenty (20) gallons per week of Container capacity for Single-Stream Targeted Recyclable Materials Collection for every Multi-Family Dwelling at the Premises. Contractor shall provide each Customer with Carts or Bins as specified in Attachment D, as requested by the Customer.

   Contractor shall Collect Single-Stream Targeted Recyclable Materials Generated at Multi-Family Residential Complexes at least once per week or more frequently, up to six (6) times per week, as scheduled by the Customer provided that the Generator has Source Separated the Targeted Recyclable Materials from Solid Waste and placed the materials in the appropriate Contractor-provided Container. Contractor shall Collect Single-Steam Targeted Recyclable Materials at the designated location agreed upon by Contractor and Multi-Family Dwelling Customer. The designated Collection location, if disputed by Customer or Contractor, shall be determined by the Agency. Carts and Bins may be shared by the Occupants of the Multi-Family Residential Complexes. Contractor shall provide extra Carts for use in the mail, utility, or similar room of Multi-Family Residential Complexes if requested by the Customer.

2. Personal Recycling Tote-Bag Distribution. Upon receipt of a request for Recycling Tote-Bags from a Multi-Family Dwelling Customer or Occupant,

Agency, or SBWMA, Contractor shall: (i) deliver the Recycling Tote-Bags within five (5) Business Days to the property Owner, property manager, or Occupant who requested the Recycling Tote-Bags; (ii) prior to complying with (i), contact the property Owner or property manager directly by phone or in person to determine if additional Recycling Tote-Bags are needed and/or if they are interested in a site assessment of the property; (iii) upon request for a site assessment, ensure that a site assessment is done per the requirements set forth in Section 7.05. Contractor shall provide notification to Agency and SBWMA of the Day which the Tote Bags were delivered and to whom they were delivered with submittal of Contractor's monthly reports per Section 9.05. Contractor's monthly reports shall also include an inventory of Recycling Tote-Bags in stock.

3. Household Battery and Cell Phone Collection

   a. Multi-Family Residential Complexes with individual Recycling Carts for each dwelling unit. Contractor shall Collect Household Batteries and Cell Phones placed on top of the Recyclable Materials Cart in Contractor-provided or Customer-provided clear zip-close or tie-close plastic bags clearly marked "Used Batteries and Cell Phones." Customers will be notified to place all Household Batteries in a clear zip-close plastic bag; tape the contacts of button cell batteries; and wrap cell phones in paper (for protection) prior to placing in the plastic bag. While Customers will be encouraged to follow the participation parameters, Contractor shall be required to Collect the Household Batteries and Cell Phones if Customers do not follow these instructions.

   b. Multi-Family Residential Complexes with Individual, Shared, or Centrally-stored Recycling Carts or Bins. Contractor shall provide one (1) or more centrally located Containers for the accumulation of Household Batteries and Cell Phones. The number and location of the Containers and the frequency of Collection shall be mutually agreed to between the Contractor and the Owner or manager of the complex. In the event the Owner or property manager requests that the materials be Collected on an on-call basis, Contractor shall provide that service at no additional cost.

4. Container Service Requirements. Container service requirements described for Multi-Family Solid Waste Collection in Sections 5.02.B.3 through 5.02.B.7 are applicable for Collection of Targeted Recyclable Materials from Multi-Family Premises.

D. **Commercial Premises**

1. General. Commercial Customers that subscribe to Solid Waste Collection service shall be entitled to Collection of Targeted Recyclable Materials at no additional charge, and Contractor shall provide the level of service required by Commercial Customers requesting Recyclable Materials Collection services. The level of service Contractor shall provide includes: Single-Stream Targeted Recyclable Materials Collection or Source Separated Collection of cardboard, mixed paper, food and recyclable beverage containers, or other Targeted Recyclable Materials in a manner that best suits the needs of the Commercial Customer.

Contractor shall Collect Single-Steam Targeted Recyclable Materials or other Source Separated Recyclable Materials Generated at Commercial Premises at least once per week or more frequently, up to seven (7) times per week, as scheduled by the Customer provided that the Generator has Source Separated the Targeted Recyclable Materials from Solid Waste and placed the materials in the appropriate Contractor-provided Container. Contractor shall Collect Targeted Recyclable Materials at the designated location agreed upon by Contractor and Customer. The designated Collection location, if disputed by Customer or Contractor, shall be determined by the Agency.

2. Service Methods. Contractor shall allow Commercial Customers to select a Collection service method that best suits the needs of its Premises. Specifically, the Contractor shall offer the following choices to Commercial Customers:

   a. Cart service. Contractor shall allow Commercial Customers to use Carts for Targeted Recyclable Materials Collection.

   b. Bin service. Contractor shall allow Commercial Customers to use Bins for Targeted Recyclable Materials Collection.

   c. Shared Cart or Bin service. Contractor shall allow Commercial Customers to use Carts or Bins for Targeted Recyclable Materials Collection that are shared by the Occupants of two (2) or more Commercial Premises. In such case, Contractor shall provide one (1) or more Carts or Bins to such Premises as requested by Customer(s).

   d. Drop Boxes and Compactors. Contractor shall allow Commercial Customers to use Drop Boxes or Compactors for Targeted Recyclable Materials. Contractor shall allow Customers to purchase or lease Compactors through an outside vendor. Regular maintenance of Compactors shall be required by Customer (or outside vendor) as frequently as needed to keep the Compactors in good working order and functioning at high compaction levels.

3. Container Service Requirements. Container service requirements described for Multi-Family Solid Waste Collection in Sections 5.02.B.3 through 5.02.B.7 are applicable for Collection of Targeted Recyclable Materials from Commercial Premises.

E. **Agency Facilities**

1. General. Agency Facilities that subscribe to Solid Waste Collection service shall be entitled to Collection of Targeted Recyclable Materials, and Contractor shall provide the level of service required by Agency Facilities requesting Targeted Recyclable Materials Collection services and shall not bill Agency for such services. The level of service Contractor shall provide includes: Single-Stream Targeted Recyclable Materials Collection or Source Separated Collection of cardboard, mixed paper, food and recyclable beverage containers, or other Targeted Recyclable Materials in a manner that best suits the needs of the Agency Facility.

   Contractor shall Collect Single-Steam Targeted Recyclable Materials or other Source Separated Targeted Recyclable Materials Generated at Agency Premises at least once per week or more frequently, up to seven (7) times per week, as scheduled by the Agency provided that the Generator has Source Separated the

Targeted Recyclable Materials from Solid Waste and placed the materials in the appropriate Contractor-provided Container. Contractor shall Collect Targeted Recyclable Materials at the designated location agreed upon by Contractor and Agency.

2. Service Methods. Contractor shall allow Agency Facilities to select a Collection service method that best suits the needs of its Premises. Specifically, the Contractor shall offer the following choices to Member Agency Facilities:

   a. Cart service. Contractor shall allow Agency Facilities to use Carts for Targeted Recyclable Materials Collection. Contractor shall provide each Customer with a choice of one (1) or more Carts as specified in Attachment D.

   b. Bin service. Contractor shall allow Agency Facilities to use Bins for Targeted Recyclable Materials Collection. Contractor shall provide each Agency with a choice of one (1) or more Bins for each Agency Facility.

   c. Centralized Cart or Bin service. Contractor shall allow Agency Facilities to use Carts or Bins for Targeted Recyclable Materials Collection that are shared by the Occupants of two (2) or more adjacent Agency Facilities. In such case, Contractor shall provide one (1) or more Carts or Bins to such Premises as requested by Agency.

   d. Drop Boxes and Compactors. Contractor shall allow Agency Facilities to use Drop Boxes or Compactors for the Collection of Targeted Recyclable Materials. Contractor shall allow Agency to purchase or lease Compactors through an outside vendor. Regular maintenance of Compactors shall be required by Agency (or outside vendor) as frequently as needed to keep the Compactors in good working order and functioning at high compaction levels.

3. Public Recycling Receptacles. Contractor shall Collect Recyclable Materials from public Recycling receptacles located on streets and parking lots, and from public Recycling receptacles in parks that are accessible for Curbside Collection. Contractor shall also Collect Recyclable Materials that are contained in bags or boxes and placed adjacent to public Recycling receptacles. These Collections will be made between one (1) and seven (7) Days per week, as determined by Agency. If Contractor concludes upon visual inspection that the Recyclables placed in (or adjacent to) the public Recyclables receptacles have a Contamination Level greater than that which is acceptable at the MRF, Contractor shall Collect the materials as Solid Waste. Contractor is responsible for notifying Agency if a public Recycling receptacle is inoperable within twenty-four (24) hours of observing or being notified of the defect. A list of public Recycling receptacles is included in Attachment B. If persistent contamination occurs in public Recycling receptacles then, at Contractor's request, appropriate Agency staff shall meet with Contractor to discuss ways to address the problem. Contractor shall not bill Agency for the services described in this paragraph.

5.04 ORGANIC MATERIALS COLLECTION

A. **Single-Family Dwelling.** Contractor shall Collect Source Separated Organic Materials from SFD once per week. Collection of Organic Materials, Targeted Recyclable Materials, and Solid Waste from the SFD shall occur on the same Day each week. Contractor shall provide each Customer with one (1) Cart to be used for

storage and Collection of Organic Materials. Customers may request additional Organic Materials Carts from Contractor for regular weekly Collection service, and Contractor shall bill Customer at Agency-approved Charges specified in Attachment Q. The Contractor shall provide Customers with a ninety-six (96) gallon Cart as specified in Attachment D, unless the Customer requests an alternative Cart size, in which case, the Contractor shall provide an alternative Cart as specified in Attachment D.

For SFD Organic Materials Cart Collection, Contractor shall comply with the same Collection provisions specified for Solid Waste Cart Collection pursuant to Sections 5.02.A.2, 5.02.A.3, and 5.02.A.4.

During the Term, Contractor shall provide, within five (5) Business Days of request by Occupant, Kitchen Pails to new SFD Customers and to SFD Customers whose Kitchen Pail is lost, stolen, damaged, or destroyed (such replacement shall be limited to one (1) per year per Customer at no additional cost). Residents will be discouraged from placing Kitchen Pail Curbside for Collection and will be instructed to deposit the contents of the Kitchen Pail into the Organic Materials Cart.

B. **Multi-Family Premises.** Multi-Family Dwelling Customers shall have the option of voluntarily subscribing to Organic Materials or Plant Materials Collection services; Contractor shall bill Customers for such service at Agency-approved Rates. Contractor shall Collect Source Separated Organic Materials or Plant Materials from Multi-Family Residential Complexes that have subscribed to Organic Materials or Plant Materials Collection service as frequently as scheduled by Customer, but not less than once per week. Contractor shall provide each Customer with a choice of Carts or Bins as specified in Attachment D. Contractor shall Collect Organic Materials and Plant Materials at the location agreed upon by Contractor and Customer. The designated Collection location, if disputed by Customer or Contractor, shall be determined by the Agency.

Container service requirements described for Multi-Family Solid Waste Collection in Sections 5.02.B.3 through 5.02.B.7 are applicable for Collection of Organic Materials or Plant Materials from Multi-Family Premises.

C. **Commercial Premises.** Commercial Customers shall have the option of voluntarily subscribing to Organic Materials or Plant Materials Collection services, and Contractor shall bill Customers for such service at Agency-approved Rates. Contractor shall provide Organic Materials or Plant Materials Collection service to any and all Customers requesting service. Contractor shall Collect Organic Materials or Plant Materials from Commercial Premises that have subscribed to Organic Materials or Plant Materials Collection service as frequently as scheduled by Customer, but not less than once per week.

Contractor shall allow Commercial Customers to select a Collection service method that best suits the needs of its Premises. Specifically, the Contractor shall offer to Commercial Organic Materials or Plant Materials Customers the Containers and service choices that are offered for Commercial Solid Waste Collection pursuant to Section 5.02.C.

Container service requirements described for Multi-Family Solid Waste Collection in Sections 5.02.B.3 through 5.02.B.7 are applicable for Collection of Organic Materials or Plant Materials from Commercial Premises.

D. **Agency Facilities**. Agency Facilities shall have the option of voluntarily subscribing to Organic Materials or Plant Materials Collection services. Contractor shall not bill Agency for such services.

Contractor shall provide Organic Materials or Plant Materials Collection service to Agency Facilities requesting service. Contractor shall Collect Organic Materials or Plant Materials from Agency Facilities that have subscribed to Organic Materials or Plant Materials Collection service as frequently as scheduled by Agency, but not less than once per week.

Contractor shall allow Agency to select a Collection service method that best suits the needs of its Facilities. Specifically, the Contractor shall offer to Agency Facilities the service choices that are offered for Solid Waste Collection from Agency Facilities pursuant to Section 5.02.D.

E. **Holiday Tree Collection**. Contractor shall annually Collect Holiday Trees from Residential Premises from January 2 through January 31. Contractor shall provide this service on the regularly scheduled Organic Materials Collection Day. Contractor will be required to Collect trees or pieces of trees, which are eight feet (8') or less in length, void of tinsel, lights, ornaments, other decorations, and metal or plastic stands (although flocked trees are acceptable), and are placed adjacent to an Organic Materials Cart. Contractor shall make accommodations and provide Collection service for Customers who are unable to cut trees into lengths of eight feet (8') or less at no additional cost to the Customer and shall not bill Agency for such services. After January 31, Contractor will be required to Collect trees placed inside an Organic Materials Cart. These Collection parameters apply to both Special Handling and Backyard Collection Service.

Contractor shall deliver a Bin or Drop Box for Holiday Tree Collection to Multi-Family Residential Complexes upon request of the Owner or property manager. Contractor shall provide this Collection service annually commencing January 2 and shall continue to provide this service as long as requests are submitted to Contractor, at no additional cost to Customer(s) and shall not bill Agency for such services. The location for delivery of the Bin or Drop Box shall be agreed upon by the Owner or property manager, and Contractor shall remove the Bin or Drop Box, or Collect the trees loose, on the date requested by the Owner or property manager. If the use of a Bin or Drop Box is not feasible, Contractor shall Collect the uncontainerized Holiday Trees from one (1) or more designated consolidation locations (e.g., adjacent to a Solid Waste enclosure) at each Multi-Family Residential Complex as determined by the Owner or property manager. Contractor shall be required to Collect all trees or pieces of trees, which are eight feet (8') or less in length, void of tinsel, lights, ornaments, other decorations, and metal or plastic stands (although flocked trees are acceptable) and are placed in the Bin or Drop Box or at the agreed upon location. Contractor shall make accommodations and provide Collection service for Customers who are unable to cut trees into lengths of eight feet (8') or less at no additional cost to the Customer and shall not bill Agency for such services.

Prior to December of each year, Contractor shall notify all Multi-Family Dwelling Customers of this program and explain the limitations to the program, the dates of service, and any materials preparation or participation requirements, including the option to order a Bin or Drop Box, or Collect the trees loose from designated

Collection locations. To encourage participation in this program, Contractor shall not charge Customers an additional fee for this service.

5.05 RESIDENTIAL ON-CALL BULKY ITEM COLLECTION SERVICE

A. **SFD General**. Contractor shall provide two (2) separate On-Call Curbside Bulky Item Collection Service events to each Single-Family Dwelling Residential Premise annually upon Owner's or Occupant's request at no cost to the Customer. Customer may request additional Bulky Item Collection service events; and, Contractor shall bill for the additional service at Agency-approved Charges in Attachment Q. Contractor shall schedule the On-Call Bulky Item Collection Service events on the regularly scheduled Solid Waste Collection Day for Single-Family Dwellings, no more than ten (10) Business Days after the Owner's or Occupant's request subject to the conditions specified in Section 5.05.H.

B. **MFD General**. Contractor shall provide two (2) separate On-Call Curbside Bulky Item Collection Service events to each Multi-Family Residential Complex annually upon Owner's or property manager's request at no cost to the Owner or property manager. Owner or property manager may request additional Bulky Item Collection service events; and, Contractor shall bill for the additional service at Agency-approved Charges specified in Attachment Q. Contractor shall schedule On-Call Curbside Bulky Item Collection Service events no more than ten (10) Business Days after the Multi-Family Residential Complex Owner's or property manager's request subject to the conditions specified in Section 5.05.H. Contractor will be required to accommodate the Multi-Family Residential Complex's on-site constraints to ensure convenient and safe collection events in an effort to maximize diversion and minimize environmental impacts.

Contractor shall assist Owners and property managers of Multi-Family Residential Complexes with scheduling events to effectively and efficiently provide the volume of Collection service to which the complex is entitled annually based on the number of Residential Premises at the complex. The provision of On-Call Collection of Bulky Items is not intended to encourage or permit Multi-Family Residential Premises to reduce the level of regularly scheduled Solid Waste Collection service that has been previously provided to the complex. If Contractor, in its reasonable business judgment, concludes that an Owner or property manager of a Multi-Family Residential Complex is requesting On-Call Bulky Item Collection in order to reduce its historical level of regular Solid Waste Collection service, Contractor may present a factual report to Agency in support of an application to decline further requests for On-Call Bulky Item Collection events at that complex for the remainder of the calendar year. Within thirty (30) Days, Agency will review the application and report and determine whether Contractor may decline all subsequent requests from that complex for that calendar year or may limit the number of On-Call Bulky Item Collection events it must provide. Until Agency makes, and notifies Contractor of, its determination, Contractor is not required to provide additional On-Call Bulky Item Collection service events to the complex in question.

C. **Scheduling of Events**. Contractor shall allow the scheduling of On-Call Bulky Item Collection Service events from February 1 through December 31 of each Rate Year. Contractor may provide additional On-Call Bulky Item Collection Service events for a Customer beyond two (2) per Rate Year, and shall bill Customers for additional service at Agency-approved Charges specified in Attachment Q. Contractor is

required to notify Customer if they have already received the annually allocated two (2) Collection events within one (1) Business Day of Customer request. If Contractor fails to notify Customer that they have received the annually allocated two (2) Collection events, Contractor shall provide the service and is not entitled to additional Contractor's Compensation from Customer or Agency for a third or subsequent On-Call Bulky Item Collection Service event.

D. **Accepted Materials.** Residential Premises may place Solid Waste, Recyclable Materials, and/or Organic Materials for Collection with the following allowances:

1. Solid Waste, Targeted Recyclable Materials, Organic Materials – Up to two (2) cubic yards of materials per event, provided that such materials, except as set forth below have been bagged, boxed, bundled, or containerized by the Customer.

2. The Customer may place up to three (3) large items from the categories below:

   a. Major Appliances – One (1) large appliance per event (e.g., washing machine, clothes dryer, refrigerator, freezer).

   b. Bulky Items – One (1) large Bulky Item per event (e.g., reusable furniture, mattresses, four tires).

   c. E-Scrap – One (1) item per event (e.g., a computer, computer monitor, or television).

Contractor shall reject: liquids or sludge; dirt, rock, concrete or asphalt; materials which exceed five (5) feet in length; commercial-sized refrigerators or freezers; Construction and Demolition Debris; Hazardous Waste; or Infectious Waste. Contractor may reject any individual item that weighs more than two-hundred (200) pounds (excluding Major Appliances) unless Customer has paid, or has agreed in advance to pay, an additional fee for service at Agency-approved Charges specified in Attachment Q. Contractor may reject un-containerized Discarded Materials with the exception of Major Appliances, Bulky Items, E-Scrap, and large pieces of Organic Material such as tree limbs and dimensional lumber.

E. **Recycling and Reuse.** Contractor shall Collect materials in a manner that maximizes reuse, Recycling, composting, and diversion of materials from Disposal. Contractor shall make reasonable efforts to ensure that diversion goals are met or exceeded. Disposal of materials shall be the Contractor's last option. At a minimum, Contractor shall divert from Disposal: cardboard, E-Scrap, useable furniture, Major Appliances, mattresses, Organic Materials, wood waste, and other reusable or Recyclable Materials.

F. **Handling Major Appliances.** Major Appliances, Universal Waste, and E-Scrap shall be reused, Recycled, or Disposed by Contractor in accordance with requirements of Applicable Law. Any changes to such regulations made after January 1, 2011 shall be addressed as though they are a Change in Law in accordance with Section 11.05.

G. **Collection and Processing Methods.** All materials that can be handled by the SFD Single-Stream Recycling, Organic Materials, or Solid Waste route Collection vehicle would be assigned to one of these vehicles for Collection, with the goal of maximizing diversion. All Collection of Bulky Items will be assigned for Collection by a Collection vehicle, and the driver will segregate items Collected according to their suitability for: (1) reuse or Recycling, and (2) Disposal, prior to their transport to Shoreway

Recycling and Disposal Center for processing. Any remaining items will be Collected by a dispatched Collection vehicle. Contractor shall utilize these procedures and vehicles in a manner that provides the maximum diversion of the material Collected from the On-Call Bulky Item Collection Service event.

H. **Maximum Number of Daily Events.** Contractor shall schedule up to a maximum of one hundred fifty (150) On-Call Curbside Bulky Item Collection Service events per service day for the SBWMA Service Area ("daily limit"). The maximum number of daily events includes On-Call Bulky Item Collection Service events provided to both Single-Family and Multi-Family Residential Complexes, and those events provided at no charge and events paid for by the Customer, Owner, or property manager. Contractor shall schedule On-Call Curbside Bulky Item Collection Service events no more than ten (10) Business Days after the Owner's or Occupant's request up to the maximum number of daily events. Upon reaching the maximum number of daily events, requested On-Call Curbside Bulky Item Collection Service event shall be scheduled on the next available regularly scheduled Solid Waste Collection Day.

SBWMA may adopt an allocation system for On-Call Bulky Item Collection Service events, in order to allocate the "daily limit" for such events among Member Agencies. If adopted, Contractor shall comply with the allocation system.

The Agency agrees not to assess Liquidated Damages if Contractor does not meet the ten (10) Business Day requirement if the delay has resulted from (i) the volume of On-Call Bulky Item Collection events being in excess of the "daily limit" for the SBWMA Service Area or Agency, or (ii) the Customer's request to schedule the event on a date more than ten (10) Business Days in the future.

Contractor shall notify the SBWMA and Agency when the daily average number of events reaches one hundred and forty (140) events, where the daily average is calculated on a weekly basis. When this threshold occurs, Parties shall meet and confer to agree on a strategy for handling the volume of Bulky Item Collection Service events.

5.06 AGENCY FACILITY ON-CALL BULKY ITEM COLLECTION SERVICE

Contractor shall provide each Agency Facility with one annual On-Call Bulky Item Collection service event and shall not bill Agency for such services. Agency may request additional Bulky Item Collection service events; and, Contractor shall bill for the additional service at Agency-approved Charges specified in Attachment Q. The On-Call Bulky Item Collection Service provisions set forth in Section 5.05 shall apply to the On-Call Bulky Item Collection Service provided to Agency Facilities with the following exceptions for frequency and service level/acceptable materials.

A. **Frequency of Service**

Contractor shall provide this service to each Agency Facility annually.

B. **Service Level/Accepted Materials**

Agency Facilities may place for Collection, Solid Waste, Recyclable Materials, and/or Organic Materials with the following allowances:

1. Solid Waste – Contractor shall provide a six (6) cubic yard or smaller Bin upon request.

2. Recyclable Materials, Organic Materials – Up to two (2) cubic yards of materials per event, provided that such materials, except as set forth below have been bagged, boxed, bundled, or containerized by the Customer.

3. The Agency may place up to three (3) large items from the categories below:

   a. Major Appliances – One (1) large appliance per event (e.g., washing machine, clothes dryer, refrigerator, freezer).

   b. Bulky Items – One (1) large Bulky Item per event (e.g., reusable furniture, mattresses, four tires).

   c. E-Scrap – One (1) item per event (e.g., a computer, computer monitor, or television).

Contractor shall reject: liquids or sludge; dirt, rock, concrete, or asphalt; materials which exceed five (5) feet in length; commercial-sized refrigerators or freezers; Construction and Demolition Debris; Hazardous Waste; or, Infectious Waste. Contractor may reject any individual item that weighs more than two-hundred (200) pounds (excluding Major Appliances) unless Customer has paid, or has agreed in advance to pay an additional fee for service at Agency-approved Charges specified in Attachment Q, and Contractor may reject un-containerized Discarded Materials with the exception of Major Appliances, Bulky Items, E-Scrap, and large pieces of Organic Material such as tree limbs and dimensional lumber.

5.07 CONFIDENTIAL DOCUMENT DESTRUCTION SERVICE EVENT

The SBWMA will take the lead in scheduling one confidential document destruction service event for each Member Agency annually at no additional cost to Agency or Customers. The SBWMA will hire and pay for a third party document destruction service provider to service the event. The document destruction service provider shall provide adequate equipment and staffing necessary for the event and shall ensure full destruction of confidential documents and other materials delivered by Customers to the site of the event. Contractor shall reimburse the SBWMA for the cost of one confidential document destruction event per Member Agency per year, up to maximum of one thousand two hundred dollars ($1,200.00) per event, but otherwise shall have no involvement with the event. The cost reimbursement amount shall be adjusted annually commencing with Rate Year Twelve (2022) by one hundred percent (100%) of the Annual Index Change in CPI-U, as defined in Attachment K.

5.08 COLLECTION FOR LARGE VENUES AND COMMUNITY EVENTS

Contractor shall provide Collection services, upon request, to any Venue and Community Event within Service Area. Specifically, Contractor shall provide, at a minimum, Solid Waste and Targeted Recyclable Materials Collection services, and shall also provide Organic Materials Collection services if one (1) cubic yard or more of Organic Material is generated per day at the Venue or Community Event. Contractor shall provide Collection as frequently as requested by the Agency or the Community Event organizer. Contractor shall provide an adequate number and type of Collection Container(s) for the Venue or Community Event and shall coordinate its Collection services with Agency or Community Event organizer. Containers shall be appropriately labeled to collect Solid Waste, Recyclable Materials, or Organic Material, per the requirements specified by the SBWMA. Upon request of the Agency or the Community Event organizer, Contractor shall provide an adequate number of its employee(s) for each Community Event to ensure all Solid

Waste, Recyclable Materials, and Organic Materials Collection locations (i.e., Containers that are placed on-site for use by event patrons) are kept clean and uncontaminated; to empty or exchange Containers as the need arises; and to respond to overages or spills.

Within ten (10) Business Days of Contractor receiving a request to supply an Community Event with Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection services, the Contractor will either meet with or schedule a meeting with the Community Event organizer to discuss the Community Event's parameters, including location, number of people attending, type of Community Event, type of food being provided, and other related issues. Once parameters of the Community Event are determined, proper Containers will be provided by Contractor, with emphasis on Recycling and diversion of the materials generated.

Contractor shall also supply and staff an information booth at each Venue and Community Event, upon request from Agency. In addition, Contractor shall prepare and distribute information to the public at Venues and Community Events describing the Collection options available at the Venue or Community Event and promoting Recycling programs in the Agency, upon request from Agency. All information prepared for distribution to Venues and Community Events shall be approved by Agency prior to distribution. The Contractor shall report the Tonnage of material Collected at each Venue and Community Event to the Agency and, upon Agency request, to the Community Event organizer.

For Venues and Community Events, which are required to comply with the Large Venues and Events Recycling Law, codified at Public Resources Code Section 42648 et seq., Contractor shall assist the Venue or Community Event organizer in preparing a Recycling plan and reporting all information required by those provisions of the law. Contractor shall be required to provide, at a minimum, the following information for each Venue or Community Event:

1. List of qualifying large Venues and Community Events in Service Area.
2. Physical and mailing address.
3. Contact name, address, phone number, and email address.
4. Type of Venue or Community Event (e.g., museum, concert, sporting event).
5. Status of the Venue or Community Event written waste diversion/Recycling plan.
6. A description of the extent in which the plan has been implemented.
7. Service level provided (i.e., Solid Waste, Recyclable Materials, and Organic Materials).
8. Tons disposed and diverted, by material type.
9. Description of the scope and types of diversion programs provided.
10. Other information required by law.

Contractor shall provide the Collection services required by this Section for the Agency-sponsored Venues and Community Events listed on Attachment C, at no charge to the Agency or the Community Event organizer. A preliminary list of Agency-sponsored Venues and Community Events is provided in Attachment C. Agency may add additional events to those listed in Attachment C or modify this list if events change during the Term and shall make such modifications as part of the Three-Year Public Education Plan (in accordance with Section 7.03.B). If the number of events listed in Attachment C increases

during the Term above the number on the preliminary list on Attachment C, Contractor shall be entitled to receive compensation for the number of additional events provided service each Rate Year based on the Charges for additional events specified in Attachment Q. For other Venues and Community Events, Contractor may bill the Venue or Community Event organizer at the Agency-approved Charges for comparable On-Call Commercial Solid Waste and Organic Materials Collection Service. Recyclable Materials Collection service shall be provided at no additional cost to Community Events that subscribe to Solid Waste or Organic Materials Collection service.

5.09 ABANDONED WASTE CLEANUP COLLECTION SERVICE

A. **General**. Contractor shall provide abandoned waste cleanup Collection service to Agency as provided herein. Contractor shall schedule up to a maximum of thirty (30) abandoned waste Collection events per service day for the SBWMA Service Area. Contractor shall make every effort to collect abandoned waste within one (1) Business Day of being notified by Agency, SBWMA, Customer, or Contractor's vehicle drivers and route supervisors of the occurrence of abandoned waste or illegal dumping. Upon reaching the maximum thirty (30) events, Collection of abandoned waste event shall be scheduled and performed by Contractor on the next available service day. This service shall require Contractor to Collect abandoned or illegally dumped Solid Waste, Recyclable Materials, and Organic Materials. This service does not include Collection of litter or litter abatement activities.

Contractor shall notify the SBWMA and Agency when the daily average number of events reaches twenty-five (25) events, where the daily average is calculated on a weekly basis. When this threshold occurs, Parties shall meet and confer to agree on a strategy for handling the volume of abandoned waste Collection events.

B. **Materials to be Collected**. Contractor shall only be required to Collect abandoned waste materials of the types that Contractor is required to Collect under the On-Call Bulky Item Collection program, as specified in Section 5.05.D. Abandoned waste shall only be Collected by Contractor in public right of ways, and Contractor shall not be responsible for any Collection of abandoned waste materials that are on private properties or easements where ownership of properties are in question or shared.

C. **Collection Protocols.** For abandoned Recyclable Materials, Organic Materials, and Solid Waste, Contractor shall dispatch its regular route drivers to provide Collection service. For Bulky Items, Contractor shall dispatch a Collection vehicle capable of Collecting the Bulky Items to provide the Collection service. For other items including, but not limited to, Hazardous Waste, Household Hazardous Waste, and Sharps, Contractor shall promptly notify Agency.

D. **Processing**. All abandoned or illegally dumped materials Collected by Contractor shall be transported to Shoreway Recycling and Disposal Center for processing, with the exception of scrap metal, and all related diversion statistics shall be included in the appropriate reports to the Agency for all materials Collected. Contractor shall be allowed to transport scrap metal directly to a licensed scrap metal recycler. Contractor shall, to the greatest extent possible, deliver all reusable non-metal abandoned waste items to organizations such as Society of St. Vincent de Paul and Goodwill Industries, or other organizations as directed by Agency.

E. **Agency-Specific Reporting**. The Agency may request Contractor to interface with an Agency-specific web-based application for reporting completion of abandoned

waste collections. In such case, Agency shall compensate Contractor on an annual basis for this additional effort at a rate to be mutually agreed by Agency and Contractor.

5.10 COATS FOR KIDS PROGRAM

If requested by Agency, Contractor shall implement a "Coats for Kids Program" annually at no additional cost to Customers and shall not bill Agency for such services. The program shall consist of Contractor's drivers Collecting coats from Customers on their route over a one (1) to two (2) week period during the fall, as well as from Collection Containers placed by Contractor in various public locations specified by Agency, such as libraries, City Hall, and businesses. The coats collected through this program will be sorted and laundered by Contractor, and arrangements made by Contractor for distribution to a local non-profit organization, such as the Family Services Agency. Prior to the implementation of the program, Contractor shall present a detailed program plan to Agency for review and approval. All related diversion statistics shall be included in the appropriate reports to the Agency. Annually, no later than sixty (60) Days prior to the start of the program, Contractor shall notice Agency regarding the program start and end date.

The general scope of outreach that shall be conducted in order to properly promote the program shall include, but not be limited to promotion on websites, and distribution of media such as flyers and press releases.

5.11 COMPOST GIVE-AWAY

Contractor shall coordinate with the Agency to host "Bring Your Own Bucket" (BYOB) giveaway of compost to residents. Contractor shall take the lead in organizing the delivery of compost by Operator to either Shoreway Environmental Center (if Contractor is delivering compost in a Drop Box) or directly to the event (by Operator). The BYOB compost giveaway shall provide residents with free compost to enrich their gardens while also educating residents on the benefits of home composting. If included in the Three-Year Public Education Plan as a requirement, Contractor representatives shall be on hand to distribute Recycling guides and other educational material promoting waste reduction and Recycling. Contractor is required to deliver to Agency thirty (30) cubic yards of compost annually in one (1) or two (2) deliveries for the BYOB events and/or for use at Agency facilities and shall not bill Agency for such services. Agency shall schedule events as far in advance as possible. Contractor can only schedule up to four (4) events in any weekend and lead-time is needed to ensure adequate promotion of the event. The SBWMA will take the lead promoting the BYOB events. If Agency requests delivery of more than thirty (30) cubic yards of compost annually, Contractor shall provide the delivery and bill Agency the Charge specified in Attachment Q or Contractor shall be entitled to an increase in Contractor's Compensation for the Rate Year that the compost is delivered to Agency based on the Charge specified in Attachment Q.

5.12 RESERVED

5.13 COMMUNITY DROP-OFF EVENTS

Upon request by Agency, Contractor shall hold drop-off events at a location selected by the Agency to allow Residential Customers to drop off acceptable materials. Acceptable materials, which shall be determined by the Agency, may include one or more of the following: E-Scrap, Universal Waste, Recyclable Materials, Organic Materials, and Solid Waste.

A. General Requirements. Contractor shall promote, manage, staff, and operate drop-off event(s) for Residential Customers scheduled for one (1) weekend Day (i.e., Saturday or Sunday) or two (2) consecutive weekend Days upon request from Agency.

The Agency shall approve the date of the drop-off event and all advertisements or public announcements related to such event. Contractor shall promote the event by preparing Billing inserts to be included in each Customer's Bill and by advertising in a minimum of two local area newspapers as approved by the Agency.

Contractor shall manage, staff, and supervise the event. Contractor shall provide traffic control and signage; inspect materials delivered to the event; separate materials; document each material type and quantity; transport Collected materials to reuse, processing, or Disposal locations; and clean up the location at the end of the event.

Contractor shall not charge Customers delivering materials to the event.

B. Accepted Materials. Customers may deliver and Contractor shall accept Major Appliances, Bulky Items, Source Separated Targeted Recyclable Materials, Source Separated Organic Materials, tires (i.e., four (4) per Customer, removed from rims, no commercial tires), clean unpainted wood, Construction and Demolition Debris, Universal Waste, E-Scrap, and Solid Waste. Contractor shall be allowed to reject: liquids or sludge; cement; dirt; asphalt; concrete; Hazardous Waste; or Infectious Waste. Contractor shall not establish a limit on the volume or weight of materials that a Customer may bring for Collection.

C. Participants. Contractor shall verify Residents live in the Agency by reviewing a driver's license or utility bill.

D. Event Hours. Contractor shall accept materials from Residential Customers over one (1) weekend Day (i.e., Saturday or Sunday) or two (2) consecutive weekend Days from 8:00 a.m. to 5:00 p.m.

E. Recycling and Reuse. Contractor shall Collect materials in a manner that maximizes reuse, Recycling, composting, and diversion of materials from Disposal. Contractor shall make reasonable efforts to ensure that diversion goals are met or exceeded. Contractor shall separate Recyclable Materials and Organic Materials and transport such materials to the Designated Transfer and Processing Facility or an alternative processing site with advance authorization from Agency. Contractor shall coordinate with re-use vendor(s) to have a representative present at the drop-off event to accept donated clothes or other reusable items. Disposal of materials shall be the Contractor's last option.

F. Handling Major Appliances. Major Appliances shall be reused, Recycled, or Disposed by Contractor in accordance with requirements of Applicable Law. Any changes to such regulations made after January 1, 2011 shall be addressed as though they are a Change in Law in accordance with Section 11.05.

G. Scheduling Community Drop-Off Events. Upon request from Agency, Contractor shall promote, manage, staff, and operate community drop-off events described in this Section. If Agency exercises such right, it shall provide written notice to Contractor at least three (3) months before the first day of the requested drop-off

event. Agency shall compensate Contractor for such service based on Contractor's Charge specified in Attachment Q.

H. Confidential Document Destruction Service. If requested by Agency, Contractor shall provide confidential document destruction service at the drop off event(s). Contractor shall provide adequate equipment and staffing necessary for the event and shall ensure full destruction of confidential documents and other materials delivered by Customers at the site of the event. This service shall be provided by Contractor at no additional cost to Customers and shall not bill Agency for such services.

5.14 MIXED USE BUILDINGS

A. **General**. Contractor shall provide Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection services to Mixed Use Building Customers in accordance with the requirements for provision of these services to Commercial Customers pursuant to Sections 5.02.C, 5.03.D, and 5.04.C. Contractor shall work cooperatively with the Owner or property manager of the Mixed Use Building to agree on the type and size of Containers to be provided and whether or not the Commercial and Residential portions of the Mixed Use Building will share service or have designated Containers for Collection.

B. **Service Capacity**. For the Residential Premises of the Mixed Use Buildings, Contractor shall provide no less than ninety-six (96) gallons per week of Solid Waste Container capacity for every five (5) Residential dwelling units. At a minimum, Contractor shall provide twenty (20) gallons per week of Container capacity for Single-Stream Targeted Recyclable Materials Collection for every Residential dwelling at the Mixed Use Building.

C. **Recycling Tote Bags**. Contractor shall provide the Residential Premises units of the Mixed Use Building with Recycling Tote Bags in accordance with the Multi-Family Recycling Tote Bags requirements pursuant to Section 5.03.C.2.

D. **Household Battery and Cell Phone Collection**. Contractor shall provide the Residential Premises of the Mixed Use Building with Household Battery and Cell Phone Collection in accordance with the Multi-Family Household Battery and Cell Phone Collection service requirements pursuant to Section 5.03.C.3.

E. **Bulky Item Collection**. Contractor shall provide the Residential Premises of the Mixed Use Building with two (2) annual On-Call Bulky Item Collection Service events per Mixed Use Building in accordance with the Multi-Family On-Call Bulky Item Collection service requirements pursuant to Section 5.05. Such service must be requested by the Owner or property manager.

F. **Recycling Promotion**. Contractor shall provide the Residential Premises of the Mixed Use Building with the Recycling promotion services that are provided to Multi-Family Dwellings under Section 7.05, and shall provide the Commercial units of the Mixed Use Building with the Recycling promotion services that are provided to Commercial Premises under Section 7.04.

G. **Holiday Tree Collection**. Contractor shall provide Holiday Tree Collection Service to Residential Premises of the Mixed Use Building in accordance with the Multi-Family Holiday Tree Collection Service requirements in Section 5.04.E.

H. **Other**

1. Conflict. The Parties acknowledge that Mixed Use Building is a new category and that Mixed Use Buildings may be coded in Contractor's software system as Multi-Family Residential Complexes, as Commercial Customers, or (in the event of separate accounts for the Residential and Commercial parts of the Premises) as both. In the event of any conflict between the provisions of this Agreement relating to Mixed Use Buildings, on the one hand, and those relating to Multi-Family Residential Complexes or Commercial Premises, on the other hand, the provisions relating to Mixed Use Buildings shall govern.

2. Customer Database. Contractor shall use good faith efforts, within the constraints of its existing software system and cost structure, to develop a method for coding Mixed Use Buildings in the Contractor's customer service and routing databases to allow for various reports to be generated for Mixed Use Buildings. The approach to coding the Mixed Use Buildings, and implementation thereof, shall be reviewed and approved by the SBWMA on or before the Commencement Date.

3. Collection Vehicles. At its option, Contractor may provide Collection service to Mixed Use Buildings using its Single-Family or Commercial Collection vehicles.

ARTICLE 6
TRANSPORTATION

6.01 TRANSPORTATION OF COLLECTED MATERIALS

Contractor shall transport and deliver all Solid Waste, Source Separated Targeted Recyclable Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries, Cell Phones, Bulky Items, Abandoned Waste, and Organic Materials Collected under this Agreement to the Designated Transfer and Processing Facility. Once Collected materials are deposited by Contractor at the Designated Transfer and Processing Facility, such materials shall become the property of SBWMA or Operator. The Contractor is not responsible for providing processing services except as provided in Section 6.04.

6.02 LIMITATIONS ON CONTAMINATION

A. **General**. The Agency is required by the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061, and SB 1383) and its implementing regulations to divert a substantial portion of Solid Waste generated by residents, businesses, and institutions within its Service Area from Disposal at a landfill. In order to accomplish this, the Agency, through the SBWMA, has made a major investment in new recycling equipment and facilities at Shoreway Recycling and Disposal Center. In order for that equipment to operate efficiently, the amount of Contamination in loads of Recyclable Materials, Organic Materials, and Plant Materials delivered to Shoreway Recycling and Disposal Center must be limited to specific levels. Moreover, higher levels of Contamination can make processed Recyclable Materials unmarketable or substantially reduce the price that purchasers are willing to pay. The cost that the SBWMA must charge users of Shoreway Recycling and Disposal Center (including Agency) is directly affected by the amount of revenue generated by sales of Recyclable Materials processed by its Operator. Therefore, for both environmental and financial reasons, it is important that Contractor place a high priority on ensuring that Contamination in loads of Recyclable Materials, Plant Materials, and Organic Materials delivered to Shoreway Recycling and Disposal Center is minimized. Contractor shall work collaboratively with Agency and SBWMA to accomplish this and will implement the specific measures described in this Section and Section 6.03.

B. **Contamination Levels**. The maximum Contamination Levels for each category of Recyclable Materials, Plant Materials, and Organic Materials are specified in Table 1.

Table 1. Maximum Contamination Levels

Material Category	Maximum Contamination Level (% by weight)
Commercial Source Separated or Targeted Recyclable Materials	10%
MFD and Commercial Plant Materials	5%
Single-Family Organic Materials	5%
Commercial Organic Materials	10%

If two (2) or more loads from the same route are brought to Shoreway Recycling and Disposal Center in a given month with Contamination Levels greater than those specified in Table 1, Contractor shall visually inspect materials at the point of Collection on that route to identify the source of the Contamination. If the source can be identified, Contractor shall follow up with the Customer(s) that need further assistance to reduce Contamination and to resolve the Contamination issue. At any time, the SBWMA may request for the sampling of a load of materials.

C. **Inspecting for Excessive Contamination in Single Loads**

The Operator will inspect loads of materials delivered to Shoreway Recycling and Disposal Center. The Operator may set aside for sampling a load of material that appears to exceed the Contamination Levels in Table 1.

When setting aside a load for sampling, the Operator will document the truck number, the date and time of delivery, and will take a photograph of the load. The methodology for sampling of single loads is set forth in Attachment E.

If an entire load is sorted to determine Contamination, as contemplated by subsections D and E below, then Contractor or its representative shall have the right to be present at, observe, and photograph and video all aspects of the sort.

D. **Supplemental Processing Fee for Excessive Contamination in Salvageable Single Loads**

If a load of materials is determined based on (1) sorting of the entire load, or (2) sample testing pursuant to Section 6.02.C to contain Contamination in excess of the levels specified in Table 1, but is determined by the SBWMA to be salvageable, Contractor shall be required to pay SBWMA a supplemental processing fee of $25.00 per Ton for the load.

The supplemental processing fees shall be adjusted annually by the Annual Index Change in CPI-U in the same manner described in Attachment K.

E. **Payment of Transfer, Transportation, and Disposal of Unsalvageable Single Loads**

If a load of materials is determined based on (1) sorting of the entire load, or (2) sample testing pursuant to Section 6.02.C to contain Contamination in excess of the levels specified in Table 1, and is determined by SBWMA to be unsalvageable, Contractor shall reimburse SBWMA for the cost of transfer, transportation, and Disposal of the load, which shall be calculated as the weight of the load multiplied by the then-current per-Ton fee for transfer, transport, and Disposal pursuant to the agreement between the SBWMA and Operator.

6.03 CONTRACTOR METHODS OF CONTROLLING CONTAMINATION

A. **General**. Contractor shall assist in controlling Contamination Levels by helping to educate Customers on acceptable and non-acceptable materials, by monitoring the contents of Collection Containers and by refusing to Collect Containers of Targeted Recyclable Materials, Plant Materials, and Organic Materials that appear to exceed the maximum Contamination Levels in Section 6.02 Table 1, all as and to the extent set forth in this Section 6.03.

Drivers that dismount from Collection vehicles in order to empty Containers shall lift the Container lid and observe the contents. If Contamination appears to be present

in excess of the applicable maximum Contamination Level, the driver will not empty the Container, but will instead affix a "non-collection notice." The non-collection notice shall (i) inform the Customer of the reason(s) for non-collection, (ii) include the date and time the notice was left, and (iii) describe the premium Charge to Customer for Contractor to return and Collect the Container after Customer removes the Contamination. The driver shall document the non-collection event and a customer service representative shall update the Customer's computerized account record to note the event. Upon request from Customer, Contractor shall Collect Containers that received non-collection notices within one (1) Business Day of Customer's request if the request is made at least two (2) Business Days prior to the regularly scheduled Collection Day. Contractor shall bill Customer for the extra Collection service event ("extra pick-up") at Agency-approved Charges specified in Attachment Q only if Contractor notifies Customer of the premium Charge for this service at the time the request is made by Customer.

Drivers providing automated Collection service shall observe, via the hopper video camera and monitor system, the contents of the Containers as it is being emptied into the vehicle. If the driver observes Contamination in excess of the applicable maximum Contamination Level, the driver shall affix a "courtesy notice" to the emptied Container. The courtesy notice shall (i) inform the Customer of the observed presence of unacceptable levels of Contamination, (ii) include the date and time the notice was left, (iii) describe the premium charge to Customer for Contractor to return and Collect Contaminated Containers after Customer removes the Contamination. The next day on which that Customer is to receive service, the driver shall dismount the Collection vehicle, lift the lid of the Container, and visually inspect the contents. If the driver determines that the Container again contains excess Contamination, the Container shall not be Collected. Instead, the driver will record the non-collection event in the on-board computer system and shall affix a non-collection notice to the Container.

If a driver observes Hazardous Materials in an uncollected Container, the driver shall record that observation in the on-board computer system and also inform the route supervisor. The route supervisor shall investigate and initiate applicable action within one (1) Business Day.

Whenever a Container at a Commercial or a Multi-Family Dwelling Complex Customer is not Collected, Contractor shall contact the Customer on the scheduled Collection Day by telephone to explain why the Container was not Collected. Whenever a Container is not Collected because of excess Contamination, a customer service representative shall contact the Customer to discuss, and encourage the Customer to adopt, proper materials-preparation and separation procedures.

B. **Periodic Route Audits.** Contractor shall conduct a route audit of any route from which two (2) or more loads are found to exceed the applicable maximum Contamination Levels set forth in Section 6.02 Table 1 during any thirty (30) day period, as well as any other route whose loads consistently exceed the maximum Contamination Levels.

When a route is identified as requiring a route audit, Contractor will provide a route auditor to precede the Collection vehicle and physically examine the contents of each Container or Cart prior to emptying. The route auditor shall affix non-collection notices to at least ninety percent (90%) of all Containers that contain Contamination in excess of applicable maximum Contamination Levels.

Contractor shall submit a monthly route audit report within five (5) Business Days after the end of each route audit that has been conducted during the previous month. The report shall describe in detail Contractor's conduct of the audit, as well as the public education and outreach activities that it employed to encourage and facilitate changes in Customer behavior that will reduce Customers discarding Contamination in Containers designated for Recyclable Materials or Organic Materials.

The audit of a route shall continue for a period of four (4) consecutive weeks after the route has been identified as requiring an audit under the first paragraph of this Section 6.03.B.

6.04 PROCESSING OF OTHER MATERIALS

Upon request by Agency, and with the prior approval of SBWMA, the Contractor shall be responsible for, or shall arrange for, processing, Recycling, and/or reuse of Bulky Items, Major Appliances, and Specialty Recyclable or Reusable Materials (excluding Construction and Demolition Debris) Collected pursuant to this Agreement. If Agency determines a need for processing of other materials, changes can be made as described in Section 15.12.

ARTICLE 7
OTHER SERVICES

7.01 CUSTOMER BILLING

A. **Billing**. Contractor shall prepare and mail Bills for services provided to Customers by Contractor and shall collect Customer payments.

1. Frequency. Contractor shall Bill Single-Family Customers quarterly in amounts equal to the Agency-approved Rates and Charges for service for a three (3) month period (i.e., using a quarterly format), unless the Agency requests a more frequent Billing interval in which case the Contractor shall be entitled to a reasonable adjustment in its compensation related to the additional costs for the Agency-directed change in Billing frequency. Contractor shall issue Single-Family Residential Bills three (3) months in advance in a manner such that one-third (1/3) of SFD Customers are Billed each month. Contractor shall bill Multi-Family Dwelling and Commercial Customers monthly in arrears in the amount equal to Customers' subscribed Rates and Charges for service for a one (1) month period.

2. Automated Billing and Payment. In an effort to reduce paper waste, Contractor shall make available to all Customers an automated Billing and payment system. This system should be website-based and allow Customers to view and pay Bills through Contractor's website. Through the Contractor's website, Customers may request to cease paper Billing and receive all Bills through e-mail and/or Contractor's website. Contractor shall ensure that the electronic Billing and payment website conforms to industry-standard practices for electronic commerce security. However, Contractor shall ensure that these Customers are compiled in a list to ensure that Billing inserts are mailed directly.

3. Bill Format. Contractor shall Bill Customers using a Bill format (i.e., post-card Billing format or conventional envelope/insert) approved by the Agency, if Customer does not opt-out by requesting use of the automated Billing and payment system. Contractor shall promote the website-based Billing and payment system on all paper Bills sent to Customers. Agency shall have the right to revise the Billing format (e.g., size, font, frequency, etc.) and to itemize certain charges and to review the Billing procedures. Contractor shall be compensated for any cost increases that result from the Agency-directed change to the Billing format.

4. Records. Contractor shall maintain, for inspection by the Agency, copies of Customer Billings and receipts, in chronological order, for a period of five (5) years after the date of service. Contractor shall maintain those records in electronic format. SBWMA and Agency staff or representatives shall be given access to such records upon one (1) Business Day notice.

Agency shall be allowed to access and review Contractor's Billing systems on an appointment basis and such access shall not be unreasonably withheld by Contractor.

5. Rates. Agency shall establish, by resolution or ordinance, Rates for the types of service provided as described in Section 11.07 or elsewhere in this Agreement. Contractor shall Bill and collect at those Agency-approved Rates.

6. Service Stops. Contractor shall allow Customers to suspend service and Billings when the Premises are unoccupied. Single-Family Residential Customers may suspend service for a minimum of one (1) Service Day on a maximum of three (3) occasions each Rate Year. Commercial Customers may suspend service for a minimum of two (2) Service Days on a maximum of six (6) occasions each Rate Year. Multi-Family Customers may not suspend service without prior written approval from Agency. The Billings for both Residential and Commercial Customers shall be prorated by Contractor in accordance with Customer's requests to suspend service.

B. **Delinquent Payment**. Residential Customers shall be considered delinquent sixty (60) Days after start of the quarter in which the services are provided, and Multi-Family Dwelling and Commercial Customers shall be considered delinquent thirty (30) Days after payment is due. Contractor shall address the issue of delinquent payment as specified in Attachment H.

C. **Local Office**. Contractor shall maintain a local office in the Shoreway Environmental Center, located at 225 Shoreway Road, San Carlos, California, for acceptance of in-person payment of bills. If office space at Shoreway Environmental Center becomes unavailable for the Contractor's use, Contractor shall establish a local office in the SBWMA Service Area. Such a change shall be considered an Agency-directed change in scope and handled in accordance with provisions in Section 15.12. At the local office, Contractor shall accept as payment personal checks, money orders, cashiers' checks, and credit cards. The local office shall be open for business from 8:00 a.m. until 5:00 p.m. Monday through Friday, exclusive of Holidays specified in Attachment A for the local office.

D. **Contractor Revenue Collection.** Contractor shall collect revenue for services described herein on behalf of the Agency. Revenues collected on behalf of the Agency or SBWMA shall be handled as described in Article 11 of this Agreement.

E. **Review of Billings**. Contractor shall review its Billings to Customers, issued pursuant to Section 7.01.A. The purpose of the review is to determine that the amount which Contractor is Billing each Customer is correct in terms of the level of service (i.e., frequency of Collection, size of Container, location of Container) being provided to such Customer by Contractor. Contractor shall review Customer accounts not less than once every three (3) calendar years for each Commercial, Multi-Family Dwelling, and SFD Customer, unless Agency directs Contractor to do so more frequently. Contractor shall submit to Agency a written report of the status of its review annually no later than forty-five (45) Days after the end of each calendar year. The intent of this Section is for Agency to receive reports on an annual basis for one-third (1/3) of all Customer accounts, and for all Customer accounts to be reviewed every third year of the Agreement. The scope of the review and the reviewer's work plan shall be submitted to Agency for approval no later than six (6) months before the submission of the first report.

F. **Agency or SBWMA Billing Review.** Contractor acknowledges that Agency or SBWMA may perform, or cause to be performed, Billing reviews periodically. Contractor agrees to participate and cooperate with SBWMA and Agency and its

agents to accomplish these reviews and conduct any data collection and report preparation that may be requested. The Contractor's full cooperation with these reviews may include, but is not limited to: (i) allowing Agency or SBWMA staff or consultants to ride along with drivers in Collection vehicles during daily Collection operations; (ii) providing for interviews of personnel at all levels, with or without management oversight; (iii) providing reporting related to franchised operations available through Contractor's automated systems; and, (iv) adjusting routing, public information, outreach, or program availability based upon the recommendations of the audit, if approved by the SBWMA or Agency.

G. **Privacy of Customer Information.** Contractor shall not distribute or sell Customer, Owner, or Occupant information such as names, addresses, and telephone numbers to other Persons with the exception of distribution to the Agency, SBWMA, or its agents for reporting and contract compliance purposes and distribution to Contractor's Billing agent (if Contractor uses a Related Party Entity or Subcontractor for Billing purposes).

7.02 CUSTOMER SERVICE

Contractor is responsible for ensuring that all staff and Customer service representatives (CSR) maintain a professional and courteous demeanor when in contact with Agency, SBWMA, and the public. Contractor shall be responsible for all employee interactions with Customers, SBWMA, and Agency staff. Contractor is required to ensure that its Customers are consistently treated courteously and are presented with timely, responsive, and thorough solutions to problems and requests for information. Contractor shall meet monthly to discuss compliance with the Customer service standards described herein if requested by Agency.

A. **Local Office**

Contractor shall operate a local office at the Shoreway Environmental Center, located at 225 Shoreway Road, San Carlos. If office space at Shoreway Environmental Center becomes unavailable for the Contractor's use, Contractor shall establish a local office in the SBWMA Service Area. Such a change shall be considered an Agency-directed change in scope and handled in accordance with provisions in Section 15.12. Contractor's office hours shall be, at a minimum, from 8:00 a.m. to 5:00 p.m., Monday through Friday, exclusive of Holidays specified in Attachment A for the local office. Contractor shall be responsible for ensuring that a qualified representative is available at a local office within the SBWMA Service Area during office hours to communicate with the public and accept Bill payments from Customers. Contractor shall offer bi-lingual Customer service at the local office by employing CSRs with English and Spanish language capabilities. The local office and Customer service telephone number(s) shall either be a local or toll free call.

Contractor's telephone system shall adequately handle the volume of calls typically experienced on the busiest days. Contractor shall have a company representative, an answering service, or voice-mail system available for calls received during non-business hours and Holidays specified in Attachment A for the local office.

Contractor shall employ sufficient Customer service staff and management practices to ensure that the Average Speed of Answer is equal to or less than thirty (30) seconds and the maximum Hold Time is ninety (90) seconds or less.

Contractor shall be required to track all informational requests so that appropriate public outreach materials can be designed to target commonly asked questions. Contractor shall be responsible for promoting use of the Contractor's website for scheduling of On-Call Collection Service events and obtaining answers related to common informational requests through: (i) public education and promotion materials; and, (ii) a recorded message Customers will hear while on-hold with the Customer service department.

Contractor shall maintain and publicize an e-mail address whereby Customers can communicate with the Contractor's Customer service staff. Contractor shall monitor the email at least once per Business Day, and ensure that a twenty-four (24) hour response time is maintained.

B. **Customer Service Call Center and Staffing**

Contractor is required to operate a Customer service call center that will serve as the primary telephone point of contact and information for all services. The Customer service call center hotline is required to be staffed live during regular business hours (i.e., Monday through Friday 8:00 a.m. to 5:00 p.m.) by sixteen (16) Customer service representatives (includes one (1) receptionist who performs Customer service activities). In addition, the Customer service call center shall offer multi-lingual Customer service by employing a minimum of two (2) bilingual Customer service representatives with English and Spanish language capabilities, and contracting with a service to provide bilingual capacity for other languages including Cantonese, Mandarin, and Vietnamese. Contractor shall provide immediate access to interpreters for over one-hundred and seventy-five (175) languages through the use of Language Line service, or a similar service.

C. **Website**

Contractor shall maintain and publicize an up-to-date website whereby Customers can conduct business with Contractor in both English and Spanish. Contractor is required to update the website monthly, and more frequently if necessary. At a minimum, the website shall:

1. Allow Customers to view and pay Bills issued by Contractor, as required in Section 7.01;
2. Allow Customers to schedule services Including On-Call Service events, On-Call Bulky Item Collections, extra Collections, service changes, temporary Drop Box service, service terminations, and service stops;
3. Provide answers to frequently asked questions Including: proper Container set-out instructions; list of acceptable Recyclable and Organic Materials; Collection Days (in response to Customer input of service address); Billing issues, Customer service telephone and e-mail contact information; and the Designated Transfer and Processing Site hours, directions, and acceptable materials;
4. Provide complete list of Agency-approved Rates and Charges for all Customers;
5. Allow Customers to file Complaints and receive from Contractor e-mail responses to Complaints;
6. Provide a link to enable Customers to email Contractor; and,

7. Maintain and produce visitor logs and reporting including website and individual page visitation, number of web-based Bill payments per month, number of website-submitted Complaints per month, and individual and summary Customer Complaint and resolution reporting.

D. **Customer Information System Requirements**

Contractor is required to use a Customer information system with software applications capable of documenting all correspondence and conversations, pertaining to the services specified herein, between Contractor, Customers, Occupants, Agency, and SBWMA. The system shall include, at a minimum, the following data fields:

1. Date and time of Customer correspondence or contact with Contractor (e.g., phone call, email)
2. Date and time response was provided
3. Date and time resolution was provided
4. Customer's name and contact information (multiple phone numbers and email addresses)
5. Account address
6. Service address
7. Occupant address
8. Service location information including:
    a. Number of units
    b. Number, size, and type of Solid Waste, Organic Materials, and Targeted Recyclable Materials Containers
    c. Collection Service Day
    d. Route number
    e. Backyard service status
    f. Special Handling Service status
    g. Bulky Item Collection history (e.g., number of annual services performed, date requested, date provided)
9. Service issue, Complaint, or Inquiry
10. Time frame stipulated for Contractor to resolve issue
11. Description of Contractor's resolution of service issue or Complaint, or response to Inquiry
12. Date and time that Contractor's resolution took place
13. CSR or Contractor's employee identification code of employee inputting the Complaint or Inquiry
14. CSR or Contractor's employee identification code of employee inputting the resolution

The system shall be capable of:

1. Providing real-time access to complete Customer contact history from the commencement of service in 2011;

2. Providing Agency and SBWMA the capacity to submit work orders (e.g., specifying the Inquiry, Complaint, or request for service) electronically directly to Contractor using Contractor's web-based software;
3. Documenting non-Collection events including problem description and resolution;
4. Tracking non-Collection events necessary to fulfill the requirements in Section 8.02(F); and,
5. Fulfilling Customer service reporting requirements as specified in Article 9.

E. **Monthly Meetings with Agency.** If requested, Contractor shall meet monthly with Agency to discuss compliance with the Customer service standards specified in this Section 7.02, Attachment I (Performance Incentives and Disincentives), and Attachment J (Liquidated Damages).

F. **Quality Assurance Program.** Each month Contractor's Customer service representatives shall contact by telephone a minimum of two hundred (200) Customers within the SBWMA Service Area to inquire about the quality of their Customer service experience when interacting with the Contractor's Customer service center. The Customers contacted shall be (i) representative of different Service Sectors, (ii) distributed among Member Agencies, and (iii) selected from among Customers that have recently contacted the Contractor via phone and spoke live with a Customer service representative. The Customers contacted each day shall be randomly selected from the pool of Customers that contacted the Contractor the prior Business Day and such calls shall be evenly distributed (e.g., approximately 12 to 13 calls per Business Day) throughout the month with some exceptions as follows: calls will be made during non-peak call volume days (i.e., 2nd, 3rd, and 4th weeks after billing); and no calls will be made immediately after a holiday. When placing the calls, the Contractor will use a standardized survey that will be completed during the phone interview of the Customer. If a message is left with the Customer, the message left by the Contractor shall direct the Customer to complete an online survey. Both survey instruments (for phone interviews and online survey) shall have similar questions and be subject to approval by the SBWMA. Contractor employees placing the calls shall not be the same employee that spoke to the Customer the prior Business Day; Contractor employees shall be calling Customers that another employee spoke to the prior Business Day. Customer service representatives shall ask about (i) Customers' satisfaction with Solid Waste, Recyclable Materials, Organic Materials, and Bulky Item Collection services, (ii) Customers' satisfaction of the Customer service experience when interacting with the Contractor's Customer service department, and, (iii) Customer's suggestions for opportunities to improve service. The quality assurance program reporting requirements are specified in subsection 9.05.G.

G. **Preprogrammed Call Transfer.** Contractor shall maintain the ability to provide preprogrammed call transfer service to Agency. With this communications feature in place, when a Customer calls Contractor about an issue or concern that pertains to Agency but is not related to Collection services provided by Contractor, Contractor shall immediately transfer the phone call to the offices of Agency through a dedicated telephone line designated by Agency. The call transfer shall be seamless, and appear to the Customer as if Contractor were transferring the call internally.

H. **Customer Service Operations Plan.** Contractor shall annually submit its Customer service operations plan. The Customer service operations plan shall describe how Contractor uses its customer relationship management system, linked to on-board GPS tracking system, to share real-time information between Customers, drivers, customer service representatives, managers, and SBWMA and Agency staff. The plan will provide details on how Contractor automatically detects and records information on each Customer pickup, real-time transmission of service extras, blocked cars, safety notes, and exceptions to service.

7.03 PUBLIC EDUCATION AND PROMOTION

Contractor and Agency agree that all public education activities will be a collaborative effort among the SBWMA, Agency, and Contractor. Contractor shall be responsible for ensuring that its Customers consistently receive a high level of service and responsiveness.

A. **General.** Contractor acknowledges and agrees that education and public awareness are critical and essential elements of any effort to achieve diversion. Contractor shall educate Residential and Commercial Customers on the following: (i) the benefits of source reduction, reuse, Recycling, and Composting and related program opportunities; (ii) proper handling of Hazardous Waste; (iii) specific services offered by the Contractor; and (iv) Rates for Collection services. The public education program shall include distribution of public education materials when Collection services are changed during the Term; and when new Collection services are implemented during the Term. In addition, the public education program shall include on-going education activities throughout the Term. Educational materials that SBWMA will pay for, produce and jointly distribute, shall include, but not be limited to, those listed in Section 7.03(D).

B. **Three-Year Public Education and Recycling Technical Assistance Plan.** The SBWMA, Member Agencies, and Contractor shall cooperate to prepare a joint Public Education and Recycling Technical Assistance Plan every three (3) years (Three-Year Plan). The Three-Year Plan will be an SBWMA-wide plan; therefore, separate plans will not be prepared for each Member Agency. Generally, the Three-Year Plan will focus on coordinating public education and recycling technical assistance efforts and making efficient use of each Party's available resources in those areas. In the case of Contractor, the process may and potentially result in modifying Contractor's activities through a reallocation of Waste Zero Specialists' staff time and public education and outreach resources, to the extent they can be reallocated without causing the Contractor to default in performance of its expressed obligations under this Agreement.

The Parties shall cooperate to finalize the Three-Year Plan on or before January 1 of Rate Years Eleven (2021), Fourteen (2024), Seventeen (2027), Twenty (2030), Twenty-three (2033) and, if the Term is so extended, Twenty-six (2036) and Twenty-nine (2039). SBWMA and Contractor shall jointly develop a schedule for preparation of the Plan, which shall involve the following elements:

1. Public Education Plan. Working collaboratively with the Contractor, SBWMA will develop, and the Contractor shall review, the first section of the Three-Year Plan, which shall include a detailed list of public education activities to be undertaken by SBWMA and Contractor for the coming three (3) Rate Years. The plan shall list each public education piece or activity (e.g., newsletters, Bill inserts, flyers,

newspaper advertisements, website enhancements, etc.) to be prepared or conducted in the coming three (3) Rate Years, the purpose of the piece, the key subject(s) to be covered, the anticipated date of issuance/completion, performance standards, and quarterly reporting requirements. In addition, the plan shall list all Community Events for each Member Agency that the Contractor plans to attend and the public education it intends to provide at each such event (e.g., exhibit at Earth Day Event, Chamber of Commerce meetings, etc.) in the three (3) coming Rate Years.

2. Recycling Technical Assistance Plan. Working collaboratively with the SBWMA, Contractor shall develop a draft of the second section of the Three-Year Plan, which shall include a detailed list of Commercial, Mixed Use, and Multi-Family Recycling technical assistance activities to be undertaken by Waste Zero Specialists for the coming three Rate Years, the objectives of such activities, specific performance standards for the activities, the anticipated time frames for completion, the distribution of such activities across Member Agencies, quarterly reporting requirements, and any specific actions to be undertaken to meet the specific needs of one or more Member Agencies. Pursuant to Sections 7.04 and 7.13, SBWMA may request an adjustment in the staffing level for the Waste Zero Specialists.

3. Plan Review. SBWMA shall coordinate with the Member Agencies to seek input on the Three-Year Plan. After Member Agencies have provided their input, the Contractor shall provide the SBWMA with its final comments for both sections of the Three-Year Plan two (2) weeks after receiving the revised draft of the plan.

4. Completion of Plan Activities. During each Rate Year, the SBWMA, Agency, and Contractor shall each complete all elements and tasks specified in the Three-Year Plan that it has agreed to perform, in accordance with the schedule and budget presented in the Three-Year Plan. The Agency or SBWMA may, by providing written approval to Contractor, waive or postpone completion of any requirement of Contractor stated in the Three-Year Plan (it being understood that such right of Agency shall only apply to activities within Agency's Service Area). Waste Zero Specialists shall be dedicated to performing services for the SBWMA and Member Agencies and Customers within the SBWMA Service Area. Their main focus shall be on performing the tasks identified in the Public Education and Recycling Technical Assistance Plan. In addition to the tasks defined in the Public Education and Recycling Technical Assistance Plan, Agency recognizes that Waste Zero Specialists will participate in Contractor's employee programs such as company training programs, occasional staff meetings, and other activities, provided that such participation is commensurate with their position.

C. **Content and Production Requirements.** The SBWMA will prepare all public education materials and request that they be reviewed by Contractor prior to production. Contractor shall review and comment on the materials within two (2) weeks of request from the SBWMA or Agency. Bill inserts shall be designed and produced by the SBWMA with review and comment by Contractor, and approval from the Agency.

The public education materials shall emphasize use of visual/graphic images as much as practical. Furthermore, the materials shall include a clear listing of program participation parameters and targeted materials.

All public education materials shall be printed on paper containing the highest levels of recycled-content material reasonably practical.

The SBWMA shall develop a multi-lingual approach to preparing all public education materials, and all public education materials shall be provided in both English and Spanish.

D. **SBWMA and Agency Responsibilities**

SBWMA shall take primary responsibility for implementation of the public education and outreach campaign that will be used to announce changes in Collection services. Development of the public education and promotion strategy and implementation schedule will be a collaborative process among Contractor, SBWMA, and Agency.

The SBWMA and Agency's responsibilities with regard to public education and promotion activities shall include, but not be limited to, the following:

1. Provision of public education to SFD, MFD, Commercial, and Agency Facility Customers with a broad focus on waste prevention, reuse, and Recycling.
2. Preparation and distribution of newsletters for all SFD and MFD Occupants, at frequency determined by SBWMA or Agency.
3. Preparation and distribution of Multi-Family Dwelling toolkits for MFD complex Owners and managers.
4. Purchase of desk-side and other interior Targeted Recyclable Materials and Organic Materials receptacles for Commercial Customers.
5. Purchase of Recycling Tote-Bags for distribution to MFD complexes.
6. Preparation and distribution of an electronic newsletter for the Commercial sector and MFD complex managers.
7. Preparation and provision of outreach materials to schools.
8. Development and maintenance of SBWMA website.
9. Production of decals for Used Motor Oil jugs.
10. Production of Household Battery and Cell Phone Recycling bags.
11. Each Rate Year, SBWMA shall develop and produce the following Bill inserts (for distribution by Contractor):
    a. Annual On-Call Collection Services Collection notice (one (1) SFD Solid Waste Bill insert).
    b. Annual Holiday Tree Recycling notice (separate for SFD and MFD - two (2) Solid Waste Bill inserts).
    c. Annual "Reduce Holiday Packaging" notice (one (1) SFD and MFD Solid Waste Bill insert).
    d. Twice annual compost giveaway notice (two (2) SFD and MFD Solid Waste Bill inserts).
    e. Twice annual Commercial Recycling notice (two (2) Commercial Solid Waste Bill inserts).
    f. Annual Commercial Recycling awards notice (one (1) Commercial Solid Waste Bill insert).
12. If Agency or SBWMA requests distribution of additional Bill inserts, SBWMA or Agency shall develop and produce the Bill inserts.

13. Prepare and manage press releases.

E. **Contractor Responsibilities.** Contractor will be required to provide the following services:

1. Actively collaborate with Agency and SBWMA on the public education strategy and development of materials.
2. Distribute public education and promotion materials to new Customers during the Term.
3. Provide public education door hangers, posters, and other promotional materials to Multi-Family Dwelling Customers during the Term.
4. Deliver Recycling Tote-Bags to MFD complexes.
5. Deliver desk-side and other interior Targeted Recyclable Materials and Organic Materials receptacles for Commercial Customers and Agency Facilities.
6. Produce and deliver non-collection notices, in both English and Spanish. The format and content of the non-collection notices must be approved in advance by Agency and SBWMA.
7. Affix Used Motor Oil Recycling decals to jugs for inclusion in Used Motor Oil Recycling kits.
8. Assemble and deliver Used Motor Oil Recycling kits upon request from SFD Customers. Kits must be provided to Customer within five (5) Business Days of Customer request.
9. If approved by Agency, deliver Household Battery and Cell Phone Recycling bags upon request from Customers. Bags must be provided to Customer within five (5) Business Days of Customer request.
10. Staff a booth at local public events and distribute promotional and educational materials.
11. Coordinate with SBWMA regarding SBWMA student tours at Shoreway Environmental Center; make classroom presentations upon request; provide school activities for students about the 4Rs.
12. Conduct presentations at community meetings, service clubs, senior centers, and neighborhood associations.
13. Promote recycling and organics Collection programs on the sides of Collection and route supervisors' vehicles. These advertising campaigns must be approved in advance by Agency and SBWMA.
14. Each Rate Year insert with its Bills, up to twelve (12) Solid Waste Bill inserts produced by SBWMA or Agency. A total of nine (9) Bill inserts are specified in subsection D above.
15. If Agency has specified a post card Bill format, the notices described as "Bill inserts" shall be separately mailed by Contractor. In addition, if Bills (in whatever format) are mailed at intervals that do not accommodate the timely distribution of the specified notices, notices shall be separately mailed as necessary by Contractor. Agency shall reimburse Contractor for any postage fees paid by Contractor to conduct such separate mailings.
16. Contractor's outreach and education material shall place a strong emphasis on Recycling and reuse, encouraging Customers to take advantage of donation

opportunities offered by local non-profit organizations such as the Society of St. Vincent de Paul, Goodwill Industries, and the Salvation Army. In addition, Contractor shall promote other resources for reuse, such as the Freecycle Network™, an online resource for the free and local exchange of goods, the Resource Area for Teachers (RAFT), local schools, and other community organizations that are in need of reusable goods.

17. Upon request by Agency, Contractor shall promote its services to Customers using Agency's email distribution list or an email distribution list authorized by Agency.
18. As appropriate, Contractor shall request SBWMA or Agency to issue press releases related to programs, and, upon request, provide draft content for such press releases.

F. **Reserved**

G. **Meeting Requirements**

Upon request from Agency or SBWMA, the general manager or his/her designee is required to meet quarterly, and more frequently if necessary, with Agency and/or SBWMA staff to review public education and promotion activities. In addition, the general manager or his/her designee shall be required to represent Contractor at all monthly SBWMA Board of Director meetings.

H. **Agency Rights**

Contractor acknowledges that the public education and promotion activities listed are critical to the success of Agency's diversion performance relative to the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061, and SB 1383). As such, Contractor acknowledges Agency's rights to the following:

1. Contractor shall make available to Agency and SBWMA all public educational materials used by Contractor, which Agency and SBWMA shall approve prior to their use;
2. Agency and SBWMA shall retain the right to modify, expand, or reduce the minimum public education requirements;
3. Agency may require Contractor to work with a public education consultant selected by Agency or the SBWMA;
4. Agency may perform, or request that the SBWMA perform on its behalf, the public education efforts assigned to the Contractor; and,
5. Agency or SBWMA may provide additional, supplemental public education materials as it deems appropriate.

I. **Reporting Requirements**

Contractor shall prepare and submit reports related to its public education activities as provided in Article 9.

J. **Service Notice**

Contractor shall periodically prepare and distribute to each Customer a notice listing Agency-approved Rates for standard Collection services, Agency-approved Charges for other services, annual Holiday Collection Schedule, and a general summary of

services required under this Agreement to be provided Customers and optional services which may be furnished by Contractor. Such notice shall be approved by the Agency prior to distribution.

7.04 COMMERCIAL RECYCLING PROMOTION PROGRAM

A. **Commercial Recycling Promotion Program Staff.** Contractor shall maintain a Commercial Recycling promotion program staff that will be primarily responsible for supporting Commercial, Mixed Use Building, and Multi-Family Dwelling Accounts and Agency Facilities Recycling-related and Organics-related Collection services. The Commercial Recycling promotion staff for the SBWMA Service Area shall consist of Waste Zero Specialists (recycling coordinators), as specified in Attachment O.

Contractor shall notify Agency and SBWMA within ten (10) Business Days if any of the Waste Zero Specialists resigns or is terminated from employment, and shall use reasonable good faith efforts to initiate recruitment of the position within thirty (30) days.

If Contractor has one or more Waste Zero Specialist positions unfilled, as approved in the Three-Year Recycling Technical Assistance Plan, for more than ninety (90) Days, Contractor and SBWMA shall meet and confer regarding the reasons for the difficulty in filling the position(s) and ways to remedy the employment gap. In addition, Contractor shall reimburse Agency for the cost of each such unfilled position for the period exceeding ninety (90) Days. The Contractor shall calculate the cost reimbursement for the unfilled position(s) including the avoided cost of wages, benefits, payroll taxes, and workers compensation insurance, for such position and shall provide supporting documentation justifying its cost reimbursement calculations. Such reimbursement shall be made as a deduction to Contractor's Compensation through the annual Contractor's Compensation adjustment process described in Article 11 and Attachment K.

SBWMA reserves the right to request an increase or decreases in the number of Waste Zero Specialists. Such a change shall be considered an Agency-directed change in service and handled in accordance with provisions in Section 15.12.

B. **Signs and Placards.** Contractor shall be responsible for preparing, distributing, and posting signs at Commercial Collection Premises that promote Targeted Recyclable Materials and Organic Materials Collection services, describe the program requirements, and identify allowable and prohibited types of materials for Collection. At a minimum, the signs or placards shall be durable and weather resistant, and affixed in the Container areas. Upon request from Customer, Contractor shall provide signs and Container labeling in a second language such as, but not limited to, Spanish. Within ten (10) Business Days of a Customer's request, Contractor shall provide extra signs for use in areas such as employee training areas, break rooms, kitchens, and janitorial areas at Commercial Premises. The design of all signs and placards shall be approved by Agency or SBWMA prior to distribution by Contractor.

C. **Community Events.** At the direction of the Agency or SBMWA, Contractor shall participate in and promote diversion techniques at Community Events and local activities. Participation includes providing educational and public outreach information and promotional giveaways in an effort to promote the Agency's waste reduction and recycling program goals. Each year the Community Events that Contractor agrees to participate in shall be outlined in the Three-Year Public

Education Plan described in Section 7.03.B. Attachment C presents a preliminary list of the Community Events, which may be modified annually through the development of the Three-Year Public Education Plan, as described in Section 5.08.

D. **Notification to Commercial Customers.** Immediately upon request from a new or current Customer for new or changes in service, Contractor shall notify Customer by phone or email of the Targeted Recyclable Materials and Organic Materials Collection services offered by Contractor. Such notification shall be made available in English and Spanish.

E. **Targeted Commercial Recycling Promotion.** To assist Customers in maximizing participation in Recyclable Materials and Organic Materials Collection programs, Contractor shall provide Commercial Customers with on-site waste assessments based on visual assessment of Collection Containers and technical assistance in selecting appropriate service levels. In providing such assistance, Contractor shall follow the Three-Year Recycling Technical Assistance Plan described in Section 7.03.B, which will include details on the type of Commercial Recycling technical assistance promotion and the number of waste assessments for Customers to be provided in Agency's Service Area. For all other Commercial Customers not specified in the Three-Year Plan, Contractor shall provide technical assistance as needed or requested and visual on-site Collection Container assessments. Contractor shall document the names of the Customers receiving the waste assessments, the date of the assessment, the Solid Waste, Source Separated or Targeted Recyclable Materials, or Organic Materials service levels at the time of the assessment, and recommended changes to service level(s). Upon request, Contractor shall provide details of waste assessments to Agency or SBWMA.

F. **Enclosure Specifications.** Contractor shall work with the Agency to develop standard specifications for Collection Container enclosures at Multi-Family Residential Complexes, Mixed Use Buildings, and Commercial Premises to ensure that Container enclosures have adequate space and suitable configuration to allow the Contractor to safely and efficiently service the Containers. The enclosure specifications shall require provision of adequate space for Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection Containers. Contractor provided the enclosure specifications to the Agency on or before the effective date of the 2009 Franchise Agreement and shall be required to update these specifications as frequently as needed or as requested by Agency.

G. **Plan Review.** Contractor shall review plans for land use or property developments, upon request of the Agency, to assess the adequacy of Container enclosure space allowances for Solid Waste, Recyclable Materials, and Organic Materials Collection Containers and the accessibility of Containers by Collection vehicles. The Contractor's review shall be completed by the Contractor within ten (10) Business Days of request by Agency and receipt of the project design drawings. If site conditions warrant, the Contractor shall conduct a site visit of the proposed property to complete its evaluation. The Contractor's review shall be summarized in a letter report that states acceptability of the proposed enclosure arrangements or notes specific changes that are required to comply with the enclosure specification. The letter report shall be signed by the Person that conducted the review, or designee, on behalf of the Contractor. This review shall include, but not be limited to:

1. Adequacy of the Container enclosure space to store Containers for the anticipated volume of Solid Waste, Targeted Recyclable Materials, and Organic Materials generated by a development of the size and purpose contemplated;

2. Adequacy of Container enclosure space to store Containers for Solid Waste, Targeted Recyclable Materials, and Organic Materials in a fashion that allows for the greatest possible diversion of materials; and,

3. Adequacy and accessibility of the Container enclosure space for Contractor to safely and efficiently service all Containers in the contemplated service locations taking into account the dimensions of the enclosure space, the access road dimensions, parking arrangements, pedestrian traffic, change in elevation, other site considerations, and Collection vehicle capabilities.

H. **Reporting.** Contractor shall prepare and submit reports related to the Commercial Recycling promotion program as provided in Article 9.

I. **Mandatory Commercial Recycling Assistance to Agency.** Contractor shall assist Agency and SBWMA with implementing, monitoring, and reporting on Commercial, Mixed Use, and MFD Customers' compliance with requirements for Recyclable Materials and Organic Materials diversion under AB 341, AB 1826, or other similar Applicable Law. Upon Agency's reasonable request and in accordance with Section 9.09.E, Contractor shall provide Agency with periodic reports on Commercial, Mixed Use, and MFD Customers that do not appear to be complying with State or local diversion regulations, policies, or requirements of, based on the observations of Contractor's employees and/or subscription data.

7.05 MULTI-FAMILY RECYCLING PROMOTION PROGRAM

A. **Multi-Family Dwelling Promotion**. Contractor shall provide Waste Zero Specialists to work directly with Owners or property managers of Multi-Family Residential Complexes to implement the Single-Stream Targeted Recyclable Materials and Organic Materials Collection services, and to assess Customer service for all Multi-Family Residential Complexes. The Multi-Family complexes that Contractor shall visit each year and the outreach activities that shall be performed shall be outlined in the Three-Year Recycling Technical Assistance Plan described in Section 7.03.B and approved by the Agency and SBWMA. The Contractor's implementation activities may include, but shall not be limited to, the following types of tasks for Multi-Family Residential Complexes that subscribe to Single-Stream Targeted Recyclable Materials and/or Organics Materials Collection services:

1. Site Assessments. Contractor shall contact or meet in person with Owner or property manager to explain the Single-Stream Targeted Recyclable Materials and/or Organics Materials Collection program of Multi-Family Residential Complexes containing five (5) or more Residential units to determine the appropriate number and type of Solid Waste and Recyclable Materials Containers and the frequency of Collection. As part of its standard Collection Services, Contractor shall provide Containers for Organics Material such as Food Scraps, compostable paper, and Plant Materials, and Single-Stream Targeted Recyclable Materials or Source Separated Targeted Recyclable Materials such as newspaper, cardboard, mixed paper, glass, aluminum, etc. depending on the needs of the Multi-Family Residential Complex. If practical, Contractor shall locate the Solid Waste, Recyclable Materials, and Organic

Materials Containers in the same area so tenants carry materials to one location. Contractor shall also offer Recyclable Materials Carts for use in the mail area of the Premises. A site assessment shall be conducted by Contractor when Targeted Organics Materials or Recyclable Materials Collection services are initially provided at a Multi-Family Residential Complex, and as requested by Customer or deemed necessary by Contractor throughout the Term of this Agreement.

2. Service Level Adjustments. Within five (5) Business Days of completing the site assessment or receiving a request from a Customer, Contractor shall adjust the Customer's service level by providing any Solid Waste, Recyclable Materials, and/or Organic Materials Containers needed for change in service, removing unneeded Containers, and revising the Customer's service level in the Billing system to reflect the monthly Rate for the new service level. At the time new Containers are delivered or existing Containers are removed, the Contractor shall confirm that all Containers are properly labeled and shall provide public education signage for the Container areas and extra signs for public and common areas such as mail and laundry rooms, etc.

3. Distribution of Public Education Materials. Contractor shall provide Owner or property manager with education materials developed by Agency, SBWMA or Contractor, which describe the requirements of the Recyclable Materials and/or Organic Materials Collection program (as applicable), including flyers, door hangers and Recycling Tote-Bags for distribution to tenants, signage for common areas such as mail rooms and laundry rooms, Kitchen Pails, and move-in kits for new tenants.

B. **Notification to Multi-Family Dwelling Customers**. Upon request from a new or current Customer for new or changes in service, Contractor shall notify the Customer by mail or email of the Targeted Recyclable Materials and Organic Materials Collection services offered by Contractor. Such notification shall be made available in English and Spanish.

C. **Signs and Placards**. Contractor shall be responsible for preparing, distributing, and posting signs and placards at Multi-Family Dwelling Premises that promote Targeted Recyclable Materials and Organic Materials Collection services, describe the program requirements, and identify allowable and prohibited types of materials for Collection. At a minimum, these signs shall be durable, weather resistant and posted in the Container areas. Upon request of the Customer, Contractor shall provide signage and Container labeling in a second language such as, but not limited to, Spanish. Within ten (10) Business Days of a Customer's request, Contractor shall provide extra signage for use in areas such as laundry and mail rooms at Multi-Family Residential Complexes. The design of all signs and placards shall be approved by Agency or SBWMA prior to distribution by Contractor.

7.06 WASTE GENERATION/CHARACTERIZATION STUDIES

Contractor acknowledges that Agency may perform Solid Waste, Recyclable Materials, and/or Organic Materials generation and characterization studies periodically to determine the composition and Contamination Levels of Collected materials. Contractor agrees to participate and cooperate with SBWMA and Agency and its agents and to accomplish studies and data collection and prepare reports, as needed, to determine weights and volumes of Solid Waste, Targeted Recyclable Materials, Plant Materials, and Organic

Materials and characterize materials generated, Disposed, transformed, diverted, or otherwise handled/processed to satisfy requirements of the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061, and SB 1383). Contractor shall also facilitate visual audits of Multi-Family Dwelling, Commercial, and Agency Cart and Bin service accounts. The visual audits will entail tipping the contents of Customers' Containers on the tipping floor at the Designated Transfer and Processing Facility and visually observing and documenting the contents (without pursuing a detailed weight-based characterization study). The materials will then be processed at the Designated Transfer and Processing Facility. Contractor shall be required to facilitate said visual audits at the request of Agency; however, the annual total quantity of requests for visual audits for each Service Sector shall be limited to ten percent (10%) of the total number of accounts for each Service Sector.

The SBWMA will use the Contamination Measurement Procedures set forth in Attachment E, to determine the Contamination Levels of single loads of materials delivered to the Designated Transfer and Processing Facility.

7.07 PROGRAM EVALUATION

The Agency may require the Contractor to periodically conduct audits of the Residential and Commercial Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection programs to assess one (1) or more of the following performance indicators: average volume of Targeted Recyclable Materials per set-out per Customer, average volume of Organic Materials per set-out per Customer, participation level (i.e., number of Customers setting out Containers per week), Contamination Levels, etc. Contractor shall perform up to five (5) Days of route auditing, at no additional cost to Customers and shall not bill Agency for such services, once per calendar year. Prior to the program evaluation audit, Agency and Contractor shall meet and discuss the purpose of the audit and agree on the method, scope, and data to be provided by the Contractor. If Agency requires more than five (5) Days of auditing for the purposes of program evaluation, the activity shall be considered an Agency-directed change in scope and handled in accordance with provisions in Section 15.12.

If the Contractor does not Collect Multi-Family Dwelling Solid Waste, Targeted Recyclable Materials, and Organic Materials using dedicated Collection vehicles, thereby precluding regular and accurate reporting of the Tonnage of Solid Waste, Targeted Recyclable Materials, and Organic Materials Collected from Multi-Family Residential Complexes, the Agency may require the Contractor to conduct a semi-annual or annual Tonnage assessment that involves separately Collecting, weighing, and reporting Multi-Family Dwelling Solid Waste, Targeted Recyclable Materials, and Organic Materials to quantify Tonnage Collected during a given week. This assessment shall be performed by Contractor at no additional cost to Customers and shall not bill Agency for such services.

If the Agency wants to collect program data, perform field work, conduct route audits to investigate Customer participation levels and set-out volumes, and/or evaluate and monitor program results related to Solid Waste, Targeted Recyclable Materials, Organic Materials, Bulky Items, and abandoned waste Collected in the Agency by the Contractor, the Contractor shall cooperate with the Agency and its agent(s), which may include the SBWMA and its consultants.

7.08 PROVISION OF EMERGENCY SERVICES

Contractor shall provide emergency services at the Agency's request in the event of major accidents, disruptions, or natural calamities. Emergency services may include, but are not limited to: assistance handling, salvaging, processing, composting, or Recycling materials; or Disposing of Solid Waste following a major accident, disruption, or natural calamity. Contractor shall be capable of providing emergency services within twenty-four (24) hours of notification by the Agency or as soon thereafter as is reasonably practical in light of the circumstances. Emergency services which exceed the Contractor's obligations shall be compensated in accordance with Article 11. If Contractor cannot provide the requested emergency services, the Agency shall have the right to temporarily take possession of the Contractor's equipment for the purposes of providing emergency services in accordance with Article 12.

7.09 MFD AND COMMERCIAL RECYCLING BLITZ

Upon Agency's request, Contractor shall provide a Recycling Blitz outreach program that will target Multi-Family Dwelling, Mixed Use, and Commercial Customers as needed. Such a change shall be considered an Agency-directed change in scope and handled in accordance with Section 15.12. As part of the Recycling Blitz, Contractor may be required to offer to provide Single-Stream Targeted Materials Recycling and Organic Materials Collection Service to Multi-Family Dwelling and Commercial Customers that are currently receiving limited or no Recycling or Organic Materials Collection service. The promotional materials, messages, and communications used by Contractor to support Recycling Blitz activities shall be developed collaboratively with the SBWMA and Agency and production of materials shall be paid for by Contractor and shall not bill Agency for such services or SBWMA. All promotional materials used by Contractor shall be authorized by the SBWMA and Agency.

If Contractor is required to conduct a Recycling Blitz, Contractor shall form a Recycling Blitz team, utilizing the Waste Zero Specialists, to assist in this promotion campaign. The focus of the Recycling Blitz program shall be on Customers that are either not currently Recycling or diverting Organic Materials, or have only limited service. The Recycling Blitz team shall work with Customers to expand Collection of Targeted Recyclable and Organic Materials and make recommendations for reduced Solid Waste Container sizes and/or frequency of Solid Waste Collection service. Contractor shall work collaboratively with the SBWMA and Agency.

7.10 CARBON FOOTPRINT MEASURING

Contractor shall annually file its emissions data with the California Climate Action Registry (CCAR). Upon request of Agency or SBWMA, Contractor shall provide emissions data filed with CCAR; a description of Contractor's carbon footprint; and, a description of Contractor's activities both planned and implemented to reduce its carbon footprint for the previous calendar years.

7.11 ENVIRONMENTAL MANAGEMENT PROGRAM

Contractor shall implement and maintain an environmental management program combining several elements to minimize the environmental impacts of its operations in the Service Area. Contractor shall provide upon request from Agency a description of topics discussed at its bi-monthly environmental team roundtable and training program meeting(s) and the semiannual corporate environmental compliance staff meetings.

Contractor shall provide Agency access to its environmental and safety tracking system (NEST) upon request. Contractor shall provide Agency copies of its internal environmental compliance audits, third-party audits, and disposition of corrective actions, within thirty (30) Days upon request from Agency.

7.12 ANNUAL ROUTE ASSESSMENT

Contractor shall conduct a route assessment of the Service Area each Rate Year. This comprehensive route assessment shall require Contractor to assess all of its Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection Customers over a one (1) week period during the same month each year for the Term. The assessment is intended to annually confirm and update Contractor's data related to Customer accounts, service levels and operations, including, but not limited to: (i) number of Accounts; (ii) Customer address; (iii) number and type of Containers at each Account; and (iv) Collection frequency of each Container at each Account; (v) Bin and Cart lifts; (vi) Drop Box pulls; (vii) service stops; (viii) route hours per year; and (ix) Tonnage Collected. All service level information related to lifts and pulls shall be derived in part from Contractor's database management system. All route labor hours shall be based on total route hours for routes exclusive to each Agency and Tonnage information shall be based on actual Tons Collected. For routes that service more than one Agency, the Tonnage Collected on these routes and total route hours shall be allocated to the respective Agencies based on the type and number of accounts and service levels attributable to each Agency.

7.13 RIGHT OF AGENCY OR SBWMA TO MAKE CHANGES TO OTHER SERVICES

A. **Quarterly Review**. Beginning on the Commencement Date, and on a quarterly basis thereafter, Contractor shall meet with Agency and SBWMA to discuss the services performed by the Contractor pursuant to Sections 7.03 through 7.07 ("Other Services"). The purpose of the meetings will be to review the performance and results of the Other Services compared to the milestones, goals, and performance standards stated in the then-current Three-Year Public Education and Recycling Technical Assistance Plan. Contractor's quarterly reports provided in accordance with the reporting requirements of Article 9 shall be used to review performance, and Contractor shall provide other information requested by Agency or SBWMA necessary to evaluate the performance of each Other Service.

B. **Change in Services**. Agency or SBWMA may, without amending this Agreement, direct Contractor to increase or decrease the performance or scope of one or more of the Other Services. Contractor shall promptly and cooperatively comply with such direction. If such changes cause an increase or decrease in the cost of performing the Other Services, an equitable adjustment in the Contractor's Compensation shall be made in accordance with change in service provisions in Section 15.12. Contractor shall continue to perform the new or changed service while the appropriate adjustment in Contractor's Compensation is being determined.

C. **Additional Services**. Agency or SBWMA may direct the Contractor to perform additional services pertaining to Sections 7.03 through 7.07, but not described herein, and Contractor shall provide a cost proposal in accordance with change in service provisions in Section 15.12. If the Contractor and SBWMA cannot agree on terms and conditions for such additional services within one-hundred twenty (120) Days from the date which the SBWMA first requests a proposal from Contractor to perform such services, Agency or SBWMA may perform these services itself or permit a third-party or parties other than Contractor to provide such Other Services. Contractor shall

provide such third-party or parties access to and use of Facilities and Contractor information as necessary for such third-party or parties to perform all such Other Services.

ARTICLE 8
REQUIREMENTS FOR OPERATIONS, EQUIPMENT, AND PERSONNEL

8.01 COLLECTION HOURS AND SCHEDULES

A. **Hours of Collection**

1. Residential. Residential Solid Waste, Targeted Recyclable Materials, and Organic Materials (including all such services provided to SFD and Multi-Family Dwelling Premises) shall be Collected on weekdays (i.e., Monday through Friday) between 6:00 a.m. and 6:00 p.m. exclusive of Holidays defined in Attachment A for Collection service.

2. Commercial, Mixed Use, and Agency Facilities. Commercial, Mixed Use, and Agency Facilities Solid Waste, Targeted Recyclable Materials, and Organic Materials shall be Collected on weekdays (i.e., Monday through Friday) between 3:00 a.m. and 6:00 p.m. and weekends (i.e., Saturday and Sunday) between 6:00 a.m. and 5:00 p.m., exclusive of Holidays specified in Attachment A for Collection service. The Agency may restrict or require modifications to hours for Collection from Commercial Premises, Mixed Use Buildings, and Agency Facilities to resolve noise Complaints, and, in such case, the Agency Manager may restrict the allowable operating hours.

3. Commercial, Mixed Use, and Agency Facilities Exception. Collection from Commercial Premises, Mixed Use Buildings, and Agency Facilities that are two-hundred (200) feet or less from Residential Premises shall only occur between the hours of 6:00 a.m. and 6:00 p.m., Monday through Saturday and all such operations shall be in accordance with permissions provided to Contractor by Agency. The Agency may restrict or require modifications to hours for Collection from Commercial Premises, Mixed Use Buildings, and Agency Facilities to resolve noise Complaints, and, in such case, the Agency Manager may restrict the allowable operating hours.

4. Exception. In the event of an unforeseen circumstance, the Contractor may Collect materials from Residential Premises, Commercial Premises, Mixed Use Buildings, or Agency Facilities that are two-hundred (200) feet or less from Residential Premises between the hours of 3:00 a.m. and 6:00 p.m., Monday through Saturday, upon prior written approval from the Agency Manager.

5. Local Noise Ordinance. If an Agency ordinance regulating noise limits the hours of Collection more restrictively than the preceding subsections, the terms of the ordinance shall govern.

6. Modification. The Collection hours and distances set forth in Sections 8.01.A.3 and 8.01.A.4 may be adjusted by mutual agreement of Agency (acting through the Agency Manager) and Contractor (acting through its General Manager), provided that the Collection hours and distances are at all times consistent with Agency ordinances.

B. **Route Schedules.** Routes over which Contractor's vehicles travel to affect the Collection and transport of Solid Waste, Targeted Recyclable Materials, and Organic

Materials shall be selected to minimize damage to Agency and private streets, and minimize inconvenience and disturbance to the public. The route schedules and routing maps shall be subject to the approval of Agency prior to Commencement of services. Contractor shall use due care to obey all traffic laws and prevent materials being transported from being spilled or scattered during transport.

Contractor shall be prepared to review its operations plan outlining the Collection routes, intervals of Collection and Collection times for all materials Collected under this Agreement with the Agency or its representatives at least annually. More frequent reviews may be required if operations are not satisfactory based on documented observations or reports or Complaints. If the plan is determined to inadequately address the unsatisfactory performance as documented by observations and Complaints, the Agency may direct Contractor to revise the plan incorporating any changes into a revised plan and review said revised plan with the Agency within thirty (30) Days of the initial meeting with the Agency.

C. **Contingency Plan.** Contractor shall submit to Agency ninety (90) Days prior to Commencement Date, a written contingency plan demonstrating Contractor's arrangements to provide vehicles and personnel and to maintain uninterrupted service during breakdowns, and in case of natural disaster or other emergency, including the events described in Section 14.09.

D. **Debris Management Plan.** Contractor shall actively assist Agency in the preparation of a FEMA-compliant Debris Management Plan for the Agency.

8.02 COLLECTION STANDARDS

A. **Reserved**

B. **Servicing Containers and Missed Pick-Ups**

1. General. Contractor shall Collect the contents and return each Container to the location where the Occupant properly placed the Container for Collection. Contractor shall place the Containers upright with lids properly closed and secured.

   Contractor shall use due care when handling Containers. Contractor shall not throw, roughly handle, damage, or break Containers.

   Upon Customer request, Contractor shall provide special services including: unlocking and locking Containers; accessing locked Container enclosures (e.g., with a key or combination lock); providing Container Relocation Service; and, providing Long Distance Service. Contractor shall provide these services upon request from Customer and Contractor shall bill Customer at Agency-approved Charges specified in Attachment Q. Section 5.02 provides additional information on general Container service requirements, Long Distance Service, and Container Relocation Service.

2. Missed Pick-Ups. When notified of a missed pick-up, Contractor shall Collect the Solid Waste, Targeted Recyclable Materials, or Organic Materials on the day the notice is received, if possible, and in all cases shall Collect the missed pick-up

by 6:00 p.m. of the next Business Day following receipt of the missed pick-up notification.

C. **New Customers and Change in Service Levels.** Contractor shall deliver Containers and initiate Collection services for a new Customer within five (5) Business Days of the Customer's request for service. If an existing Customer requests a change in the number or size of their Solid Waste, Recyclable Materials, or Organic Materials Containers and/or frequency of Collection, the Contractor shall deliver additional Containers and/or remove Containers and shall initiate changes in the Collection services within five (5) Business Days of the Customer's request for a change in service.

D. **Separate Collection of Materials and Allocation of Agency Materials.** Contractor shall separately Collect and segregate Solid Waste, Targeted Recyclable Materials, and Organic Materials from each other and shall not Commingle these materials at any time during the transportation or delivery of those materials to the Designated Transfer and Processing Facility. Solid Waste, Targeted Recyclable Materials, and Organic Materials Collected in the Agency, which are combined with materials Collected from other SBWMA Member Agencies, shall be allocated by Contractor to the Agency's Collection program based on volume or Tonnage using a method approved by the Agency and SBWMA. Contractor shall not Collect materials from within Agency in the same Collection vehicles used to provide Collection service to non-SBWMA Member Agencies, unless provided written approval by Agency.

E. **Setout Instructions to Customer.** Contractor shall instruct Customers as to any preparation of Solid Waste, Targeted Recyclable Materials, or Organic Materials and the proper placement of Containers. If Customers are not adhering to Contractor's instructions, Contractor shall notify such Customers in writing. In cases of extreme or repeated failure to comply with the instructions, Contractor may decline to pick-up the Targeted Recyclable Materials or Organic Materials provided that Contractor leaves an adequate number of non-Collection notices on the Container, as determined by the Agency, indicating the reason for refusing to Collect the material. Such notices shall also identify the steps Generator must take to recommence Collection service.

F. **Non-Collection Notices.** Contractor may choose not to Collect materials for the following reasons: (i) Source Separated or Targeted Recyclable Materials or Organic Materials do not comply with the allowable Contamination thresholds; (ii) materials contain Hazardous Waste; or (iii) the loaded weight of a Container exceeds the maximum load limit specified by the Cart manufacturer and specified in Attachment D. In such case, Contractor shall issue non-Collection notices stating the reason(s) the materials were not Collected. The non-Collection notice shall be affixed prominently onto the Cart to ensure that it is not inadvertently removed from Cart due to weather conditions. The non-Collection notices must be protected from rain, if precipitation is present or forecasted, by placing the notice in a clear plastic bag prior to affixing to Cart.

Contractor shall document the use of non-Collection notices by recording the date and time of issuance, address of service recipient, reason(s) for issuance, name of employee who issued the notice, and truck and route numbers. The notice shall conform to the requirements specified in Section 6.03.A, be at least two inches by six inches (2" x 6") in size and shall be approved by the SBWMA. The non-Collection

notices must identify the steps the Generator must take to recommence Collection service. In the event a Container is not Collected due to excessive Contamination and Customer does not take the necessary steps to recommence Collection service, Contractor shall bill the Customer for Collection of the excessive Contamination at Agency-approved Charges specified in Attachment Q. The Agency-approved Charges includes: (i) a return trip Charge, and, (ii) an extra Solid Waste Collection Charge.

Contractor shall report monthly to Agency any non-Collection notices issued. Contractor shall take direction from the Agency with regard to termination or reinstatement of service to a service recipient due to numerous non-Collection notices issued to the same Customer.

G. **Collection of Excess Materials (Overages).** Customers that place an Overage for Collection will be assessed an Overage fee by Contractor. Contractor shall bill Customer Overage events at Agency-approved Charges specified in Attachment Q. Contractor shall provide Customers the opportunity to request an Overage Collection service in advance. In such case, Contractor shall bill the Customer at the Agency-approved Charge specified in Attachment Q.

Contractor shall provide Customers the opportunity to subscribe to Overage Collection service, in advance, or purchase Overage bag(s) from the Contractor. Contractor shall provide Customers the opportunity to purchase Overage bags through its Customer service department or electronically via Contractor's website. The Overage bag(s) shall have markings identifying it as the Contractor's Overage bag. Contractor shall mail or deliver Overage bags to Customers within three (3) Business days of Customer's request. The Charge for Overage bags is specified in Attachment Q and includes all aspects of purchasing the bags, printing, and distribution (i.e., mailing or direct delivery by Contractor). Customers shall also be provided the opportunity to purchase Overage bags at Contractor's local office. The quantity of Overage bags per request from Customer shall be limited to five (5) per request.

If the Agency and/or Contractor receive numerous Complaints (as determined by the Agency) from Customers regarding Customer dissatisfaction with the requirement to purchase Overage bags, the Agency reserves the right to require the Contractor to modify its Overage program to better serve its Customers and/or require the Customer to subscribe to additional Collection service.

H. **Care of Private Property.** Contractor shall not damage private property. Contractor shall ensure that its employees: (i) close all gates opened in making Collections, unless otherwise directed by the Customer, (ii) do not cross landscaped areas, and (iii) do not climb or jump over hedges and fences.

Agency shall refer Complaints about damage to private property to Contractor. Contractor shall repair, to its previous condition, all damage to private or public property caused by its employees.

Contractor shall endeavor to resolve all claims regarding damage to private property as soon as reasonably practicable following receipt thereof, made by Owners or Occupants of property served by Contractor, for damages to property including, but not limited to, Containers. In the event such damage shall have been caused by the negligence or intentional acts of Contractor, its officers, agents, or employees,

Contractor shall promptly repair or replace such damaged property. The provisions of this Section 8.02.H shall not be deemed a limitation upon any other provisions of this Agreement, or any rights or remedies which may accrue to Agency by reason of Contractor's acts or omissions to act hereunder. Contractor is required to repair damage and/or resolve claims regarding damage to property within thirty (30) Days of receipt of the Complaint.

This Section 8.02.H shall not apply to damage to public or private roads or driveways caused by the weight of Contractor's vehicles. If a Customer requests Contractor to provide on-premises (i.e., non-Curbside) service, and in doing so would require Contractor to drive its Collection vehicle on a private road or driveway, then, as a condition to providing that service, Contractor shall require the Customer, property owner, or other responsible party to sign a reasonable waiver releasing Contractor from liability for such damage.

I. **Litter Abatement**

1. Minimization of Spills. If any Solid Waste, Targeted Recyclable Materials, or Organic Materials are spilled or scattered during Collection or transportation operations, the Contractor shall promptly clean up all spilled and scattered materials. Contractor shall use due care to prevent vehicle oil, vehicle fuel, or other liquids from being spilled during Collection or transportation operations including maintenance of the Collection vehicles to minimize and correct any leaks. Contractor shall ensure that all liquid spills or leaked liquids or fluids are cleaned up promptly on the same day that they occur.

   Contractor shall not transfer loads from one vehicle to another on any public street, unless it is necessary to do so because of mechanical failure, emergency (e.g., combustion of material in the vehicle), accidental damage to a vehicle, or unless approved by the Agency.

2. Clean-Up. During Collection operations, the Contractor shall clean-up litter in the immediate vicinity of any Container storage area (including the areas where Containers are delivered for Collection) if Contractor's actions are the cause of the litter. Each Collection vehicle shall be equipped with protective gloves, a broom, and shovel at all times for cleaning up litter. Absorbent material shall be carried on each Collection vehicle at all times and used by Contractor for cleaning up liquid spills. The Contractor shall document and discuss instances of repeated spillage not caused by it with the Customer where spillage occurs, and Contractor shall report such instances to Agency. If the Contractor has attempted to have a Customer stop creating spillage but is unsuccessful, the Agency will attempt to rectify such situation with the Customer. Contractor shall coordinate with Agency regarding Agency street cleaning activities to minimize litter.

3. Covering of Loads. Contractor shall cover all open Drop Boxes with an Agency-approved cover, at the Collection location before transporting materials to the Designated Transfer and Processing Facility.

J. **Noise.** All Collection operations shall be conducted as quietly as possible and shall conform to applicable federal, State, County, and Agency noise level regulations. Contractor shall promptly resolve any Complaints of noise to the satisfaction of the Agency.

K. **Route Books and Route Maps.** For each Collection route, Contractor shall maintain a route book and route map that documents each Customer on the route, their service address, service level, and the order in which Customers shall be serviced (e.g., the order in which routes shall be driven). Contractor shall distribute new route books and route maps to its Collection vehicle drivers as frequently as necessary; and each driver shall note differences in the service levels shown in the route book, adding and subtracting Customers and service levels, as necessary. Route supervisors shall periodically check the routes to ensure that drivers are providing service in accordance with their route books. Contractor shall provide Agency with route books and maps including assessor parcel data when available within ten (10) Business Days of request.

L. **Change in Collection Schedule.** Contractor shall notify Agency a minimum of sixty (60) Business Days prior to a change in the Residential Collection schedule or two (2) weeks for minor adjustments (defined as less than the average size of a single route per the Collection service metrics delineated in the prior year's Compensation Application), and shall request approval of Contractor's notice to Residential Customers thirty (30) Business Days prior to a change in Service Day, unless this requirement is waived in writing by Agency. Contractor shall notify Owners and Occupants of Residential Premises not later than ten (10) Business Days prior to any change in Residential Collection operations which results in a change in the day on which Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection occurs. Contractor shall not permit any Customer to go more than five (5) Business Days without service in connection with a Collection schedule change.

8.03 UNLOADING MATERIALS AT THE DESIGNATED TRANSFER AND PROCESSING FACILITY

Contractor shall be required to unload at the Designated Transfer and Processing Facility all materials from its Collection vehicles by its own personnel. Contractor shall be required to ensure that unloaded materials are properly placed in the designated areas and containers as directed by Operator and SBWMA. For example, Contractor shall be required to deposit at the Designated Transfer and Processing Facility Batteries and Cell Phones, Used Motor Oil, and Used Motor Oil Filters in the containers provided by Operator and designated for storage of these materials. Contractor shall cooperate with Operator to ensure its Collection vehicles unload Solid Waste, Targeted Recyclable Materials, Organic Materials, and other materials (e.g., Batteries, Cell Phones, Used Motor Oil, and Used Motor Oil Filters) Collected by Contractor in the locations designated by Operator and SBWMA.

8.04 VEHICLES

A. **General.** Contractor shall provide a fleet of Collection vehicles sufficient in number and capacity to efficiently perform the work required by the Agreement in strict accordance with its terms. Contractor shall have available sufficient back-up vehicles for each type of Collection vehicle used (e.g., side loader, front loader, and roll-off vehicles) to respond to mechanical breakdowns, Complaints, and emergencies. Contractor shall maintain a spare ratio of ten percent (10%) for all Collection vehicles used in the SBWMA Service Area. It is contemplated that, as of the Commencement Date, all Collection vehicles will be vehicles that Contractor purchased during the term of the 2009 Franchise Agreement and will be nearing the end of their useful life.

Contractor shall purchase and place into service after the Commencement Date all new vehicles to replace its Collection vehicles and other vehicles used by Contractor in the SBWMA Service Area in accordance with the Contractor-prepared equipment replacement schedule in Attachment N. The new vehicles shall replace all vehicles in service on the Commencement Date. The vehicles shall be purchased and placed in service in accordance with the timeline shown in Attachment N unless an alternative timeline is agreed upon by the SBWMA provided that all new vehicles shall be in service on or before June 15, 2026. The estimated depreciation and interest expenses for the acquisition of new vehicles shall be included in Contractor's Compensation for 2021 and adjustments during the Term shall be made in accordance with Attachment K. Agency has no responsibility to pay Contractor for remaining net book value of any Vehicles, Containers, or other equipment that is not fully depreciated at end of Term, unless Agency elects to purchase Containers pursuant to Section 8.05.F of the Agreement.

At no time after the Commencement Date shall any vehicle used to perform the services required under this Agreement exceed fifteen (15) years of age from the first date the vehicle was registered unless agreed upon by the SBWMA. Collection vehicles and other vehicles whose acquisition costs are included in the calculation of Contractor's Compensation may be used only in the SBWMA Service Area.

B. **General Vehicle Specifications**

1. All vehicles used by Contractor in providing Solid Waste, Targeted Recyclable Material, and Organic Material Collection services shall be registered with the California Department of Motor Vehicles.

2. All Collection vehicles shall have leak-proof bodies designed to prevent leakage, spillage, and/or overflow and shall be designed so that Collected materials are not visible.

3. All vehicles shall comply with California Environmental Protection Agency (EPA) noise emission regulations and California Air Resources Board air quality regulations and other applicable pollution control regulations.

4. All Collection vehicles shall have cameras to monitor driving and loading activities including, at a minimum: (i) back-up cameras mounted at the rear and side of the vehicle; and, (ii) a hopper camera clearly displaying the contents of the hopper prior to compaction.

5. Contractor shall be required to operate an adequate number of Collection vehicles that shall be capable of servicing hard-to-service areas and accessing long driveways in the Service Area.

6. All Collection vehicles shall be capable of unloading materials in the Designated Transfer and Processing Facility buildings taking clearance heights, especially in the MRF, into consideration.

7. All Collection vehicles shall be equipped with and shall utilize on-board computers and GPS tracking devices with real-time transmission to all levels of Contractor's operations. The on-board computer system shall: (i) capture all operations data needed to complete the Contractor's reporting requirements for this Agreement; (ii) capture all operating data needed to prepare the Contractor's Application; and (iii) allow Customer service staff direct real-time access to driver

data including vehicle location, Container set-out and service data, and notes regarding service issues.

8. All Collection vehicles shall be equipped with a broom, shovel, absorbent materials, and other approved cleanup devices and materials for emergencies, or any spillage or leaks that may occur.

9. Route supervisors and management personnel shall use one-half (0.5) Ton hybrid pickup trucks while performing services.

10. Contractor developed preliminary specifications for vehicles that will be purchased and placed into service after the Commencement Date. These specifications, which were the basis for Contractor's vehicle depreciation and interest costs (presented in Attachment N), are presented in Attachment P. At least eighteen (18) months prior to Contractor's initial acquisition of new Collection vehicles to be placed into service after January 1, 2021, Contractor shall meet and confer with the SBWMA to discuss the type of vehicles to be purchased and fuel options. The Agency and SBWMA may be interested in considering different fuel options with the goal of minimizing the air emission impact of the Collection vehicles. At the request of the Agency or SBWMA, Contractor shall provide vehicle information, specifications, and fuel options and a cost impact analysis of various fueling options. Contractor shall obtain the SBWMA's approval in the fuel selection prior to ordering new Collection vehicles. SBWMA recognizes that Contractor's vehicle purchase plan anticipates purchases over multiple years. This meet and confer obligation is intended to occur prior to Contractor's initial purchase of new Collection vehicles to discuss a strategy for all vehicles purchased after January 1, 2021 unless Parties agree otherwise.

C. **Vehicle Identification**. Contractor's name, local telephone number, and a unique vehicle identification number designated by Contractor for each vehicle shall be prominently displayed on all four (4) sides of the vehicles, in letters and numbers with a maximum five (5) digit sequence, that are no less than two and one-half (2.5) inches in height. Contractor shall not place any other information or logo on Contractor vehicles, unless approved in writing by SBWMA. Vehicles shall be clearly labeled to indicate the materials Collected by that vehicle, specifically; "Solid Waste," "Recyclables," or "Organic Materials," as directed by SBWMA.

D. **Inventory.** Contractor shall furnish the Agency and SBWMA a written inventory of all vehicles used in providing service, and shall update the inventory annually. The inventory shall list all vehicles by manufacturer, identification number, date of acquisition, type, capacity, decibel rating, average weight of load, and average loaded axle weights.

E. **Cleaning and Maintenance**

1. General. Contractor shall maintain all of its properties, vehicles, facilities, and equipment used in providing service under this Agreement in a good, safe, neat, clean, and operable condition at all times.

2. Cleaning. Vehicles used in the Collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials shall be thoroughly washed, and thoroughly steam cleaned weekly so as to present a clean appearance. Agency may inspect vehicles at any time to determine compliance with this Agreement. Contractor

shall also make vehicles available to the San Mateo County Health Department for inspection, at any frequency it requests.

3. Repainting or Refurbishing. Contractor shall repaint or refurbish to the satisfaction of the Agency all vehicles used in the Collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials within thirty (30) Business Days' notice from Agency, if Agency determines that their appearance warrants painting. The cost for Agency-directed repainting shall be incurred by Contractor.

4. Maintenance. Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles which are not operating properly shall be removed from service until repaired and operating properly. Contractor shall perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule or in accordance with California Highway Patrol standards, whichever are more stringent. Contractor shall keep accurate records of all vehicle maintenance, recorded according to date and mileage and shall make such records available to Agency upon request. Hydraulic oil, engine oil, and other spills from Collection vehicles in the Service Area are a concern to the Agency. Contractor shall include as part of maintenance activities a process for tracking the number and nature of automotive spills (type of fluid, amount lost, failure point) and diagnosing the cause of those spills. Based on the results of the process, Contractor shall implement appropriate corrective actions to address issues that are contributing factors to vehicle spills (e.g., revise specifications for specific part failures, revise preventative maintenance schedule to address timing of failures), so that each occurrence is controlled and minimized.

5. Repair. Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown, hydraulic oil or engine oil leaks, or any other cause so as to maintain all equipment in a safe and operable condition. If an item of repair is covered by a warranty, Contractor shall obtain warranty performance. Contractor shall maintain accurate records of repair, which shall include the date and mileage, nature of repair and the verification by signature of a maintenance supervisor that the repair has been properly performed.

6. Storage. Contractor shall arrange to store all vehicles and other equipment in safe and secure location(s) in accordance with all applicable zoning regulations.

F. **Operation**. Vehicles shall be operated in compliance with federal, State, and local laws and regulations including, but not limited to, the California Vehicle Code, the regulations of the California Air Resources Board (CARB) Waste Collection Vehicle Regulations as established in the California Code of Regulations Title 13 Section 2700 et seq.; and all applicable safety and local ordinances. Annually, Contractor shall provide the SBWMA and Agency with documentation of such compliance for each vehicle. For example, with regard to CARB regulations, such documentation shall demonstrate, at a minimum, the vehicle number, make, model, year, control technology used or planned, and the year that the control technology was applied or is planned to be applied. Contractor shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by federal, State, or local weight restrictions on vehicles or roads.

Contractor equipment used for Collection services shall be registered with the California Department of Motor Vehicles. Equipment shall comply with US EPA noise emission regulations, currently codified at 40 CFR Part 205, and other applicable noise control regulations, and shall incorporate noise control features throughout the entire vehicle.

Annually, Contractor shall have each Collection vehicle weighed at the Designated Transfer and Processing Facility to determine the unloaded weight ("tare weight") of the vehicle, and the total loaded weight of each load delivered to the Designated Transfer and Processing Facility. Upon a major repair that could affect the Collection vehicle tare weight, Contractor shall have the Collection vehicle re-weighed to establish a new tare weight. Contractor shall track and make adjustments to routes to eliminate ongoing over-weights associated with individual routes.

8.05 CONTAINERS

A. **General.** Contractor shall provide all Containers, Bins, Kitchen Pails, and Drop Boxes, as appropriate, to all Customers as part of its obligations under this Agreement. Contractor shall ensure that Agency encroachment or other required permits are obtained by Customer prior to delivering Containers. As of the Commencement Date, all Containers may be used. Contractor-provided Containers shall be designed and constructed to be watertight and prevent the leakage of liquids. All Carts shall be manufactured by injection or rotational molding methods; contain post-consumer content; and meet the Container design and performance requirements provided in Attachment D – Container Specifications. Containers provided to Customers shall have a useful life of ten (10) years as evidenced by a manufacturer's warranty or other documentation acceptable to the Agency.

All Containers with a capacity of one (1) cubic yard or more shall meet applicable federal, State, and local regulations for Bin safety; shall be covered with attached lids; and shall have the capability to be locked if required or requested by Customer or Agency.

All Containers shall be maintained in a safe, serviceable, and functional condition.

B. **Container Specifications**

1. Sizes. The Container sizes to be provided to Single-Family, Multi-Family, Commercial, and Agency Facility Customers are specified in Attachment D. Contractor shall provide Customers with a choice of Container capacities specified in Attachment D, and Customers may select their preferred Container size(s).

2. Color. The colors of the Containers provided to Single-Family, Multi-Family, Commercial, and Agency Facility Customers are specified in Attachment D.

3. Loading. Minimum allowable loading requirements for the Bin and Drop Box contents shall be approved by the Agency prior to purchase based on the minimum manufacturer's load limits, as specified in Attachment D.

C. **Container Labeling.** Contractor shall label each Container with white, hot-stamped lettering, and in-mold or heavy duty vinyl adhesive labels with graphics, illustrations, or artwork that clearly conveys the type of materials (e.g., Solid Waste, Recyclable Materials, cardboard, mixed paper, Organic Materials, wood waste, metal, etc.) to be placed in the Container for Collection. The labeling shall be positioned on each

Container so it is visible to the Customer and Collection vehicle drivers on the front side, and top. The labeling shall be durable and weather resistant to outdoor conditions and have a minimum ten (10) year lifetime.

All Containers shall prominently display information and graphics agreed upon by Agency, SBWMA, and Contractor pursuant to Article 7.

Final Container labeling layout, graphics, and text shall be approved by the Agency and SBWMA prior to distribution to Customers.

D. **Cleaning and Painting.** Contractor shall be responsible for steam cleaning and repainting all Containers, except Carts, to present an aesthetically pleasing clean appearance and to ensure this equipment is safely maintained and operationally sound. Contractor shall repaint all used Containers on an as needed basis. Upon Customer's request, Contractor shall steam clean all Solid Waste and Recyclable Materials Containers (or exchange existing Containers with clean Containers) twice annually, except Carts provided to Residential Premises, which Contractor is not obligated to clean or exchange. Contractor shall clean all Organic Materials Containers (or exchange existing Containers with clean Containers) quarterly, except Carts provided to Residential Premises, which Contractor is not obligated to clean or exchange. Contractor shall offer additional cleaning (or clean Container exchange) to Customers requesting such service and shall bill Customers for such cleaning (or Container exchange) at Agency-approved Charges specified in Attachment Q.

Contractor shall be responsible for cleaning Containers at no additional charge to Customer to ensure that nuisance or public health concerns associated with vectors are addressed within two (2) Business Days after receipt of notification of said condition.

If any Container is impacted by graffiti, Contractor shall remedy the situation within forty-eight (48) hours of being notified.

E. **Repair and Replacement.** Contractor shall repair or replace all Containers damaged by Collection operations (e.g., vehicle apparatus interface) or otherwise inoperable (e.g., due to regular wear and tear) within three (3) Business Days of being notified by Customer or observing the damaged Container. If the repair or replacement cannot be completed within three (3) Business Days, the Contractor shall notify Customer and provide a Container of the same size or larger until the original Container can be replaced.

At no additional cost, Contractor shall replace Customer Carts that have been stolen, lost, damaged, or destroyed within five (5) Business Days. Contractor shall allow Customer to exchange Containers for a Container of a different size at no additional cost and shall replace Containers within five (5) Business Days of Customer request.

The Contractor recognizes that the majority of Containers in service on the Commencement Date have nearly reached the end of their useful life or will reach the end of the useful life during the Term of the Agreement. Contractor has planned to replace Containers that have reached the end of their useful life on a rolling basis over the Term of the Agreement. Contractor's estimated depreciation and interest expense for Container replacement over the Term and these expenses are included in Contractor's Compensation in the amount specified in Attachment K. Contractor shall not be entitled to an adjustment to Contractor's Compensation or Rates for Container replacements purchased during the Term of the Agreement.

F. **Agency's Rights to Containers.** All Carts, Bins, and Drop Boxes purchased or leased by Contractor and put into service at Customers' Premises before the first anniversary of the Commencement Date shall become property of the Agency upon expiration or early termination of this Agreement. All Carts, Bins, and Drop Boxes purchased or leased and put into service at Customers' Premises on or after the first anniversary of the Commencement Date that have not been fully depreciated shall be available to the Agency, at the Agency's option, at their net book value, upon expiration or early termination of this Agreement.

At its sole discretion, the Agency may elect not to exercise its rights under this subsection. In such case, the Containers shall remain the property of the Contractor upon the expiration or earlier termination of this Agreement. In such case, Contractor shall be responsible for removing all Containers in service from Premises. Contractor shall do so within ten (10) Business Days after such expiration or earlier termination or in accordance with an alternative Container removal schedule agreed upon by the Parties, provided that Agency has notified Contractor at least ninety (90) Days before such expiration or earlier termination whether or not it intends to acquire the Containers.

G. **Lock Service (Key Service).** In order to promote security, respond to Customer needs, and minimize the impact or occurrence of illegal dumping and theft of Recyclable Materials, Contractor will provide to Customers, at the Agency-approved Charges specified in Attachment Q, locks for enclosures used to store Containers or locks for Containers and ensure the enclosures or Containers are locked after providing Collection Service.

Only Contractor, Agency, and the participating Customers will be provided with a key to the enclosures and access to the Containers. The Contractor shall prominently display the service schedule on the enclosure and any changes in service shall be displayed on the enclosure by Contractor within one (1) Business Day of making the change. If the Carts or Bins are left "outside" in a designated area, each Container will be locked (keyed alike), and only Contractor staff, Agency staff, and the participating Customers will be provided with a key to access the Containers. At least once each calendar year, Contractor's route supervisor shall visit each of the participating Customers with shared Containers, respond to any questions or concerns, check the areas for contamination, litter, or damage and change the lock and distribute new "keyed alike" keys to Agency staff and Customers.

8.06 PERSONNEL

A. **General.** Contractor shall furnish such qualified drivers, mechanical, supervisory, customer service, clerical, and other personnel as may be necessary to provide the services required by this Agreement in a safe, thorough, professional, and efficient manner and shall provide, at a minimum, the number and type of personnel listed in Attachment O in total for the SBWMA Service Area. All personnel furnished by Contractor shall be subject to the "relationship of parties" provisions of Section 15.01.

B. **Reserved.**

C. **Collective Bargaining Agreements.** If Contractor negotiates a new collective bargaining agreement with a union representing its employees, or an amendment to a collective bargaining agreement currently in force, either of which increases wages or benefits greater than wage and benefit costs included in Contractor's

Compensation (through adjustments described in Article 11 and Attachment K), the Agency is not required to include costs attributable to the increased wages or benefits in Contractor's Compensation during the Term of the Agreement.

D. **Approval of Management**. Contractor recognizes the importance of establishing a successful relationship between its management and Agency and SBWMA staff. Before extending an offer of employment for the position of general manager, both initially and throughout the Term, Contractor shall provide the SBWMA with the description of the proposed position; an opportunity to review and comment upon the position description, the background, experience, and qualifications of each candidate being considered for the position, and an opportunity to meet with each candidate. Contractor shall give thoughtful consideration to the SBWMA's comments on the descriptions of the proposed position and each candidate, but shall have the ultimate right to make employment decisions in its best business judgment.

If the Agency is dissatisfied with the performance of the management personnel, the Agency shall contact the general manager to discuss the employee's performance. If the Agency is dissatisfied with the general manager, the Agency shall contact the group manager to discuss the general manager's performance.

Contractor shall advise the affected management employee of any complaints made by the Agency regarding the employee's performance. The Parties shall meet and confer in good faith to address the Agency's concerns, and shall agree on a corrective course of action to be implemented immediately. Contractor agrees to consider in good faith, but shall not be bound by, any requests by the Agency to transfer or re-assign a management employee should the Agency maintain in good faith that it can no longer work constructively with said employee.

E. **Provision of Field Supervision**. Contractor shall designate qualified employees as supervisors of field operations. The field supervisor shall devote their time in the field supervising, managing, and monitoring Collection operations for reliability, quality, efficiency, safety, and for responding to Complaints. The number of field supervisors is specified in Attachment O in total for the SBWMA Service Area.

F. **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. Contractor shall use the Class II California Department of Motor Vehicles employer "Pull Notice Program" to monitor its drivers for safety.

G. **Customer Service Representative Training**. Customer service representatives shall be trained on specific Agency service requirements, a minimum of once per quarter. An Agency information sheet shall be provided to each Customer service representative for easy reference of Agency requirements and general Customer needs. Contractor shall provide the information sheet, training agenda, and associated documentation within five (5) Business Days of request from Agency.

H. **Safety Training**. Contractor shall provide suitable operational and safety training for all of its employees who operate Collection vehicles or equipment or who are otherwise directly involved in such Collection. Contractor shall train its employees involved in Collection to identify, and not to Collect, Hazardous Waste, or Infectious Waste. Upon the Agency's request, Contractor shall provide a copy of its safety policy

and safety training program, the name of its safety officer, and the frequency of its trainings.

I. **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 Collection services or accept gratuities or compensation in exchange for additional Collection services.

J. **Employee Conduct and Courtesy**. Contractor shall employ only competent and qualified personnel who serve the public in a courteous, helpful, and impartial manner. Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. Contractor shall regularly train its employees in Customer courtesy, shall prohibit the use of loud or profane language, and shall instruct Collection employees to perform the work as quietly as possible. If any employee is found not to be courteous or not to be performing services in the manner required by this Agreement, Contractor shall take all appropriate corrective measures. The Agency may require Contractor to reassign an employee, if the employee has conducted himself or herself inconsistently with the terms of this Agreement.

Contractor shall adopt policies and procedures consistent with State and federal law that ensure a sober and drug-free workplace. This includes strictly prohibiting unlawful manufacture, distribution, possession, or use of any controlled substance in the workplace, regardless of whether the employee is on duty at the time. Further, the policies and procedures shall prohibit an employee from operating either Agency or Contractor equipment and vehicles (whether on or off duty) while under the influence of alcohol or drugs. The purpose of these policies and procedures is to ensure workplace safety, productivity, efficiency, and the quality of Contractor's service to Customers.

K. **Uniforms**. While performing services under this Agreement, all Contractor's employees performing field service shall be dressed in clean uniforms and shall wear visible identification that include the employee's name and/or employee number, and Contractor's name. Uniform type, style, colors, and any modifications may be subject to approval by the Agency.

8.07 HAZARDOUS WASTE INSPECTION AND HANDLING

A. **Inspection Program and Training.** Contractor is required to inspect Solid Waste, Targeted Recyclable Materials, Organic Materials, and other materials put out for Collection and may reject Solid Waste, Targeted Recyclable Materials, Organic Materials, and other materials observed to be contaminated with Hazardous Waste and not Collect Hazardous Waste put out with Solid Waste, Targeted Recyclable Materials, and Organic Materials. Contractor shall develop a load inspection program that includes the following components: (i) personnel and training; (ii) load checking activities; (iii) management of wastes; and (iv) record keeping and emergency procedures.

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

B. **Response to Hazardous Waste Identified During Collection.** Under no circumstances shall Contractor's employees knowingly Collect Hazardous Waste or remove unsafe or poorly containerized Hazardous Waste from a Collection Container. If Contractor determines that material placed in any Container for Collection is Hazardous Waste or other material that may not legally be accepted or safely processed at the Designated Transfer and Processing Facility or presents a hazard to Contractor's employees, or those at the Designated Transfer and Processing Facility, the Contractor shall have the right to refuse to accept such material. The Generator shall be contacted by the Contractor and requested to arrange proper Disposal. If the Generator cannot be reached immediately, the Contractor shall, before leaving the Premises, leave a non-collection notice, which indicates the reason for refusing to Collect the material and lists the phone number for the San Mateo County Household Hazardous Waste Facility, or other resources as directed by Agency. Contractor's environmental technician shall be notified to handle the issue with the Generator. The Contractor's environmental technician shall be required to guide the Generator to safely containerizing the Hazardous Waste and shall explain the Generator's options for proper disposition of such material.

If Hazardous Waste is found in a Collection Container or Collection area that could possibly result in imminent danger to people or property, the Contractor shall immediately notify the Agency's Fire Department using the nine-one-one (911) emergency telephone number. The Contractor shall notify the Agency of any Hazardous Waste identified in Containers or left at any Premises within twenty-four (24) hours of identification of such material.

C. **Response to Hazardous Waste Identified at Designated Transfer and Processing Facility.** Contractor shall not knowingly deliver Unpermitted Material to the Designated Transfer and Processing Facility. The Operator shall use reasonable business efforts and standard industry practices to detect and discover Unpermitted Material at the facility and shall not knowingly accept Unpermitted Material. In the event that Unpermitted Material is delivered to the Designated Transfer and Processing Facility, the Operator shall be entitled to pursue whatever remedies, if any, it may have against the Generator or Person(s) bringing such Unpermitted Material to the Designated Transfer and Processing Facility provided that in no case shall the Agency be considered the Person bringing such Unpermitted Material to the Designated Transfer and Processing Facility.

Contractor acknowledges that in the event the operator identifies Unpermitted Materials in the materials delivered by Contractor before the materials are unloaded at the facility, the Operator has the right to reject the load and direct the Contractor to cause removal and Disposal of the Unpermitted Material in a safe and lawful manner, at the sole expense of the Contractor. If the Unpermitted Materials are delivered to the Designated Transfer and Processing Facility by Contractor and unloaded at the facility before their presence is detected, and the Generator cannot be identified or fails to remove the material after being requested to do so, the Contractor shall arrange for and/or pay for its proper Disposal. Contractor shall make reasonable efforts to identify and notify the Generator. The Contractor shall make a good faith effort to recover the cost of any transportation and Disposal from the Generator, and the cost of this effort, as well as the cost of Disposal shall be chargeable to the Generator, if appropriate documentation, as deemed necessary by the Agency, is provided to the Agency within five (5) Business Days of the occurrence.

In the event Contractor delivers Unpermitted Materials on a frequent or continuous basis to the Designated Transfer and Processing Facility and the Contractor refuses to provide for the proper handling and disposition of such Unpermitted Material, the Operator may provide written notice to Agency of such refusal by Contractor.

D. **Reporting, Regulations, and Record Keeping.** Contractor shall comply with emergency notification procedures required by Applicable Laws and regulatory requirements. Contractor shall notify all appropriate agencies, including the California Department of Toxic Substances Control and Local Emergency Response Providers and the National Response Center of reportable quantities of Hazardous Waste found or observed in Solid Waste, Targeted Recyclable Materials, Organic Materials, Electronic Waste, Universal Waste, and Construction and Demolition Debris anywhere within Service Area. In addition to other required notifications, if Contractor observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully Disposed of or released on any Agency property, including storm drains, streets or other public rights of way, Contractor will immediately notify the Agency and SBWMA.

All records required by regulations shall be maintained at the Contractor's Facility. These records shall include: waste manifests, waste inventories, waste characterization records, inspection records, incident reports, and training records. Contractor shall maintain records showing the types and quantities, if any, of Hazardous Waste found in Solid Waste, Targeted Recyclable Materials, and Organic Materials, which was inadvertently Collected from Customers within the Service Area, but diverted from landfilling.

8.08 COMMUNICATION AND COOPERATION WITH AGENCY AND SBWMA

A. **Communications.** The Contractor's general manager shall have e-mail capabilities to enable the Agency, SBWMA, and the Contractor's general manager to communicate via e-mail. Contractor's general manager shall respond to Agency and SBWMA email correspondence within twenty-four (24) hours.

B. **Monthly Meetings**. Upon request from Agency, beginning on the Commencement Date, and then on a monthly basis thereafter, Contractor shall meet with the Agency and SBWMA to discuss progress of each active diversion program, quality, and reliability of Collection services, and compliance with the terms of the Agreement. SBWMA may attend and participate in these meetings. At each monthly meeting, the Agency, Contractor, and SBWMA, if attending, shall have the opportunity to present and discuss proposed changes in service such as changing program requirements or modifying Collection methods.

C. **Inspection by Agency.** Agency shall have the right, but not the obligation, to observe and inspect all of the Contractor's operations under this Agreement. In connection therewith, Agency and SBWMA shall have the right to enter facilities used by Contractor during operating hours, speak to any of Contractor's employees, and receive cooperation from such employees in response to inquiries. In addition, upon reasonable notice and without interference with Contractor's operations, Agency and SBWMA may review and copy any of Contractor's operational and business records related to this Agreement. If Agency or SBWMA so requests, Contractor shall make specified personnel available to accompany Agency and SBWMA employees on inspections and shall provide electronic copies of records stored in electronic media.

8.09 COOPERATION WITH DESIGNATED TRANSFER AND PROCESSING FACILITY OPERATOR

A. **Communications.** If requested by SBWMA, the Contractor shall meet with the SBWMA and Operator at least once each month to discuss issues related to the interaction of operations between Contractor and Operator including, but not limited to:

1. Traffic flow;
2. Vehicle weighing procedures;
3. Targeted Recyclable Materials and Organic Materials Contamination;
4. Hazardous Waste screening and safety policies;
5. Receiving hours;
6. Billing and payment of gate fees for delivery of materials;
7. Vehicle parking;
8. Employee facilities; and,
9. Maintenance facilities.

The Contractor's general manager shall have e-mail capabilities to enable the Operator and the Contractor's general manager to communicate via e-mail. Contractor's general manager shall respond to the Operator's email correspondence within twenty-four (24) hours.

B. **Coordination of Hours.** Contractor shall plan its Collection routes to be compatible with the Designated Transfer and Processing Facility receiving hours, which shall be, at a minimum, Monday through Friday from 3:00 a.m. to 6:00 p.m. and Saturday and Sunday from 6:00 a.m. to 5:00 p.m. Contractor shall deliver Collected materials to the Designated Transfer and Processing Facility during the receiving hours of the Designated Transfer and Processing Facility.

C. **Compliance with Facility Rules.** Contractor shall cooperate with Operator and comply with Operator's requirements including: (i) how and where to unload Collection vehicles; (ii) respecting operations and construction of new facilities; and, (iii) the Operator's Hazardous Waste exclusion program. Contractor shall also cooperate with the Contamination assessment procedures specified in Attachment E-1. All costs charged by the SBWMA for acceptance of Contractor's materials shall be paid by Contractor. Contractor shall receive compensation for transfer and processing costs in accordance with Article 11.

8.10 BUY-RECYCLED POLICY

The Contractor shall comply with the purchasing requirements described in this Section, and shall document its on-going compliance with these requirements upon Agency request.

A. **Recycled Paper.** The Contractor shall use recycled paper for invoices, Bills, reports, and public education materials. The recycled paper shall have at least thirty percent (30%) post-consumer recycled content for uncoated paper and ten percent (10%) post-consumer recycled content for coated paper based on federal standards.

Contractor shall state on all materials prepared with post-consumer recycled content the following: "Printed on Recycled Paper."

B. **Re-Refined Motor Oil.** Contractor shall be encouraged but not required to use re-refined motor oil for its Collection vehicles.

C. **Recycled Plastic.** Contractor shall purchase Carts and Kitchen Pails that contain the minimum post-consumer content as specified in Attachment D. All Carts and Kitchen Pails shall be one hundred percent (100%) recyclable.

8.11 ANNUAL PERFORMANCE HEARING

A. **Objectives.** Agency or SBWMA may hold a public performance hearing in April or May of each Rate Year, at which time Contractor shall be present and shall participate by making a presentation and responding to questions. Agency or SBWMA shall convene the hearing to address the positive and negative aspects of Contractor's overall performance. The purpose of the hearing may also involve discussion and review of technological, economic, and regulatory changes in Collection, waste reduction, Recycling, processing, and Disposal practices that can improve quality of service; increase waste reduction and diversion; and ensure services are being provided effectively and economically. Topics for discussion and review at the performance hearing shall include, but not be limited to: Contractor's accomplishments and compliance with various provisions of the Agreement, services provided, feasibility of providing new services, application of new technologies, Customer Complaints, possible amendments to this Agreement, developments in the Applicable Laws and regulations, new initiatives for meeting or exceeding waste reduction and Recycling goals, regulatory constraints, and Contractor performance. Agency or SBWMA and Contractor may each select additional topics for discussion at the performance hearing.

B. **Process.** Within sixty (60) Days of notification provided by Agency or SBWMA to Contractor of its intent to conduct a performance hearing, Agency or SBWMA will submit questions to Contractor pertaining to Contractor's performance and Contractor shall submit its written response within thirty (30) Days. Agency or SBWMA and Contractor shall meet to discuss the questions and Contractor's response prior to submittal by Contractor. Agency or SBWMA and Contractor may request from one another information or documents related to the scheduled public hearing and Agency or SBWMA and Contractor shall provide such information promptly.

In addition to Contractor's responses to the questions submitted by Agency or SBWMA, Contractor may be required to submit a self-assessment report of Contractor's performance and information pertaining to the following:

1. Recommended Changes or New Services. Changes and/or new services recommended to improve Agency's or SBWMA's ability to meet and/or exceed the Agency's or SBWMA's waste reduction and recycling goals and those of the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB 901, AB 1594, AB 1826, SB 1061, and SB 1383).

2. Complaint Records. The reports required by this Agreement regarding Complaints shall be used as one basis for review. Contractor may submit other relevant performance information and reports for consideration. Agency or SBWMA may request Contractor to submit specific information for the hearing.

In addition, any Person may submit comments or Complaints during or before the hearing, either orally or in writing, and these shall be considered.

3. Action Plan. Contractor shall prepare and submit an action plan for improving and/or modifying its Collection services and other services if requested.

Not less than ten (10) Business Days prior to the scheduled hearing date, Agency or SBWMA and Contractor shall exchange any written reports and other documents that will be provided or presented at the hearing. Not less than five (5) Business Days before the scheduled hearing date, Agency or SBWMA and Contractor shall ensure their availability to discuss the content and underlying support for such reports.

Agency or SBWMA and Contractor shall attend and participate in the performance hearing. Contractor may be required to present an oral report on its performance at the performance hearing. Contractor's failure to attend and participate in the performance hearing and provide an oral presentation upon request; provide a written response to the questions or request for a self-assessment report submitted by Agency or SBWMA; or submit an action plan if requested by Agency or SBWMA may result in Liquidated Damages pursuant to Attachment J.

Within sixty (60) Days after the conclusion of each performance hearing, Agency or SBWMA may issue a report. As a result of the review, Agency or SBWMA may require Contractor to provide expanded or new services within a reasonable time frame and for reasonable compensation; and Agency or SBWMA may direct Contractor to take corrective actions for any performance inadequacies.

ARTICLE 9
RECORD KEEPING AND REPORTING

9.01 GENERAL

Contractor shall compile and maintain records related to its performance as necessary to develop the reports required by this Agreement. Contractor agrees to conduct data collection, record keeping, and reporting activities necessary to meet the reasonable reporting and Solid Waste, Recyclable Materials, and Organic Materials program management needs of the Agency, and to comply with Contractor's obligations under the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB 1826, and SB 1383), other Applicable Laws, and the requirements of this Agreement.

Record keeping and reporting requirements specified in this Agreement shall not be considered a comprehensive list of reporting requirements. In particular, Article 9 is intended to highlight the general nature of records and reports and their minimum content and is not meant to comprehensively define the scope and content of the records and reports. Upon written direction or approval of Agency, the records and reports required by Contractor in accordance with this and other Articles of the Agreement shall be adjusted in number, format, or frequency.

Contractor shall maintain all records necessary to allow the Agency to determine Contractor's compliance with the terms of the Agreement and compliance with the Performance Standards and Performance Incentives/Disincentives presented in this Agreement including, but not limited to, those related to the quality of Collection services and customer service and those identified in Attachments I and J. The records shall be maintained in a manner that allows for easy verification of Contractor's performance.

9.02 GENERAL RECORD KEEPING PROVISIONS

A. **General**. Contractor shall maintain records required to conduct its operations, to support requests it may make to Agency, and to respond to requests from Agency. All records shall be maintained for five (5) years after the expiration or early termination of this Agreement.

In order to set Contractor's Compensation pursuant to Article 11, it is necessary for Contractor to maintain accurate, detailed financial and operational information in a consistent format and to make such information available to the Agency in a timely fashion, and in accordance with reporting requirements specified in this Article.

B. **Inspection of Records**. Agency shall have the right to inspect or review the payroll tax reports, specific documents or records required expressly or by inference pursuant to this Agreement, or any other similar records or reports of Contractor that Agency shall deem, in its sole discretion, reasonably necessary to evaluate reports, compensation applications provided for in this Agreement, and Contractor's performance or other matters related to this Agreement.

The Agency, its auditors, and other agents selected by the Agency, shall have the right, during regular business hours, to conduct unannounced on-site inspections and review of the records and accounting systems of Contractor and to make copies of any of Contractor's documents relevant to this Agreement. Upon request, Contractor shall arrange for records of Related Party Entities to be made available to Agency and its official representatives for review, to the extent such records are reasonably

necessary to evaluate reports, compensation applications, Contractor's performance, or other matters related to this Agreement.

C. **Retention of Records**. Unless otherwise herein required, Contractor shall retain all records and data required to be maintained by this Agreement for the Term plus at least five (5) years after expiration or early termination of the Agreement. Records, and data shall be in a chronological and organized form and readily and easily interpreted. At the Agency's request, records and data required to be retained shall be retrieved in a timely manner (which shall not exceed more than ten (10) Business Days unless Contractor obtains prior written approval from the Agency) by Contractor and made available to the Agency.

Contractor shall maintain copies of all Billings and Billing Collections (e.g., Customer payments) records or copies of Billing summary reports (that document all Billings and Billing Collections for each Customer) for five (5) years, following the date of Billings, for inspection and verification by Agency.

Records and data required to be maintained that are not specifically directed to be retained that are, in the sole opinion of the Agency, material to the determination of Contractor's Compensation or Rates or to determination of Contractor's performance, shall be retrieved by Contractor and made available to the Agency in a timely manner (which shall not exceed ten (10) Business Days unless Contractor obtains prior written approval from the Agency). When records and data are not retained or provided by the Contractor, the Agency may make reasonable assumptions regarding what information is contained in such records and data, and such assumption(s) shall be conclusive in whatever action the Agency takes.

D. **Record Security**. Contractor shall maintain adequate record security to preserve records from events that can be reasonably anticipated such as a fire, theft, and an earthquake. Electronically-maintained data and/or records shall be protected, backed up, and stored at a separate site from the original data.

9.03 RECORD KEEPING REQUIREMENTS

A. Maintenance of Financial and Operational Records

1. General. In order to effectuate Contractor's Compensation pursuant to Article 11, it is necessary for Contractor to maintain accurate, detailed financial and operational information in a consistent format and to make such information available to the Agency and the SBWMA in a timely fashion.

2. Contractor's Accounting Records. Contractor shall maintain accurate and complete accounting records containing the underlying financial and operating data relating to, and showing the basis for computation of, all costs associated with providing services under this Agreement. The accounting records shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied.

B. Collection Service Records

Records shall be maintained and retained by Contractor for Agency relating to:

1. Customer and Billing information including, but not limited to, the following for each Customer.

a. Names, addresses, and phone numbers of Customer, Billing contact Person, and, if appropriate, for property manager or on-site contact Person.

b. Solid Waste service level, Targeted Recyclable Materials service level, and Organic Materials service level (where service level includes the number of Containers, size of each Container, and the Collection frequency of each Container).

c. Number of tenant or living units at Multi-Family Residential Complexes.

d. Service exemptions for SFD Premises (if applicable).

e. Special services (e.g., Backyard and Special Handling Collection for SFD Premises, push/pull service, lock/unlock service, Container Relocation Service, Long Distance Service, etc.).

2. Contractor's Customer and Billing system shall allow for information to be compiled easily and separately for each Service Sector.

3. Weight and volume of material Collected by type (e.g., Solid Waste, Targeted Recyclable Materials, Organic Materials). Where possible, information shall be provided separately for each Service Sector.

4. Route sheets and route maps identifying the accounts serviced by each Collection vehicle on a daily basis (e.g., detailed GPS reports).

5. Facilities, equipment, and personnel used.

6. Facilities and equipment operations, maintenance, and repair.

7. Tonnage of Solid Waste, Targeted Recyclable Materials, Universal Waste, and Organic Materials listed separately by materials type and Service Sector and the facility where materials were delivered (e.g., Designated Transfer and Processing Facility).

8. Monthly Overall Diversion Level, monthly SFD Diversion Level, and the monthly Commercial Diversion Level (each stated as a percentage) and calculated in accordance with Attachment I.

9. Targeted Recyclable Materials, Used Motor Oil and Used Motor Oil Filters, Household Batteries, Cell Phones, and Organic Materials Collection participation and set-out rates.

10. Tonnage of materials Collected from On-Call Bulky Item Collection services described in Sections 5.05, 5.06 and 5.12, community collection events as described in Sections 5.13 and 5.14, and abandoned waste clean-up events described in Section 5.09, reported separately by material type Collected and listing destination where materials were delivered (e.g., Goodwill Industries, Designated Transfer and Processing Facility, etc.).

11. Tonnage of Solid Waste, Recyclable Materials, and Organic Materials Collected from Venues and Community Events as described in Section 5.08 reported separately by material type Collected and reported separately for each Venue and Community Event as the total Tonnage of each material type for each Venue or Community Event monthly.

12. Volume of Used Motor Oil and number of Used Motor Oil Filters Collected by Contractor reported separately for each facility where materials were delivered.

C. **Other Programs Records**

Records for other programs shall be tailored to specific needs. In general, Contractor shall maintain and retain the following records:

1. Plans, tasks, and milestones; and,
2. Accomplishments including activities conducted, dates, quantities of products used, produced or distributed, and numbers of participants and responses.

D. **Customer Service Records**. Daily logs of all Complaints and Inquiries shall be retained for a minimum of thirty-six (36) months. Contractor shall maintain and retain customer service center records which include, but are not limited to, the following statistics:

1. Number of calls received on a daily and monthly basis;
2. Number of calls answered on a daily and monthly basis;
3. Number of abandoned (dropped) calls on a daily and monthly basis;
4. Average abandoned time (i.e., Hold Time before abandoning call);
5. Number of delayed calls (i.e., calls where caller is placed on hold before speaking with a customer service agent) on a daily and monthly basis;
6. Average Hold Time for incoming calls on a daily and monthly basis;
7. Percentage of calls answered by a Person within thirty (30) seconds on a daily and monthly basis;
8. Percentage of calls answered within three (3) minutes on a daily and monthly basis;
9. Number of e-mail responses sent from the customer service department to Customers on a monthly basis;
10. Number and percentage of Complaint and Inquiry e-mails or submissions through Contractor website that received responses before close of business on the Day received on a monthly basis;
11. Number and percentage of Complaint and Inquiry e-mails that received responses by the close of business on the Day following the receipt of the Complaint or Inquiry;
12. Number of Complaints and Inquiries received through Contractor's website on a daily and monthly basis;
13. Names of all Customer service representatives employed; and,
14. Minimum, average, and maximum number of customer service representatives employed during each month.

E. **CERCLA Defense Records**. Agency views the ability to defend against CERCLA and related litigation as a matter of great importance. For this reason, the Agency regards the ability to prove where Solid Waste Collected in the Agency area was taken for transfer or Disposal, to be matters of concern. Contractor shall maintain

data retention and preservation systems which can establish where Solid Waste Collected in the Service Area was delivered for transfer or Disposal. This provision shall survive the expiration of this Agreement.

F. **Compilation of Information for State Law Purposes.** Contractor shall compile information on amounts of Solid Waste delivered to the Designated Transfer and Processing Facility and to other locations, as well as other information which the Agency may reasonably request.

Contractor shall maintain these records for a minimum of ten (10) years after expiration or earlier termination of the Agreement. Contractor shall provide these records to Agency (upon request or at the end of the record retention period) in an organized and indexed manner rather than destroying or Disposing of them.

9.04 GENERAL REPORTING REQUIREMENTS

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

1. Evaluate Diversion performance
2. Evaluate Contractor's performance
3. Monitor Customer participation in Targeted Recyclable Materials and Organic Materials Collection programs and in other programs using several different performance measures
4. Monitor changes in the number of Customers and Customers' service levels
5. Determine needs for adjustment to programs and cost for such changes
6. Evaluate customer service and Complaints
7. Determine and set Contractor's Compensation and Rates

B. **Report Format.** Contractor may propose report formats that are responsive to the objectives and audiences for each report. The format of each report shall be approved by Agency. The Agency may review and request changes to Contractor's report formats and content and Contractor shall not unreasonably deny such requests. Contractor agrees to submit all reports by e-mail in a format compatible with the Agency's software and computers so the Agency can sort and analyze data. Contractor shall provide a certification statement, under penalty of perjury by the responsible Contractor official, that the report being submitted is true and correct to the best knowledge of such official after their reasonable inquiry.

C. **Submittal Schedule and Instructions.** Contractor shall submit monthly reports within fifteen (15) Days after the end of the reporting month, quarterly reports within thirty (30) Days after the end of the reporting quarter, and annual reports within forty-five (45) Days after the end of the reporting year. Contractor shall submit (via e-mail) all reports to the person(s) designated by SBWMA and Agency. Each quarterly report shall be in lieu of the monthly report for the third month of the quarter; thus, Contractor shall submit a total of thirteen (13) periodic reports per year: eight (8) monthly reports, four (4) quarterly reports, and one (1) annual report.

D. **Failure to Report.** The refusal or failure of Contractor to file any required reports, or to provide required information to Agency, or the inclusion of any materially false or

misleading statement or representation by Contractor in such report shall be deemed a Contractor default as described in Section 14.01 subject to the notice and cure provisions of that section and shall subject Contractor to all remedies which are available to the Agency under the Agreement or otherwise.

E. **Accuracy of Reports.** The failure of Contractor to file accurate and timely reports, proposal(s), information, or correspondence to Agency or SBWMA, or the inclusion of any inaccurate or misleading data, statement or representation by Contractor in such report(s), proposal(s), information, or correspondence to Agency or SBWMA, shall be subject to Liquidated Damages as set forth in Attachment J. In addition, the inclusion of any materially false or misleading statement or representation by Contractor in such report shall be deemed a Contractor default as described in Section 14.01 subject to the notice and cure provisions of that Section and shall subject Contractor to all remedies which are available to the Agency under the Agreement or otherwise.

F. **Source Files.** Contractor shall provide the SBWMA the following information: (i) with each monthly or quarterly report, a spreadsheet provided by Operator showing all Tonnages Collected by Contractor and delivered to the Shoreway Recycling and Disposal Center from Member Agencies during the reporting month, listed separately by Member Agency, material type, and Service Sector; (ii) with each monthly or quarterly report, a spreadsheet containing the information required by Sections 9.06.B, 9.06.D, and 9.06.E; and, (iii) with each annual report, a spreadsheet containing the information required by Section 9.07.B. Such information need not be included in the published reports provided to Agency.

9.05 MONTHLY REPORTS

Monthly reports shall present the information described in this Section in a format agreed upon by the Agency.

A. **Tonnage Information**. Contractor shall provide the Tonnage information requested below by Service Sector on a monthly and year-to-date basis, with a comparison to the prior year. However, the Agency reserves the right to request the monthly Tonnage data by route.

1. Solid Waste. Total Solid Waste Tonnage Collected and Disposed by Service Sector.

2. Targeted Recyclable Materials Services. Total Targeted Recyclable Materials Tonnage Collected and delivered for processing by Service Sector listed separately by material type Collected (e.g., Single-Stream Recyclable Materials, Source Separated cardboard, Source Separated paper, Used Motor Oil, Used Motor Oil Filters, etc.).

3. Organic Materials Services. Total Organic Materials Tonnage Collected and delivered for processing by Service Sector listed separately by material type (e.g., Plant Materials, Food Scraps, or Organic Materials).

B. **Diversion Level.** Contractor shall provide the monthly and year-to-date Calculated Overall Diversion Level, the monthly and year-to-date Residential Diversion Level, and the monthly and year-to-date Commercial Diversion Level (each stated as a percentage) calculated in accordance with Attachment I, with a comparison to the

prior year. In addition, Contractor shall present the calculations used to determine the diversion levels.

C. **Complaint, Inquiry and Service Requests Data.** Contractor shall provide information on the number of Complaints, Inquiries service requests received from Customers, Generators, or other Person by category (e.g., missed pickups, noise Complaints, scheduled On-Call Bulky Item Collection events, Overage events, Billing concerns, property damage claims, requests for information, delivery of Recycling Tote-Bags, inventory of Recycling Tote-Bags, etc.). Complaint summary, for each month, summarized by nature of Complaint, Inquiry, and service request on a compatible computer disc or other memory device approved by Agency. The categorization of Complaints, Inquiries, and service requests shall be agreed upon by the Agency, SBWMA, and Contractor prior to the Commencement Date, and shall be adjusted during the Term upon agreement between Agency, SBWMA and Contractor.

D. **Call Center Data.** Number of calls received, number of calls answered, number of dropped calls, percentage of dropped calls, Average Hold Time, percentage of calls answered in thirty (30) seconds.

E. **Monthly Gross Revenues and Fee Reports.** Pursuant to Article 10, a statement itemizing each fee paid by Contractor to Agency in the month; detailing calculation of each monthly fee amount; and stating monthly Gross Revenue Billed, by Service Sector, for all operations conducted or permitted by this Agreement.

F. **Abandoned Waste Collection.** Contractor shall provide a list of all abandoned waste Collection events performed identifying the address of each Collection location.

G. **Multi-Family Tote Bag Distribution.** Contractor shall provide a report on Multi-Family Tote Bag Distribution as required by Article 5, Collection Service, Section 5.03.C.2.

H. **Other Information.** Other information or reports that Agency may reasonably request or require be added to reporting. These requests may include, but shall not be limited to, information regarding on-call Bulky Item Collection programs, abandoned waste Collection, Used Motor Oil and Used Motor Oil Filter Collection, and Community Events and Venues Collection.

9.06 QUARTERLY REPORTS

Quarterly reports shall present the information described in this Section, in addition to the monthly information required under Section 9.05.

A. **On-Site Customer Assessments and Visual Audits.** Contractor shall report the number of site assessments and visual audits conducted for Multi-Family Dwelling, Commercial, and Agency Customers, which are required by Sections 7.04 and 7.05. SBWMA may request additional statistics as necessary.

B. **Public Education Activities.** Contractor shall report the following public education activity information.

1. Public education materials produced and total number of each distributed.
2. Dates, times, and names of meetings or events attended.
3. Dates, times, and names of school(s) where presentations were performed.

4. Completion of other activities specified in the then-current Three-Year Public Education Plan.

5. Other educational activities as may be requested by Agency.

C. **Determination and Payment of Liquidated Damages.** In accordance with the requirements of Section 14.07, Contractor shall provide a report that identifies any non-compliance with performance measures listed in Attachment J and include calculation of the Liquidated Damages due. Contractor may include with its report a written request to meet with Agency's Manager or his or her designee to discuss Contractor's evidence refuting the basis for assessing Liquidated Damages pertaining to unacceptable employee behavior. In such cases, Contractor shall include with its report evidence in writing and written testimony of its employees and others relevant to the incident(s)/non-performance. Agency's Manager or his or her designee will provide Contractor with a written explanation of his or her determination on each incident(s)/non-performance. The decision of Agency's Manager or his or her designee shall be final.

D. **Account Summary.** Provide the following account summary information in table format:

1. Number of Customers in each Rate and Charge category.

2. Total number of Residential, Commercial, and Drop Box Customers subscribing to Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection service listed separately by Service Sector and material type.

3. Percentage of Customers subscribing to Targeted Recyclable Materials Collection service (listed separately for Multi-Family, Commercial, and Drop Box Customers), which shall be equal to the total number of Targeted Recyclable Materials Customers divided by the total number of Solid Waste Customers.

4. Percentage of Customers subscribing to Organic Materials Collection service (listed separately for Multi-Family, Commercial, and Drop Box Customers), which shall be equal to the total number of Organic Materials Customers divided by the total number of Solid Waste Customers.

5. Weekly gallons or cubic yards of service provided to Residential, Commercial, and Drop Box Customers subscribing to Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection service listed separately by Service Sector and material type for one week.

E. **Operational Data.** Contractor shall submit the following:

1. A summary of Collection route operational data including: average number of Customers and Containers serviced per route per Day for each Collection route; average number of actual both on-route and off-route hours per Day by route (distinguishing between Standard Collection Vehicle Routes and Special Collection Vehicle Routes, if appropriate);

2. List of the one hundred (100) largest generators based on weekly Solid Waste volumes (listed in descending order) within Agency for both Commercial and Multi-Family Customers. This reporting shall include, at a minimum: the name of the Customer; the name of the business; the address of the business; the type(s) of service received (e.g. Collection of Solid Waste, Single-Stream

Targeted Recyclable Materials, Plant Materials, Food Scraps, Organic Materials, Source Separated cardboard, Source Separated paper, etc.); the volume of service received weekly measured in cubic yards; the frequency of service received measured in number of Collections per week; the diversion volume measured as total service level volume divided by Targeted Recyclables Materials and/or Organic Materials Collection volume; and, the change in service level from the prior quarter.

F. **Recycling Technical Assistance Plan Status Report**. Contractor must prepare and submit to Agency and SBWMA, a Recycling Technical Assistance Plan Status Report providing required reporting information identified in the then-current Three-Year Plan (prepared in accordance with Section 7.03.B).

G. **Determination and Payment of Performance Incentives and Disincentives.** In accordance with the requirements of Section 11.07, Contractor shall provide on a quarterly basis a report that identifies compliance with the performance standards listed in Attachment I and includes calculation of the performance incentive payments and disincentive assessments due. Performance incentives (in the form of increased compensation to Contractor) will be awarded by Agency for excellent performance on aspects of diversion and Customer service as specified in Attachment I.

All performance incentives and disincentives payments are to be included in Contractor's annual Rate Application and Contractor's Compensation for the next Rate Year will be increased or decreased by the net amount of performance incentive payments and disincentive assessments calculated in the Application. Performance incentives and disincentives for Diversion and Average Speed of Answer and performance disincentives for Ninety (90) Second Maximum Hold Time shall be calculated in aggregate for the SBWMA Service Area and Agency's share shall be proportional based on the Tons of Solid Waste Collected by Contractor for the previous Rate Year.

H. **Quality Assurance Program.** Contractor shall report quarterly on quality of the Customer service experience when Customer was interacting with Contractor, described in Section 7.02.F, during the prior month. The report shall include (i) name and Service Sector of each Customer contacted, (ii) date and time, (iii) name of Customer service representative placing call, (iv) summary of Customer's responses to questions and other information provided, and (v) follow-up actions taken, if any, in response to calls. The actual surveys shall be kept by the Contractor compliant with the record keeping requirements of the Agreement and such surveys shall be made available to the Agency or SBWMA upon request.

9.07 ANNUAL REPORTS

Annual reports shall present the information described in this Section, in addition to the monthly and quarterly report information required under Sections 9.05 and 9.06. The monthly and quarterly report information shall be presented as well as the annual totals for the Rate Year, when applicable (e.g., for Tonnage data, Diversion Level, Complaint and Inquiry data, Gross Revenue Billed, and Franchise Fees, etc.)

A. **Operational Information**

1. Routes by Service Sector

a. Number of routes per Day

b. Types of vehicles
c. Crew size per route
e. Number of full-time equivalent routes
f. Number of accounts per route
g. Total hours per Service Sector per Day and per year
h. Average cost per route
i. Route sheets and maps

2. Personnel

a. Organizational chart
b. Job classifications and number of full-time equivalent positions for each (e.g. administrative, customer service representatives, drivers, supervisors, educational staff, etc.)
c. Annual wages by job classification including benefits

3. Productivity Statistics

a. Number of accounts per Service Sector
b. Number of set-outs per Service Sector
c. Tons per route per Day by Service Sector

4. Operational Changes

a. Number of routes
b. Staffing
c. Supervision
d. Collection services

5. Equipment - An inventory of equipment in accordance with Section 8.04.D.

6. Billing - Billing review report in accordance with Section 7.01.F.

B. **Customer Account Information.** As part of the annual reporting requirement, Contractor shall make available to Agency detailed Customer account information in tabular format and in electronic format (in computer software format that is compatible with the Agency's) including the following information for each Customer: account number; service address; assessor parcel number for Accounts agreed to by Contractor and Agency; Customer's name, address, and phone number; Billing contact name, Billing address, and phone number; Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection service level (i.e., number of Containers, size of Containers, frequency of Collection, and Day(s) of Collection), and Rate or Charge billed. For Multi-Family Customers, the Customer account information shall also include the number of dwelling units at each Multi-Family Residential Complex.

C. **Customer Service Operations.** Contractor shall annually prepare and submit, to Agency and SBWMA, a Customer Service Operations Plan that shall include, at a minimum, the following sections:

1. Customer Service Call Center

a. Provide the number CSR supervisory staff and describe their responsibilities.

b. Contractor must describe its training strategy for CSR and CSR supervisory staff.
c. Contractor must describe its strategy and overall approach to attracting and retaining a high quality CSR staff.

2. Website

a. Number of on-line payments made
b. Number of On-Call Collection Services scheduled
c. Number of On-Call Bulky Goods Collections scheduled
d. Number of extra Solid Waste pick-ups scheduled
e. Number of service changes requested
f. Number of Complaints documented and resolved

3. Customer Information System

a. Status of any changes or upgrades made to system software
b. Description of proposed changes to system software
c. Explanation and schedule of training activities

4. Staffing

5. Commercial customer service

D. **Related Party Entities.** Contractor agrees that all financial transactions with all Related Party Entities shall be approved in advance in writing and disclosed annually (coinciding with Contractor's annual audited financial statements referred to in this Section 9.07) to the Agency in a separate disclosure letter to the Agency. This letter shall include the following information: a general description of the nature of each transaction, or type of (for many similar) transaction, as applicable. Such description shall include for each (or similar) transaction, amounts, specific Related Party Entity, basis of amount (how amount was determined), and description of the allocation methodology used to allocate any common costs. Amounts shall be reconciled to the Related Party Entity disclosures made in Contractor's annual audited financial statements referred to in this Section.

At the Agency's request, Contractor shall provide the Agency with copies of working papers or other documentation deemed relevant by the Agency relating to information shown in the annual disclosure letter. The annual disclosure letter shall be provided to the Agency within sixty (60) Business Days of Contractor's Fiscal Year end.

E. **Contractor's Review of Billings.** Pursuant to the requirements described in Section 7.01.F, Contractor shall submit a report on its review of Billings.

F. **Determination and Payment of Liquidated Damages.** In accordance with the requirements of Sections 14.07 and 11.07.D, Contractor shall provide with its annual report, a report that identifies any non-compliance with the performance standards listed in Attachment J and includes calculation of the Liquidated Damages due. This report shall be accompanied by supporting documentation identifying Contractor's compliance or non-compliance with the specified performance standards. The report submittal shall be accompanied by a check from Contractor in the amount of the Liquidated Damages due (per Contractor's calculation and self-reporting) for the reporting period.

G. **Determination and Payment of Performance Incentives and Disincentives.** In accordance with the requirements of Section 11.07, Contractor shall provide with its annual report, a report that identifies any non-compliance with the performance standards listed in Attachment I and includes calculation of the performance incentive payments and disincentive assessments due. Performance Incentives (in the form of increased compensation to Contractor) will be awarded by Agency for excellent performance on aspects of Solid Waste diversion, Collection service delivery and customer service as specified in Attachment I. Performance disincentives will be assessed by Agency for substandard performance on aspects of Solid Waste diversion, Collection service delivery and customer service specified in Attachment I.

Payment related to performance incentives and disincentives are to be included in Contractor's annual Rate Application and Contractor's Compensation for the next Rate Year will be increased or decreased by the net amount of performance incentive payments and disincentive assessments calculated. performance incentives and disincentives shall be calculated as specified in Attachment I.

9.08 REQUIRED SPECIFIC REPORTING

Event-specific reports shall be submitted following the occurrence of the event as described in this Section.

A. **Report of Accumulated Solid Waste; Unauthorized Dumping.** As required by Section 7.07, Contractor shall report: (i) the addresses of any Premises at which the driver observes that Solid Waste, Targeted Recyclable Materials, and/or Organic Materials is accumulating; and (ii) the address, or other location description, at which Solid Waste, Targeted Recyclable Materials, and/or Organic Materials has been dumped in an apparently unauthorized manner. The report shall be delivered to the Agency within one (1) Business Day of such observation.

B. **Hazardous Waste.** As required by Section 8.07, the Contractor shall notify the Agency of any Hazardous Waste identified in Containers or left at any Premises within twenty-four (24) hours of identification of such material.

C. **Reporting Adverse Information.** Contractor shall provide Agency two (2) copies (one (1) to the Agency Manager, one (1) to the Agency Attorney) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material relating specifically to Contractor's performance of services pursuant to this Agreement, submitted by Contractor to, or received by Contractor from, the United States or California Environmental Protection Agency, the California Department of Resources Recycling and Recovery (CalRecycle), the Securities and Exchange Commission or any other federal, State, County, or local agency, including any federal or State court. Copies shall be submitted to Agency simultaneously with Contractor's filing or submission of such matters with said agencies. Contractor's routine correspondence to said agencies need not be submitted to Agency, but shall be made available to Agency promptly upon Agency's written request.

9.09 UPON-REQUEST REPORTING

A. **Holiday Tree Services.** Within ten (10) Business Days of Agency's request, Contractor shall report the Tonnage of Holiday Trees Collected at the Drop Box sites or at drop-off sites (if drop-off sites were established).

B. **Summary Assessment**. Within thirty (30) Days of Agency's request, highlight significant accomplishments and problems. Identify recommendations and/or plans to improve services.

C. **Hazardous Waste Records.** A summary or copy of the Hazardous Waste records required under Section 8.07.D.

D. **GPS Route Reports**. Contractor shall provide GPS reports as reasonably requested by Agency or SBWMA.

E. **Other**. The Agency reserves the right to request additional reports from the Contractor, and the Contractor shall deliver such reports within twenty-five (25) Business Days of such request provided that such information is similar in nature to the required elements of the monthly, quarterly, or annual reporting requirements described in Sections 9.05, 9.06, and 9.07. If the information requested by the Agency is not typically part of the Contractor's reporting requirements described in Sections 9.05, 9.06, and 9.07, Contractor shall provide such information if the Contractor is required to maintain the information under the record-keeping requirements described in Sections 9.01, 9.02, and 9.03.

Contractor acknowledges that the Agency has to submit information to State and local agencies related to the Act, AB 341, AB 1826, and SB 1383 and may require additional reporting from the Contractor. If Agency needs additional information to complete its reports, Contractor shall provide additional information to the extent Contractor has maintained records on the information requested. The Parties acknowledge that Contractor shall provide reports to the Agency, and shall not submit reports to State or local agencies on the behalf of the Agency.

ARTICLE 10
FRANCHISE FEE AND OTHER FEES

10.01 GENERAL

The fees described in this Article shall be treated as Other Pass-Through Costs for the purposes of determining the Revenue Requirement and shall be recoverable through the Agency-approved Rates and Charges that Contractor bills Customers. Contractor shall separately identify any of the fees established under this Article on Customer bills if directed to do so by Agency.

10.02 FRANCHISE FEE

In consideration of the exclusive franchise granted to Contractor by this Agreement, and to reimburse Agency for costs incurred in administering this Agreement, Contractor shall pay to Agency a Franchise Fee specified in Attachment M.

10.03 OTHER FEES

Agency has adopted other fees, which are intended to recover the costs of services related to Solid Waste management, Recycling, and cleanliness of public streets and/or public litter and Recycling containers through inclusion in Rates. The other fees currently in effect, or which are expected to be in effect as of January 1, 2021 are listed in Attachment M.

10.04 TIME AND METHOD OF PAYMENT

On or before the twentieth (20th) Day of each month, Contractor shall pay to Agency (i) the amount of the Franchise Fees due on Gross Revenues Billed during the immediate previous month, and (ii) one-twelfth of any other fee established by Agency unless Agency directs a different payment schedule for such other fees.

Contractor shall provide, concurrently with the payment of fees, a statement showing the calculation of each fee, including the Gross Revenues Billed from Customers in each Service Sector for that month. The statement shall be in a format, and contain the level of detail, specified by Agency. Payments from Contractor to Agency shall be made by wire transfer or other method authorized by Agency.

If a fee is not paid on time, Contractor shall pay a late payment charge to the Agency equal to two percent (2%) of the fees due for that month. In addition, Contractor shall pay an additional two percent (2%) on any unpaid balance for each thirty (30) Day period a portion of the fee due remains unpaid. Late payment charges are not included in Contractor's Compensation and may not be recovered through Rates or Charges. Changes to Contractor's Compensation to reflect increases or decreases in fees, or the addition of new fees, are not subject to the Special Compensation Review provisions in Section 11.05.

10.05 ADJUSTMENTS TO FEES; ADDITIONAL FEES

Agency may from time to time adjust the amount of the fees described in this Article and may establish other fees. Changes in the total amount of fees to be collected by Contractor and remitted to Agency shall be reflected in an adjustment to Contractor's Compensation and Rates.

ARTICLE 11
CONTRACTOR'S COMPENSATION AND RATES

11.01 OVERVIEW

A. Contractor's Compensation includes three components:

1. Annual Cost of Operations. These include the cost of labor, equipment, materials and supplies, fuel, insurance, bonds, taxes, overhead and all other costs necessary to perform all the services required, in the manner required, by this Agreement, with the exception of costs identified in subsection A.3.

2. Profit. Contractor's profit is determined by applying the Operating Ratio of ninety and one-half percent (90.5%) to annual costs of operation described in subsection A.1.

3. Contractor Pass-Through Costs. These consist of costs that Contractor is obligated to pay but on which Contractor does not earn a profit and consist of: (i) interest expense, and (ii) adjustments to compensation to reflect Agency-specific Agreement changes (labeled in Attachment N as "Contract Changes to Specific Agencies").

B. Attachment N includes baseline financial and operational information that shall be used to calculate Contractor's Compensation for 2021. The projected 2021 Annual Costs of Operation, Profit, and Contractor Pass-Through Costs shown on Attachment N: (i) were prepared by Contractor; (ii) were allocated among Member Agencies based on the allocations used for Contractor's Application for Rate Year 2017; and, (ii) have been adjusted to reflect refinements in the scope of services and decisions by individual Member Agencies as to specific programs, levels of service, or other unique factors affecting only their jurisdiction.

C. Contractor's Compensation for Rate Year Eleven (2021) shall be determined as provided in Section 11.02.A. Annually thereafter, Contractor's Compensation shall be adjusted as provided in Section 11.02.D.

D. After the conclusion of each Rate Year, SBWMA will conduct a revenue reconciliation process as provided in Section 11.03. The purpose of this procedure is to reconcile Net Revenues Billed by Contractor for a Rate Year with the approved Contractor's Compensation for that Rate Year. Adjustments to Contractor's Compensation will be made in a subsequent Rate Year to recover any excess revenue from Contractor or to compensate Contractor for a revenue shortfall.

E. However, no adjustments to Contractor's Compensation will be made for differences between total costs of operation or Contractor Pass-Through Costs as calculated for the Rate Year and as actually incurred, with the exception of cost differences due to changes in scope of services (Section 15.12) or as authorized by a special compensation review (Section 11.05) or an adjustment under Section 3.03.B. If Contractor's actual annual cost of operations, actual profits and actual Contractor's Pass-Through Costs are more or less than the amounts included in the annual calculation of Contractor's Compensation, Contractor is neither entitled to an increase in compensation, nor subject to a reduction in compensation, in future Rate Years.

11.02 DETERMINATION OF CONTRACTOR'S COMPENSATION

A. **Contractor's Compensation for Rate Year Eleven (2021).** Contractor's Compensation for 2021 shall be determined in 2020 by adjusting Contractor's projected 2021 Contractor's Compensation shown on Attachment N to reflect the following factors:

- Change in Customer account and service levels as provided in Attachment K; and,
- Change in fuel prices as provided in Attachment K.

B. **Different Compensation Methods for Other Member Agency.** If Contractor enters into a franchise agreement with any other Member Agency which uses a substantially different methodology for calculating Contractor's Compensation than that set forth in Article 11 and Attachments K and N of this Agreement, then (i) for purposes of calculating Contractor's Compensation under this Agreement, Contractor's costs of providing service to such other Member Agency shall continue to be calculated using the methodology set forth in Attachments K and N, and, (ii) Contractor's Compensation for providing service to such other Member Agency shall be as set forth in the franchise agreement between it and Contractor. Any such franchise agreement shall (i) implement the performance incentives and disincentives provided for in this Agreement, and, (ii) require Contractor to pay sums due to SBWMA for delivery of materials from such Member Agency to Shoreway Recycling and Disposal Center.

C. **Reserved**

D. **Contractor's Compensation for Subsequent Rate Years.** Contractor's Compensation shall be adjusted annually, commencing with the determination of Contractor's Compensation for Rate Year Twelve (2022) and continuing through the remaining Term including any extension periods to reflect inflation (or deflation), changes in service levels, and the difference between Contractor's Compensation approved for the prior Rate Year (e.g., 2021) and Net Revenues Billed (e.g., 2021) and similarly for subsequent Rate Years.

E. **No Changes for Actuals.** During the Term, no changes to Contractor's Compensation will be made to reflect actual costs, actual profit, or actual Contractor Pass-Through Costs, except for adjustments related to vehicle acquisition costs, as provided in Attachment K.

F. **Change in Contractor's Compensation for Rate Years Eight, Nine, and Ten (2018, 2019, 2020).** The Contractor's Compensation for Rate Years Eight, Nine, and Ten (2018, 2019, 2020) shall be determined in accordance with the procedures specified in Attachment K of the 2009 Franchise Agreement with the following exceptions:

1. In Rate Years Eight, Nine, and Ten (2018, 2019, 2020), an adjustment shall be made to allocated indirect costs to account for a reduction in the staffing of Contractor's Waste Zero Specialists (from 8 full-time positions to 6 full-time positions). The adjustment shall be made by adding a new line item to the Contractor's Compensation adjustment calculations (after the General and Administrative line item), which shall be titled "Adjustment for Waste Zero Specialists" and include a negative amount of $200,000 for Rate Year Eight (2018).

The annual reduction amount shall be adjusted annually for Rate Year Nine (2019) and Ten (2020) using the same adjustment method used to adjust the General and Administrative costs.

2. In Rate Year Ten (2020), the vehicle depreciation shall be $4,092,539.

11.03 ANNUAL REVENUE RECONCILIATION PROCESS

After completion of each Rate Year, a revenue reconciliation process will be implemented as provided in this Section and further described in Attachment K, Section 10.

The purpose of this process is to determine, for each Member Agency, the difference between the actual Net Revenue Billed by Contractor for such Member Agency for the preceding Rate Year and the calculated Contractor's Compensation approved for such Member Agency for that Rate Year.

The Contractor shall submit a report to Agency and SBWMA on or before March 31 of each Rate Year, commencing March 31, 2021.

The report shall include the following information (items) for the preceding Rate Year:

A. **Gross Revenue Billed.** Gross Revenue Billed is the total amount billed by Contractor or Agency to Customers for all services attributable to the Rate Year in question as further defined in Attachment A. The report shall identify the amount of Gross Revenue Billed attributable to each Member Agency. (In the case of Member Agencies that bill Customers directly for some or all of the services provided by Contractor, Gross Revenue Billed shall include all amounts paid to Contractor by those Member Agencies.)

B. **Payments to SBWMA.** Payments to SBWMA are the amounts charged by SBWMA for delivery of materials to the Designated Transfer and Disposal Facility. They do not include payments to SBWMA pursuant to Section 6.02 for excess Contamination. The report shall identify the amount of these payments attributable to each Member Agency, using the methodology described in Attachment K, Section 8..

C. **Payments to Agencies for Franchise Fees and Other Fees Described in Article 10.** The report shall identify the amount of these payments attributable to the Rate Year in question made to each Member Agency.

D. **Revenues Attributable to Additional Service.** In addition to regularly scheduled Collection service, Contractor may provide additional services to Customers or Agency on regular basis or "on-call" basis. A list of these additional services and Charges is included as Attachment Q. Contractor shall bill Customer for these services, or Agency when services are provided to Agency, at Agency-approved Charges specified in Attachment Q. The report shall identify the amount of billings for each Member Agency for additional services listed on Attachment.

Because the amount of such additional services may vary from year to year and is unpredictable, the costs and revenues associated with them are not included in SBWMA's prospective calculation of Contractor's Compensation or in the revenue reconciliation process described in Attachment K, with the exception that the revenue reconciliation process shall include Gross Billed Revenue received from SFD Customers that subscribe to Backyard Collection Services up to the first twenty percent (20%) of SFD Customers that subscribe to such service. If more than twenty percent (20%) of the SFD Customers subscribe to Backyard Collection Services,

Contractor shall retain revenues received from SFD Customers in excess of the first twenty percent (20%) of SFD Customers that subscribe to Backyard Collection Services. For example, if 10,000 SFD Customer subscribe to Collection services, the Gross Billed Revenue from up to 2,000 SFD Customers subscribing to Backyard Collection Services shall be included in the revenue reconciliation process. To continue this example, revenues from any additional SFD Customers (above the first 2,000 Customers) subscribing to Backyard Collection Services shall not be included revenue reconciliation and shall be retained by the Contractor. The report provided by Contractor shall include the Backyard Collection Service revenues and calculation of the portion of such revenues to be included in the revenue reconciliation.

E. **Net Revenue Billed.** Net Revenue Billed equals the result obtained by subtracting the sum of items B, C, and D above from item A above [i.e., Net Revenue Billed = A – (B+C+D)]. In this calculation, item D shall equal the Gross Revenue Billed from Attachment Q Charges less revenue to be included in the revenue reconciliation process for the Backyard Collection Service charge as described in item D above.

F. **Liquidated Damages; Performance Incentives and Disincentives.** Liquidated Damages assessed by Member Agencies pursuant to Section 14.07 are not included in the revenue reconciliation process. Similarly, performance incentive payments and performance disincentive assessments provided for in Section 11.07 are not included in the revenue reconciliation process.

G. **Comparison to Contractor's Compensation.** The report shall identify the approved Contractor's Compensation for each Member Agency and shall compare it to Net Revenue Billed for such Member Agency to determine the revenue shortfall or revenue surplus.

H. **SBWMA Review.** The SBWMA will review the report and underlying financial data for accuracy, will confer with Member Agencies to confirm data as to each Agency, and will meet with Contractor to resolve any errors or inconsistencies.

The SBWMA will incorporate its conclusions as to revenue shortfalls or revenue surpluses experienced by Contractor as to each Member Agency into its calculation of Contractor's Compensation for the following Rate Year distributed to all Member Agencies in the fall of each year.

I. **Final Rate Year.** The revenue reconciliation process will be conducted for the last Rate Year of the Agreement.

11.04 APPLICATION PROCESS FOR CONTRACTOR'S COMPENSATION

A. **Application Date and Content.** Contractor shall prepare and submit to Agency and SBWMA by June 15 of each year, beginning on June 15, 2020 for Rate Year Eleven (2021) Contractor's Compensation, an Application for determination of Contractor's Compensation for the next Rate Year. This Application shall cover all Member Agencies and shall present the calculation of Contractor's Compensation for each Member Agency using the methodology prescribed in Attachment K and illustrated in Attachment N. Contractor shall provide any additional information requested by the Agency or by SBWMA during its review of the Application.

B. **Review of Application.** The Application shall be reviewed by SBWMA for accuracy and consistency with the procedures for determining Contractor's Compensation specified in this Agreement as described in Attachment K. SBWMA shall share with

Contractor any factual or calculation errors identified in the Application and Contractor shall have the opportunity to revise its Application.

C. **SBWMA Report on Application.** As provided in Attachment K, SBWMA staff shall distribute, on or before September 1 of each year, a report in draft form which (i) identifies the amount of Contractor's Compensation and Pass-Through Costs calculated for each Agency for the following Rate Year, and (ii) provides an overall percentage increase or decrease in Agency's Rates which SBWMA calculates will generate Customer revenues sufficient to cover Contractor's Compensation and Pass-Through Costs.

SBWMA will take into account comments received from Agency and other Member Agencies within ten (10) Days after distribution of the report in draft form. A final report will be presented to and considered by the SBWMA Board of Directors and approved for distribution to all Member Agencies on or before October 1 of each year. The determination of Contractor's Compensation and the estimation of Pass-Through Costs for each Member Agency contained in the final Report shall be binding on Contractor and Agency.

11.05 SPECIAL COMPENSATION REVIEW

A. **Eligible Items.** The Contractor may apply to the Agency for consideration of a special review of Contractor's Compensation, and the Agency may initiate such a review, if one or more of the following events occur and cause an increase in or decrease to Contractor's Compensation by two percent (2%) or more for the then-current Rate Year. If one or more of the following events occur and cause an increase in or decrease to Contractor's Compensation by less than two percent (2%) for the then-current Rate Year, such cost impact shall be considered at the time the annual Contractor's Compensation adjustment process is performed in accordance with Section 11.02, and Contractor may be compensated retroactively for such cost subject to Agency approval.

1. Provision of emergency services pursuant to Section 7.08.
2. Flood, earthquake, or other similar catastrophic event affecting the Agency which is beyond the control of and not the fault of the Contractor.
3. Change in Law occurring after January 1, 2011.
4. Changes in the Rates charged for Backyard Collection Service and/or Curbside Collection Service that alter the price differential between the two, causing Customers to migrate from one to the other, with the result of increasing or decreasing Contractor's annual cost of operation by two percent (2%) or more.

A special compensation review must be requested by Contractor, or initiated by Agency, within twelve (12) months after one of the above-described events has occurred unless otherwise agreed to by the Agency.

B. **Ineligible Items.** A special review of Contractor's Compensation may not be initiated for any of the following reasons:

1. Increases or decreases in Contractor's cost of operations in excess of the adjustments provided through the annual adjustment mechanism described in Attachment K.

2. Growth or decline in the number of Customers or their service levels, with the exception of adjustments described in Attachment K.

3. Changes in the mix of Container sizes or frequency of Collection, with the exception of adjustments described in Attachment K.

C. **Review of Costs**. Agency shall have the right to review any and all financial and operating records of Contractor. Agency will take into account the net overall impact of the event on Contractor's Compensation, including reductions in cost resulting from curtailments in service levels or other factors.

D. **Submittal of Request**. Contractor must submit its request for a special review in a form and manner specified by the Agency, together with required cost and operational data. Agency will review the request and determine the amount owed, if any, to Contractor and the time period to be covered by special compensation circumstances.

E. **Burden of Justification**. In a special compensation review under this Section, Contractor shall bear the burden of justifying to the Agency by substantial evidence its entitlement to continuation of current, as well as any increases in, Contractor's Compensation. If the Agency determines that the Contractor has not met its burden, it shall notify Contractor that it is prepared to deny Contractor's request for an increase in compensation, or to proceed with a reduction in compensation. Within ten (10) Days after such notice, Contractor may request a hearing before the Agency's governing body to produce additional evidence. Upon such request, the Agency shall provide a hearing before the Agency governing body.

F. **Hearing**. Based on evidence presented to it, including, that submitted by Contractor, the Agency governing body may grant some, all, or none of the requested increase in, or may reduce, Contractor's Compensation. In the event Agency denies Contractor's requested increase in whole or in part, Contractor shall have the right to present its claim to a court of competent jurisdiction.

G. **Cost of Review**. Contractor shall bear all reasonable costs incurred by Agency (including assistance provided to it by SBWMA) of a special review which it has requested up to a maximum of sixty thousand dollars ($60,000). Costs of a review requested by Contractor may not be included in Contractor's Compensation, charged to Agency or Customers, nor included in the calculation used as rationale to initiate a special compensation review.

11.06 COMPENSATION ADJUSTMENTS FOR CHANGES IN SCOPE OF SERVICES OR SERVICE LEVELS

In the event the Agency directs a change in accordance with Section 15.12, an equitable adjustment in Contractor's Compensation will be made, effective with the commencement of the change, to reflect increases or decreases, if any, in Contractor's Compensation. The adjustment in compensation will also reflect the corresponding change in profit. The change in Contractor's Compensation will therefore consist of the sum of (i) the incremental change to costs, and (ii) profit adjustment at the allowed operating ratio of ninety and one-half percent (90.5%).

Within forty-five (45) Days of a request by Agency to initiate a change in service, Contractor shall present a proposal to Agency containing a complete description of the following, if and to the extent applicable:

1. Collection methodology to be employed.
2. Equipment to be utilized (number of vehicles, types, capacity, age, etc.).
3. Labor requirements (number of employees by classification).
4. Type of Containers to be used.
5. Description of program publicity/education/marketing materials to be developed.
6. Estimated Tonnage to be diverted and the methodology for determining that diverted Tonnage.
7. Anticipated impacts of the change, if any, on performance incentive and disincentive measures included in Attachment I.
8. Description of end uses of Collected material.
9. Three (3) year projection of the financial impact of the program's operations in a balance sheet and operating statement format including documentation of the key assumptions underlying the projections and the support for those assumptions, giving full effect to the savings or costs to existing services and the Rate impact to affected Customers.
10. Monitoring tools and quantitative measures including: cost per Ton; annual diversion; and pre-implementation as well as expected post-implementation route information including cost per route and accounts or lifts per route per Day.

11.07 RATE-SETTING PROCESS

A. **General.** The Agency shall be solely responsible for establishing and adjusting Rates as described in this Article.

B. **Annual Review Process.** The Rates shall be reviewed annually by Agency, commencing with Rate Year Eleven (2021) and continuing through the remaining Term including any extension periods. The Agency shall adjust Rates as necessary to generate annual Gross Revenues Billed equal to Contractor's Compensation approved for the Rate Year and other approved Pass-Through Costs (such as Disposal and processing costs and Agency fees).

If Agency elects to set Rates that are below those recommended in the SBWMA report, (or delays acting to revise Rates such that the recommended Rates do not go into effect until after January 1), and the Revenue Reconciliation process conducted by SBWMA for that Rate Year demonstrates that Net Revenues Billed were less than the approved Contractor's Compensation contained in the SBWMA report, interest shall accrue on the difference. Interest shall apply (i) to fifty percent (50%) of the difference during the Rate Year in which the shortfall in revenue occurred, and (ii) one-hundred percent (100%) of the difference during the immediately following Rate Year. The interest rate applied to both years shall be the prime rate in effect when SBWMA issued the report for that Rate Year plus one percent (1%). Interest payment arrangements shall be governed by the July 8, 2015 Memorandum of Understanding between Contractor and SBWMA, which is provided in Attachment S.

C. **Rate Structure.** The Agency shall have the sole and exclusive right to change the relationship of individual Rates in comparison with other Rates and to allocate total Contractor's Compensation among Service Sectors and Lines of Business. If a change in the Rates charged for Backyard Collection service or Curbside Collection

service causes a Customer migration from one to the other which in turn increases or decreases Contractor's annual cost of operation, either Party may initiate a special compensation review subject to conditions specified in Section 11.05.

If at any time Contractor believes that a Rate not included in the Agency-approved Rate schedule would be necessary or useful, Contractor shall notify the Agency and recommend establishment of such Rate. For example, if a Customer requests Collection of a fifteen (15) cubic yard Compactor five (5) times per week and the Agency-approved Rate schedule does not include this level of service, the Contractor shall recommend that the Agency establish a Rate for this level of service.

D. **Liquidated Damages**. Contractor shall pay Agency the amounts, if any, due for Liquidated Damages under Section 14.07 and Attachment J with submittal of its annual report to Agency pursuant to Section 9.07.

E. **Performance Incentives and Disincentives**. Contractor shall submit an annual report on the Performance Incentives and Disincentives detailed in Attachment I with submittal of its quarterly and annual reports to Agency and SBWMA pursuant to Section 9.06 and Section 9.07. Contractor shall pay Agency or Agency shall pay Contractor the net amount, if any, due for Performance Incentives and Disincentives calculated pursuant to Section 11.07, Attachment I, and Attachment N.

Payment related to Performance Incentives and Disincentives are to be included in Contractor's Application and Contractor's Compensation for the next Rate Year will be increased or decreased by the net amount of Performance Incentive payments and Disincentive assessments calculated.

11.08 NOTICE OF RATE ADJUSTMENTS

If requested by Agency, Contractor shall provide Agency with a complete and current list of its Customer addresses within ten (10) Days of the request. In addition, if requested by Agency, Contractor shall arrange for notices (prepared by Agency) to be mailed.

11.09 POTENTIAL RATE CONSTRAINTS

A. The parties recognize that, as of the date this Agreement is entered into, there is no authoritative judicial determination of whether Articles 13.C and 13.D of the California Constitution apply to rates and charges imposed by private enterprises for Solid Waste handling and Recycling services when those charges are regulated by a local government.

Until such authoritative judicial guidance is available, the Agency intends to provide notice of proposed Rates or Charges increases, and an opportunity for public hearing and protest as required by Article 13.D of the California Constitution.

B. The Agency will not be in default of this Agreement if (i) a majority protest prevents a proposed Rate increase from being adopted, (ii) a court rules that Rates adopted by the Agency are not consistent with Article 13.D, or (iii) an initiative reduces Rates from those in effect. After any such event, the Parties shall promptly meet and confer in good faith to consider modifications to service levels commensurate with the Rates that Contractor may legally charge.

ARTICLE 12
AGENCY RIGHT TO USE EQUIPMENT AND FACILITIES

12.01 PURPOSE

The Parties recognize (i) that frequent and continuous collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials is an essential public service and an important element of public health in developed communities such as Agency, and (ii) that even a temporary interruption in the Collection and transport services entrusted to Contractor may threaten the public health and safety, as well as causing serious financial harm to business operations in the Agency.

The purpose of this Article is to provide the Agency the ability to respond to such threats to the public health, safety, and welfare by making use of Contractor's Facilities and equipment. This Article applies to any interruption of services, regardless of whether or not Contractor's failure to perform is excused under Section 14.09.

12.02 CONDITIONS AUTHORIZING AGENCY'S RIGHT TO USE OF FACILITIES AND EQUIPMENT

If Contractor, for any reason, fails, refuses or is unable to Collect Solid Waste, Targeted Recyclable Materials, and Organic Materials at the times and in the manner required by this Agreement, and transport them to the Designated Transfer and Processing Facility, for more than two (2) Business Days, Agency may invoke this Article. Agency shall provide Contractor written notice that it intends to consider invoking this Article at a public meeting of its governing body, to be held two (2) or more Business Days from the date of the notice.

At the meeting, the governing body may invoke its rights under this Article if it determines that there has been an interruption in Collection service and that such interruption may continue, thereby threatening the public health, safety and welfare. If the governing body makes that determination, it may also determine to exercise the Agency's right to (i) perform Collection and transport services with its own personnel and/or those of other Member Agencies which have invoked this right under their Franchise Agreements with Contractor or authorize a third party to do so, and (ii) take possession of any of Contractor's property, including vehicles and other equipment used or useful in providing such services or in the Billing and collection of Rates billed for such services (collectively "Properties").

12.03 NOTICE TO CONTRACTOR

Agency shall deliver written notice to Contractor of its determination to exercise its right to provide Collection services and to make use of Contractor's Properties to do so. Upon receipt of the notice, Contractor shall immediately take all steps necessary to make available to Agency any of its vehicles and equipment that are requested by Agency. Contractor shall also cooperate in any other way requested by Agency to assist Agency in providing Collection services on a temporary basis.

12.04 RIGHTS AND RESPONSIBILITIES OF PARTIES

Agency will be responsible for the proper use and operation of Contractor's Properties, including maintenance and repair of vehicles and equipment. Agency will defend, indemnify and hold Contractor harmless from claims by third parties that are due solely to Agency's negligence in operating Contractor's vehicles or equipment, and not due in whole or in part to defects in the design or manufacture of the vehicles or equipment or to Contractor's failure to maintain them in good and safe operating condition.

If the interruption in service is excused under Section 14.09, Agency will pay Contractor one hundred dollars ($100) per Business Day per vehicle, which will constitute full compensation for use of all Properties. If the interruption in service constitutes a breach of contract or default, no payment is required.

Revenue received from Customers that is attributable to the period of time during which Agency provides temporary Collection service shall accrue to Agency rather than Contractor.

Agency may delegate the use and operation of any or all of Contractor's Properties to a third party.

If the interruption of Collection service is caused by a breach of contract or default by Contractor, Liquidated Damages and performance disincentives will continue to accrue until Contractor resumes the provision of Collection services in full compliance with the Agreement.

12.05 DURATION OF AGENCY'S RIGHT TO POSSESSION AND USE OF VEHICLES/EQUIPMENT

Agency may retain possession of Contractor's Properties and provide Collection services until the Contractor demonstrates to Agency's satisfaction that it is ready, willing, and able to resume providing such services, or one hundred eighty (180) Days from the notice given under Section 12.03, whichever occurs first.

Agency has no obligation to exercise its rights under this Article or, having done so, to continue to provide Collection services. It may at any time, in its sole discretion, relinquish possession of Contractor's Properties to Contractor.

Contractor's Properties shall be returned to Contractor in a condition substantially the same as that which existed at the time the Agency took possession of them, ordinary wear and tear excepted.

12.06 GENERAL

The Agency's exercise of its rights under this Article, (i) does not constitute taking or damaging of property for which compensation (other than as provided in this Article) must be paid, and (ii) does not exempt Contractor from its indemnity obligations under Article 13, which are meant to extend to circumstances arising under this Article, provided that Contractor is not required to indemnify Agency against claims arising from the sole negligence of Agency's employees or agents in the operation and use of Contractor's Properties during the time the Agency has sole possession of them.

The Agency's exercise of its rights under this Article does not limit its ability to seek any of the remedies available to it under Article 14.

The Agency's rights under this Article do not preclude its permanent acquisition of Contractor's vehicles and equipment used in providing service to Agency through the exercise of eminent domain.

ARTICLE 13
INDEMNITY, INSURANCE, BOND, GUARANTY

13.01 INDEMNIFICATION

Contractor shall indemnify, defend, and hold harmless Agency, its officers, employees and agents (collectively, the "Indemnitees"), from and against (i) any and all liability, penalty, claim, demand, action, proceeding, or suit, of any and every kind and description, whether judicial, quasi-judicial, or administrative in nature, (ii) any and all loss including, but not limited to, injury to and death of any person and damage to property, and (iii) contribution or indemnity demanded by third parties (collectively, the "Claims"), arising out of or occasioned in any way by, directly or indirectly, Contractor's performance of, or its failure to perform, its obligations under this Agreement. The foregoing indemnity shall not apply to the extent that a Claim is caused solely by the active negligence or intentional misconduct of the Indemnitees, but shall apply if the Claim is caused by the joint negligence of Contractor and other Persons, including an Indemnitee. Upon the occurrence of any Claim, Contractor shall defend (with attorneys reasonably acceptable to Agency) the Indemnitees. Contractor's duty to defend and indemnify shall survive the expiration or earlier termination of this Agreement.

13.02 INSURANCE

A. **Types and Amounts of Coverage**. Contractor shall procure from an insurance company or companies admitted or authorized to do business in the State of California, and shall maintain in force at all times during the Term, the following types and amounts of insurance:

1. Workers' Compensation and Employer's Liability. Contractor shall maintain workers' compensation insurance covering its employees in statutory amounts and otherwise in compliance with the laws of the State of California. Contractor shall maintain employer's liability insurance in an amount not less than one million dollars ($1,000,000) per accident or disease. Contractor shall not be obligated to carry workers compensation insurance if (i) it qualifies under California law and continuously complies with all statutory obligations to self-insure against such risks; (ii) furnishes a certificate of Permission to Self Insure issued by the Department of Industrial Relations; and (iii) furnishes updated certificates of Permission to Self Insure periodically to evidence continuous self insurance.

2. Comprehensive General Liability. Contractor shall maintain comprehensive general liability insurance with a combined single limit of not less than ten million dollars ($10,000,000) per occurrence covering all claims and all legal liability for personal injury, bodily injury, death, and property damage, including the loss of use thereof, arising out of, or occasioned in any way by, directly or indirectly, Contractor's performance of, or its failure to perform, services under this Agreement.

   The insurance required by this subsection shall include:

   (i) Premises Operations (including use of owned and non-owned equipment);

   (ii) Personal Injury Liability with employment exclusion deleted;

(iii) Broad Form Blanket Contractual with no exclusions for bodily injury, personal injury or property damage (including coverage for the indemnity obligations contained herein);

(iv) Owned, Non-Owned, and Hired Motor Vehicles;

(v) Broad Form Property Damage.

The comprehensive general liability insurance shall be written on an "occurrence" basis (rather than a "claims made" basis) in a form at least as broad as the most current version of the Insurance Service Office commercial general liability occurrence policy form (CG0001). If occurrence coverage is not obtainable, Contractor must arrange for "tail coverage" on a claims made policy to protect Agency from claims filed within four (4) years after the expiration or earlier termination of this Agreement relating to incidents that occurred prior to such expiration or termination.

3. Automobile Liability. Contractor shall maintain automobile liability insurance covering all vehicles used in performing service under this Agreement with a combined single limit of not less than ten million dollars ($10,000,000) per occurrence for bodily injury and property damage.

4. Pollution (Environmental Impairment) Liability. Contractor shall maintain pollution liability insurance coverage of not less than ten million dollars ($10,000,000) per occurrence covering claims for on-site, under-site, or off-site bodily injury and property damage as a result of pollution conditions arising out of its operations under this Agreement.

B. **Acceptability of Insureds**. The insurance policies required by this section shall be issued by an insurance company or companies admitted to do business in the State of California, subject to the jurisdiction of the California Insurance Commissioner, and with a rating in the most recent edition of Best's Insurance Reports of size category XV or larger and a rating classification of A+ or better.

C. **Required Endorsements**. Without limiting the generality of Sections 13.02.A and 13.02.B, the policies shall contain endorsements in substantially the following form:

1. Workers' Compensation and Employers' Liability Policy.

(a) "Thirty (30) Days prior written notice shall be given to the City of San Mateo in the event of cancellation or non-renewal of this policy." Such notice shall be sent to:

City of San Mateo
330 W. 20th Ave.
San Mateo, CA 94403
Attention: City Clerk

(b) "Insurer waives all right of subrogation against the City of San Mateo and its officers and employees for injuries or illnesses arising from work performed for the City of San Mateo."

2. Comprehensive General Liability Policy; Automobile Liability Policy; Pollution Liability Policy; and Hazardous Materials Policy.

(a) "Thirty (30) Days prior written notice shall be given to the City of San Mateo in the event of cancellation, reduction of coverage, or non-renewal of this policy." Such notice shall be sent to:

City of San Mateo
330 W. 20th Ave.
San Mateo, CA 94403
Attention: City Clerk

(b) "The City of San Mateo, its officers, employees, and agents are additional insureds on this policy."

(c) "This policy shall be considered primary insurance as respects any other valid and collectible insurance maintained by the City of San Mateo, including any self-insured retention or program of self-insurance, and any other such insurance shall be considered excess insurance only."

(d) "Inclusion of the City of San Mateo as an insured shall not affect the City of San Mateo's rights as respects any claim, demand, suit or judgment brought or recovered against the Contractor. This policy shall protect Contractor and the City of San Mateo in the same manner as though a separate policy had been issued to each, but this shall not operate to increase the company's liability as set forth in the policy beyond the amount shown or to which the company would have been liable if only one party had been named as an insured."

D. **Deductibles and Self-Insured Retentions**. The liability policies described in Sections 13.02.A(2) and 13.02.A(3) may contain a deductible or self-insured retention not to exceed $500,000 per occurrence. This amount may not be increased without Agency's prior written consent.

Contractor remains responsible for the payment of all losses and investigation, claim administration and defense expenses, including those of the Agency.

E. **Delivery of Proof of Coverage**. No later than ninety (90) Days before the commencement of operations, Contractor shall furnish Agency one or more certificates of insurance on a standard ACORD form substantiating that each of the coverages required hereunder is in force, in form and substance satisfactory to Agency. Such certificates shall show the type and amount of coverage, effective dates and dates of expiration of policies and shall be accompanied by all required endorsements. If Agency requests, copies of each policy, together with all endorsements, shall also be promptly delivered to Agency. Contractor shall furnish renewal certificates to Agency to demonstrate maintenance of the required coverages throughout the Term.

F. **Other Insurance Requirements**

1. In the event performance of any services is delegated to a Subcontractor, Contractor shall require such subcontractor to provide statutory workers' compensation insurance and employer's liability insurance for all of the Subcontractor's employees engaged in the work. The liability insurance required by Section 13.02.A(2) and the automobile liability policy required by Section 13.02.A(3) shall cover all Subcontractors or the Subcontractor must furnish

evidence of insurance provided by it meeting all of the requirements of this Section 13.02.

2. Contractor shall comply with all requirements of the insurers issuing policies. The carrying of insurance shall not relieve Contractor from any obligation under this Agreement, including those imposed by Section 13.01. If any claim is made by any third Person against Contractor or any Subcontractor on account of any occurrence related to this Agreement, other than claims by employees for work-related incidents, Contractor shall promptly report the facts in writing to the insurance carrier and to the Agency.

3. If Contractor fails to procure and maintain any insurance required by this Agreement, Agency may take out and maintain such insurance as it may deem proper and may require Contractor to reimburse it for the cost incurred within thirty (30) Days and/or deduct the cost from any monies due Contractor. Agency may also treat the failure as a Contractor default.

4. Agency is not responsible for payment of premiums for or deductibles under any required insurance coverages.

5. Any excess or umbrella policies shall be written on a "following form" basis.

13.03 FAITHFUL PERFORMANCE BOND

Pursuant to the 2009 Franchise Agreement, Contractor shall have a faithful performance bond in effect until December 31, 2020. On or before the Commencement Date, Contractor shall file with Agency a bond securing the Contractor's faithful performance of its obligations under this Agreement. The principal sum of the bond shall be no less than ten percent (10%) of the amount of the Rate Year Ten (2020) annual Revenue Requirement for Agency shown on Attachment N. The form of the bond shall be as set out in Attachment F. The bond shall be executed as surety by a corporation admitted to issue surety bonds in the State of California, regulated by the California Insurance Commissioner, and with a financial condition and record of service satisfactory to Agency.

The term of the bond shall be twenty-four (24) months. The bond shall be extended, or replaced by a new bond in the same principal sum (adjusted by the Annual Index Change in the CPI-U, which are defined in Attachment K), for the same term (i.e., twenty-four (24) months) and in the same form, bi-annually thereafter. Not less than ninety (90) Days before the expiration of the initial, or any subsequent, bond, Contractor shall furnish either a replacement bond or a continuation certificate substantially in the form attached as Attachment F, executed by the surety.

It is the intention of this Section that there be in full force and effect at all times a bond securing the Contractor's faithful performance of the Agreement, throughout its Term.

For the purposes of this Section, the Consumer Price Index shall be "CPI-U" means the All Urban Consumers Index (CPI-U) compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor agency, using the following parameters.

CPI-U Parameters:

Area – San Francisco-Oakland-San Jose Metropolitan Area
Item – All Items
Base Period – Current 1982-84=100
Not seasonally adjusted
Periodicity – Bi-monthly

13.04 ALTERNATIVE SECURITY

Agency may, in its sole discretion, allow Contractor to provide alternative security in the amount set forth in Section 13.03, in the form of (a) a prepaid irrevocable standby letter of credit in form and substance satisfactory to Agency, approved by the Agency's Attorney and issued by a financial institution acceptable to Agency, or (b) a certificate of deposit in the name of the Agency and in a form and with a term satisfactory to Agency, accompanied by an agreement giving Agency the right to draw on the funds deposited satisfactory to Agency and with a financial institution acceptable to Agency. Interest on the certificate of deposit will be payable to Contractor.

13.05 HAZARDOUS WASTE INDEMNIFICATION

Contractor shall indemnify, defend, and hold harmless the Indemnitees against all claims, of any kind whatsoever paid, incurred, or suffered by, or asserted against Indemnitees arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure. or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Wastes released, spilled. or disposed of by Contractor pursuant to this Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, ("CERCLA"), 42 U.S.C. Section 9607(e), and California Health and Safety Code Section 25364, to defend, protect, hold harmless. and indemnify Indemnitees from liability and shall survive the expiration or earlier termination of this Agreement. Notwithstanding the foregoing, Contractor is not required to indemnify the Indemnitees against claims arising from Contractor's delivery of Solid Waste, Recyclable Materials, and Organic Materials to the Designated Transfer and Processing Facility, or their subsequent delivery to other processing locations or the ultimate Disposal Site, unless such claims are due to Contractor's negligence or willful misconduct.

13.06 INDEMNIFICATION RELATED TO VARIOUS STATE REQUIREMENTS

Contractor agrees to indemnify and hold harmless the Indemnitees against all fines and/or penalties imposed by the California Department of Resources Recycling and Recovery (CalRecycle) or the Local Enforcement Agency (LEA) based on Contractor's failure to comply with laws, regulations. or permits issued or enforced by CalRecycle or the LEA or caused or contributed to by the Contractor's failure to perform obligations under this Agreement. This indemnity obligation is subject to the limitations and conditions in Public Resource Code Section 40059.1 but is enforceable to the maximum extent allowable by that Section. This indemnity shall survive the termination or earlier expiration of this Agreement. The indemnity shall pertain to the Act, AB 341, AB 901, AB 1826, AB 1594, SB 1016, SB 1383, and other laws, regulations. or permits issued or enforced by the CalRecycle or the LEA.

13.07 GUARANTY

Concurrently with execution of the 2009 Franchise Agreement, Contractor furnished a Guaranty of its performance thereunder, in the form of Attachment G, properly executed by Recology Inc., a California corporation. Said Guaranty by its terms applies to any amendment to the 2009 Franchise Agreement, including this Agreement. Recology Inc.

then owned and as of the date hereof continues to own all of the issued and outstanding common stock of Contractor.

ARTICLE 14
DEFAULT AND REMEDIES

14.01 EVENTS OF DEFAULT

Each of the following shall constitute an event of default ("Contractor default"):

A. Contractor fails to perform its obligations under Article 5, 6, or 7 of this Agreement and its failure to perform is not cured within ten (10) Business Days after written notice from Agency.

B. Contractor fails to perform its obligations under any other Article of this Agreement and its failure to perform is not cured within ten (10) Days after written notice from Agency, provided that if the nature of the failure is such that it will reasonably require more than ten (10) Days to cure, Contractor shall not be in default so long as it promptly commences the cure and diligently proceeds to completion of the cure, and provided further that neither notice nor opportunity to cure applies to events described in subsections C through H.

C. Contractor ceases to provide Collection and transportation services for a period of two (2) Business Days for any reason within the Contractor's control, including labor unrest such as strike, work stoppage or slowdown, sickout, picketing, or other concerted job action by Contractor's employees.

D. Contractor files a voluntary petition for relief under any bankruptcy, insolvency, or similar law.

E. An involuntary petition is brought against Contractor under any bankruptcy, insolvency, or similar law which remains un-dismissed or un-stayed for ninety (90) Days.

F. Contractor fails to furnish a replacement bond or a continuation certificate of the existing bond not less than ten (10) Days before expiration of the performance bond, as required by Section 13.03 or fails to maintain all required insurance coverage in force.

G. Contractor fails to provide reasonable assurance of performance when required under Section 14.10.

H. A representation or warranty contained in Article 2 proves to be false or misleading in a material respect as of the date such representation or warranty was made.

14.02 RIGHT TO SUSPEND OR TERMINATE UPON DEFAULT

A. Upon any Contractor default, Agency may terminate this Agreement or suspend it, in whole or in part. Such suspension or termination shall be effective thirty (30) Days after Agency has given notice of suspension or termination to Contractor, except that such notice may be effective in a shorter period of time, or immediately, if the Contractor default is one which endangers the health, welfare, or safety of the public; such as the failure to Collect Solid Waste, Recyclable Materials, or Organic Materials for the period of time specified in Section 14.01.C. Notice may be given orally in person or by telephone to the representative of Contractor designated in or under Section 15.10 (or, if he/she is unavailable, to a responsible employee of Contractor) and shall be effective immediately. Written confirmation of such oral notice of

suspension or termination shall be sent by personal delivery, facsimile, or other expedited means of delivery to Contractor within twenty-four (24) hours of the oral notification at the address shown in Section 15.09. Contractor shall continue to perform the portions of the Agreement, if any, not suspended, in full conformity with its terms.

B. Agency may also suspend or terminate this Agreement, upon the same notice provisions, if Contractor's ability to perform is prevented or materially interfered with by a cause which excuses nonperformance under Section 14.09, despite the fact that nonperformance in such a case is neither a breach nor a Contractor default.

14.03 SPECIFIC PERFORMANCE

By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-quality service, the lead time required to effect alternative service, and the rights granted by Agency to Contractor, the remedy of damages for a breach hereof by Contractor is inadequate and Agency shall be entitled to injunctive relief.

14.04 RIGHT TO PERFORM; USE OF CONTRACTOR PROPERTY

If this Agreement is suspended and/or terminated due to a Contractor default, Agency shall have the right to perform, by contract, in conjunction with other Member Agencies, or otherwise, the work herein or such part thereof as it may deem necessary. In the event of Contractor's default, Agency shall have the right to use any of Contractor's equipment, Facilities, and other property reasonably necessary for the provision of services hereunder and for the Billing and collection of Rates and Charges billed for those services, upon the terms provided in Article 12. Agency shall have the right to continue use of such property until other suitable arrangements can be made for the provision of such services, which may include the award of a contract to another service provider.

14.05 DAMAGES

Contractor shall be liable to Agency for all direct, indirect, special, and consequential damages arising out of Contractor's default. This Section is intended to be declarative of existing California law.

14.06 AGENCY'S REMEDIES CUMULATIVE

Agency's rights to suspend or terminate the Agreement under Section 14.02, to obtain specific performance under Section 14.03, and to perform under Section 14.04 are not exclusive, and Agency's exercise of one such right shall not constitute an election of remedies. Instead, they shall be in addition to any and all other legal and equitable rights and remedies that Agency may have, including a legal action for damages under Section 14.05 or imposition of Liquidated Damages under Section 14.07.

14.07 LIQUIDATED DAMAGES

The Parties acknowledge that consistent, courteous, and efficient Collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials is of utmost importance and Agency has considered and relied on Contractor's representations as to its quality of service commitment in entering into this Agreement. The Parties further recognize that quantified standards of performance are necessary and appropriate to ensure consistent and reliable service. The Parties further recognize that if Contractor fails to achieve the performance standards, Agency and its residents will suffer damages and that it is and will be impracticable and extremely difficult to ascertain and determine the exact amount of

damages that Agency will suffer. Therefore, the Parties agree that the Liquidated Damage amounts listed in Attachment J and the Performance Disincentive amounts listed in Attachment I represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the date of this Agreement, including the relationship of the sums to the range of harm to Agency that reasonably could be anticipated and recognition that proof of actual damages would be costly or inconvenient. By initialing the places provided, each Party specifically confirms the accuracy of the statements made above and the fact that each Party had ample opportunity to consult with legal counsel and obtain an explanation of this liquidated damage provision at the time that this Agreement was made.

Contractor Initial Here: _____ Agency Initial Here: _____

Contractor agrees to pay (as liquidated damages and not as a penalty) the amount set forth in Attachments J and I.

In addition to considering the reports submitted by Contractor pursuant to Article 9, Agency may determine the occurrence of events giving rise to Liquidated Damages or Performance Disincentives through the observation of its own employees or agents, through discussions with Customers, and through investigation of Customer Complaints made directly to Agency. Prior to assessing Liquidated Damages or Performance Disincentives based on such observations or investigations, Agency shall give Contractor notice of its intention to do so. The notice will include a brief description of the incident(s)/non-performance. Contractor may review (and make copies at its own expense) all non-confidential information in the possession of Agency relating to incident(s)/non-performance. Contractor may, within ten (10) Days after receiving the notice, request a meeting with Agency's Manager or his or her designee. Contractor may present evidence in writing and through testimony of its employees and others relevant to the incident(s)/non-performance. Agency's Manager or his or her designee will provide Contractor with a written explanation of his or her determination on each incident(s)/non-performance prior to authorizing the assessment of Liquidated Damages or Performance Disincentives. The decision of Agency's Manager or his or her designee shall be final.

Agency's right to recover Liquidated Damages for Contractor's failure to meet the service performance standards shall not preclude Agency from obtaining equitable relief for persistent failures to meet such standards nor from terminating the Agreement for such persistent failures.

14.08 AGENCY DEFAULT

Agency shall be in default under this Agreement ("Agency default") in the event Agency commits a material breach of the Agreement and fails to cure such breach within thirty (30) Days after receiving notice from the Contractor specifying the breach, provided that if the nature of the breach is such that it will reasonably require more than thirty (30) Days to cure, Agency shall not be in default so long as Agency promptly commences the cure and diligently proceeds to completion of the cure.

In the event of an asserted Agency default, Contractor shall continue to perform all of its obligations hereunder until a court of competent jurisdiction has issued a final judgment declaring that Agency is in default.

14.09 EXCUSE FROM PERFORMANCE

A. **Force Majeure.** Neither Party shall be in default of its obligations under this Agreement in the event, and for so long as, it is impossible or extremely impracticable for it to perform its obligations due to an "act of God" (including, but not limited to, flood, earthquake, or other catastrophic events), war, insurrection, riot, labor unrest of other than the Party's employees (including strike, work stoppage, slowdown, sick out, picketing, or other concerted job action), or other similar cause not the fault of, and beyond the reasonable control of, the Party claiming excuse. A Party claiming excuse under this Section must (i) have taken reasonable precautions, if possible, to avoid being affected by the cause, and (ii) notify the other Party in writing as provided in Subsection C.

B. **Obligation to Restore Ability to Perform.** Any suspension of performance by a Party pursuant to this Section shall be only to the extent, and for a period of no longer duration than, required by the nature of the event, and the Party claiming excuse shall use its best efforts to remedy its inability to perform as quickly as possible and to mitigate damages that may occur as result of the event.

C. **Notice.** The Party claiming excuse shall deliver to the other Party a written notice of intent to claim excuse from performance under this Agreement by reason of an event of Force Majeure. Notice required by this Section shall be given promptly in light of the circumstances, but in any event not later than five (5) Days after the occurrence of the event of Force Majeure. Such notice shall describe in detail the event of Force Majeure claimed, the services impacted by the claimed event of Force Majeure, the expected length of time that the Party expects to be prevented from performing, the steps which the Party intends to take to restore its ability to perform, and such other information as the other Party reasonably requests.

D. **Agency's Rights in the Event of Force Majeure.** The partial or complete interruption or discontinuance of Contractor's services caused by an event of Force Majeure shall not constitute a Contractor default. Notwithstanding the foregoing: (i) Agency shall have the right to make use of Contractor's Facilities and equipment in accordance with Article 12 in the event of non-performance excused by Force Majeure; (ii) if Contractor's failure to perform by reason of Force Majeure continues for a period of thirty (30) Days or more, Agency shall have the right to immediately terminate this Agreement; (iii) if Contractor is unable to Collect and transport Solid Waste as required by this Agreement for a period of two (2) or more consecutive Business Days or for any three (3) Business Days in a seven (7) Day period as a result of Force Majeure, Agency shall have the right to make use of Contractor's Facilities and equipment in accordance with Article 12, and (iv) if Contractor's inability to Collect and transport Solid Waste continues for two (2) Days or more from the date by which Contractor gave or should have given notice under Subsection C, Agency may terminate this Agreement.

14.10 ASSURANCE OF PERFORMANCE

If Contractor (i) persistently suffers the imposition of Liquidated Damages under Section 14.07; (ii) is the subject of any labor unrest including work stoppage or slowdown, sickout, picketing, or other concerted job action; (iii) appears in the reasonable judgment of Agency to be unable to regularly pay its bills as they become due; (iv) is the subject of a civil or

criminal proceeding brought by a federal, State, regional, or local agency for violation of an Environmental Law in the performance of this Agreement, or (v) performs in a manner that causes Agency to be uncertain about Contractor's ability and intention to comply with this Agreement, Agency may, at its 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 Agency may require.

ARTICLE 15
OTHER AGREEMENTS OF THE PARTIES

15.01 RELATIONSHIP OF PARTIES

The Parties intend that Contractor shall perform the services required by this Agreement as an independent contractor engaged by Agency and not as an officer or employee of Agency nor as a partner of or joint venturer with Agency. No employee or agent of Contractor shall be deemed to be an employee or agent of Agency. Except as expressly provided herein, Contractor shall have the exclusive control over the manner and means of conducting the services performed under this Agreement, and over all Persons performing such services. Contractor shall be solely responsible for the acts and omissions of its officers, employees, Subcontractors, and agents. Neither Contractor nor its officers, employees, Subcontractors, and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to Agency employees by virtue of their employment with Agency.

15.02 COMPLIANCE WITH LAW

In providing the services required under this Agreement, Contractor shall at all times comply with all Applicable Laws of the United States, the State and Agency, with all applicable ordinances, regulations promulgated by federal, state, regional, or local administrative and regulatory agencies, and by Agency, now in force and as they may be enacted, issued, or amended during the Term, and with all permits affecting the services to be provided.

15.03 ASSIGNMENT

Contractor acknowledges that this Agreement involves rendering a vital service to Agency's residents and businesses, and that Agency has selected Contractor to perform the services specified herein based on (i) Contractor's experience, skill, and reputation for conducting its operations in a safe, effective, and responsible fashion, and (ii) Contractor's and the Guarantor's financial resources to maintain the required equipment and to support its indemnity obligations to Agency under this Agreement. Agency has relied on each of these factors, among others, in choosing Contractor to perform the services to be rendered by Contractor under this Agreement.

A. **Agency Consent Required.** Contractor shall not assign its rights or delegate or otherwise transfer its obligations under this Agreement to any other Person without the prior written consent of Agency. Any such assignment made without the consent of Agency shall be void and the attempted assignment shall constitute a Contractor default.

B. **Assignment Defined.** For the purpose of this Section, "assignment" shall include, but not be limited to, (i) a sale, exchange, or other transfer to a third party of substantially all of Contractor's assets dedicated to service under this Agreement; (ii) a sale, exchange, or other transfer of outstanding common stock of Contractor to a Person who is not a shareholder as of the Effective Date which results in a change in control of Contractor; (iii) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or reissuance, voting trust, pooling agreement, escrow arrangement, liquidation, or other transaction which results in a change of ownership or control of Contractor; (iv) any assignment by operation of law, including insolvency

or bankruptcy, an assignment for the benefit of creditors, a writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, or change of control of Contractor.

C. **Consent Requirements**. If Contractor requests Agency's consideration of and consent to an assignment, Agency may deny or approve such request in its complete discretion. No request by Contractor for consent to an assignment need be considered by Agency unless and until Contractor has met the following requirements:

1. Contractor shall pay Agency its reasonable expenses for attorneys' fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment;

2. Contractor shall furnish Agency with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years;

3. Contractor shall furnish Agency with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste/Recycling management experience on a scale equal to or exceeding the scale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not been the subject of any administrative or judicial proceedings initiated by a federal, State, or local agency having jurisdiction over its operations due to an alleged failure to comply with federal, State, or local laws or that the proposed assignee has provided Agency with a complete list of such proceedings and their status; (iii) that the proposed assignee conducts its operations in a safe and environmentally conscientious manner, in accordance with sound Solid Waste management practices in full compliance with all federal, State, and local laws regulating the Collection and Disposal of Solid Waste and all Environmental Laws; and (iv) of any other information required by Agency to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe, and effective manner.

D. **No Obligation to Consider**. Agency will not be obligated to consider a proposed assignment if Contractor is in default.

15.04 AFFILIATED ENTITY

Contractor will not form or use any Affiliate to perform any of the services or activities which Contractor is required or allowed to perform under this Agreement, other than as a Subcontractor approved by Agency under Section 15.04.

If Contractor enters into any financial transactions with an Affiliate for the provision of labor, equipment, supplies, services, or capital related to the furnishing of service under this Agreement, that relationship shall be disclosed to Agency, and in the financial reports submitted to Agency. In such event, Agency's rights to inspect records and obtain financial data shall extend to records and data of such Affiliate that are relevant to those specific financial transactions.

15.05 CONTRACTOR'S INVESTIGATION

Contractor has made an independent investigation, satisfactory to it, of the conditions and circumstances surrounding the Agreement and the work to be performed by it. Contractor has had the opportunity to inspect the Designated Transfer and Processing Facility and to review the permits governing its operation, as well as the Source Reduction and Recycling Element adopted by Agency as required by the Act. Contractor has taken such matters into consideration in agreeing to provide the services required by, for the compensation to be provided under, this Agreement.

15.06 RESERVED

15.07 CONDEMNATION

Agency reserves the rights to acquire the Contractor's property utilized in the performance of this Agreement through the exercise of eminent domain.

15.08 NOTICE

All notices, demands, requests, proposals, approvals, consents, and other communications which this Agreement requires, authorizes or contemplates shall, except as provided in Article 14, be in writing and shall either be personally delivered to a representative of the Parties at the address below or be deposited in the United States mail, first class postage prepaid, addressed as follows:

If to Agency:

City Manager
City of San Mateo
330 W. 20th Ave.
San Mateo, CA 94403

If to Contractor:

General Manager
Recology San Mateo County
225 Shoreway Rd.
San Carlos, CA 94070

The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section.

Contact information for Contractor's General Manager is as follows:

General Manager
Recology San Mateo County
225 Shoreway Rd.
San Carlos, CA 94070

Contact information for Contractor's Environmental Technician is as follows:

Environmental Technician
Recology San Mateo County
225 Shoreway Rd.
San Carlos, CA 94070

Contractor shall promptly provide Agency the name and contact information for the above employees if there is a change during the Term.

15.09 REPRESENTATIVES OF THE PARTIES

A. **Representatives of Agency**. References in this Agreement to "Agency" shall mean the City and all actions to be taken by Agency shall be taken by the City Council except as provided below. The City Council may delegate authority to the City Manager, and/or to other Agency officials and may permit such officials, in turn, to delegate in writing some or all of such authority to subordinate officers. Contractor may rely upon actions taken by such delegates if they are within the scope of the authority properly delegated to them.

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

15.10 DUTY OF CONTRACTOR NOT TO DISCRIMINATE

In the performance of this Agreement Contractor shall not discriminate, nor permit any subcontractor to discriminate, against any employee, applicant for employment, or Customer on account of race, color, national origin, ancestry, religion, sex, age, physical disability, medical condition, sexual orientation, marital status, or other characteristic, in violation of any Applicable Law.

15.11 RESERVED

15.12 RIGHT OF AGENCY TO MAKE CHANGES IN SERVICES AND SERVICE LEVELS

A. Agency may, without amending this Agreement, direct Contractor to cease performing one or more types of service described in Articles 5 or 6, or may direct Contractor to modify the scope of one or more such services, may direct Contractor to perform additional Solid Waste, Targeted Recyclable Materials, Organic Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries and Cell Phones or Plant Materials handling services, or may otherwise direct Contractor to modify its performance under any other Section of this Agreement. In addition, SBWMA may, without amendment of this Agreement, direct a change in the number of Waste Zero Specialists as provided in Section 7.04.A, or a change in Other Services as provided in Section 7.13. Contractor shall promptly and cooperatively comply with such direction.

B. If such changes cause an increase or decrease in the cost of performing the services, an equitable adjustment in the Contractor's Compensation shall be made pursuant to Section 11.06. Contractor will continue to perform the new or changed service while the appropriate adjustment in Contractor's Compensation is being determined.

C. The Agency shall have the right to terminate a program if, in its discretion, the Contractor is not cost-effectively achieving the program's goals and objectives. Thereafter, the Agency may utilize a third party to perform these services if the

Agency reasonably believes the third party can improve on Contractor's performance and cost effectiveness. Notwithstanding these changes, Contractor shall continue the program during the meet and confer period and, thereafter, until the third party takes over the program. This subsection C applies to programs initiated at Agency's direction after the Commencement Date that are beyond the basic scope of services described in Section 4.01.A.

15.13 TRANSITION TO NEXT SERVICE PROVIDER

At the expiration of the Term or the earlier termination of the Agreement, or upon Agency's approval of a proposed assignment, Contractor shall cooperate fully with Agency to ensure an orderly transition to any and all new service providers. Contractor shall provide, within ten (10) Days of a written request by Agency, then-current route lists, which identify each Customer on the route, its service level (number of Containers, Container sizes, frequency of Collection, scheduled Collection day), any special Collection notes, and detailed then-current Customer account and Billing information. Contractor may, but is not required to, sell Collection vehicles and Containers to the next service provider.

Contractor shall upon Agency request, at least one-hundred-eighty (180) Days prior to the transition of services, attend meetings with the next service provider and with Agency and SBWMA staff and consultants to plan the recovery of Contractor's Containers and placement of the new Containers. Contractor shall perform in accordance with such plan and direct route supervisors to provide "ride-alongs" so that the new service provider's employees may ride with drivers in Collection vehicles during Collection operations. Contractor shall direct its drivers and other employees to provide accurate information to the new provider about routing and Customers.

15.14 REPORTS AS PUBLIC RECORDS

The reports, records, and other information submitted or required to be submitted by Contractor to Agency (and documents copied pursuant to Section 9.02) are public records within the meaning of that term in the California Public Records Act, Government Code Section 6250 *et seq.* Unless a particular record is exempted from disclosure by the California Public Records Act, it must be disclosed to the public by Agency upon request.

Contractor will not object to Agency making available to the public any information submitted by the Contractor, or required to be submitted in connection with the Contractor's Compensation, including but not limited to records described in Article 11.

ARTICLE 16
MISCELLANEOUS PROVISIONS

16.01 GOVERNING LAW

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

16.02 JURISDICTION

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

16.03 BINDING ON SUCCESSORS

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

16.04 PARTIES IN INTEREST

Nothing in this Agreement is intended to confer any rights on any Persons other than the Parties to it and their permitted successors and assigns.

16.05 WAIVER

The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision.

16.06 ATTACHMENTS

Each of the attachments, identified as Attachments "A" through "S," is attached hereto and incorporated herein and made a part hereof by this reference.

16.07 ENTIRE AGREEMENT

This Agreement, including the attachments, represents the full and entire agreement between the Parties with respect to the matters covered herein and supersedes all prior negotiations and agreements, either written or oral.

16.08 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.

16.09 INTERPRETATION

This Agreement shall be interpreted and construed reasonably and neither for nor against either Party, regardless of the degree to which either Party participated in its drafting.

16.10 AMENDMENT

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

16.11 SEVERABILITY

If a court of competent jurisdiction holds any non-material provision of this Agreement to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement which shall be enforced as if such invalid or unenforceable provision had not been contained herein.

16.12 COSTS AND ATTORNEYS' FEES

The prevailing Party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs expended in connection with such an action from the other Party.

16.13 NO DAMAGES FOR INVALIDATION OF AGREEMENT

If a final judgment of a court of competent jurisdiction determines that this Agreement is illegal or was unlawfully entered into by Agency, neither Party shall have any claim against the other for damages of any kind (including but not limited to loss of profits) on any theory.

16.14 REFERENCES TO LAWS

All references in this Agreement to laws and regulations shall be understood to include such laws and regulations as they may be subsequently amended or recodified, unless otherwise specifically provided. In addition, references to specific governmental agencies shall be understood to include agencies that succeed to or assume the functions they are currently performing.

16.15 INDEMNITY AGAINST CHALLENGES TO AGREEMENT

Contractor shall indemnify, defend, and hold harmless SBWMA, Agency, and its and their officers, employees, and agents (collectively, the "Indemnitees") from and against any and all liability, claim, demand, action, proceeding, or suit of any and every kind and description brought by a third party challenging the process by which proposals were solicited and evaluated, or this Agreement was negotiated or awarded to the extent that such liability, claim, demand, action, proceeding, or suit was caused by Contractor's failure to comply with Applicable Law or the instructions of any indemnitee with respect to such process.

16.16 DISPUTE RESOLUTION

Should any dispute between the Parties arise out of this Agreement and should the Parties be unable to resolve the issue, the Parties shall, at the written request of either Party, meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither Party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution, provided that this limitation shall not apply to a Party if the other Party fails to comply with this section. The costs of the mediator, if any, shall be paid equally by the Parties. If a mediated settlement is reached, neither Party shall be deemed the prevailing Party for purposes of the settlement and each Party shall bear its own legal costs. The mediation shall be completed within sixty (60) days of the written request of a Party for mediation unless both Parties agree to extend this timeframe. If litigation is filed regarding any dispute arising under this Agreement, the action shall be filed in San Mateo County Superior Court and the court shall award reasonable attorney's fees and costs to the prevailing Party. To the maximum extent permitted by law, all offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Parties, their agents, employees, experts or attorneys, or by the mediator or any employees of the mediation

service, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled until the end of the sixty (60) day period referred to above. The Parties will take such action, if any, required to effectuate such tolling.

LAST PAGE OF AGREEMENT

IN WITNESS WHEREOF, Agency and Contractor have executed this Contract as of the day and year first above written.

CITY OF SAN MATEO

By: _____
Larry Patterson
City Manager

RECOLOGY SAN MATEO COUNTY

By: _____
Michael J. Sangiacomo
President and CEO

ATTEST: _____
Patrice Olds
City Clerk

_____
Cary Chen
Secretary

APPROVED AS TO FORM:

_____
Assistant City Attorney – Caio Arellano

Recology
Reviewed by:
BG
Legal

ATTACHMENT A

DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this Agreement will have the meanings specified in this Article.

2009 Franchise Agreement

"2009 Franchise Agreement" means the exclusive franchise agreement between Agency and Recology San Mateo County for Solid Waste, Recyclable Materials, and Organic Materials Collection Services for services provided over a ten-year (10-year) period from January 1, 2011 through December 31, 2020, as amended on August 5, 2013.

AB 341

"AB 341" means the California Jobs and Recycling Act of 2011 (Chapter 476, Statues of 2011 [Chesbro, AB 341]), also commonly referred to as "AB 341", as amended, supplemented, superseded, and replaced from time to time. Of particular significance to the Collection services provided under the terms of this Agreement, AB 341 requires businesses and Multi-Family properties to Recycle.

AB 1826

"AB 1826" means the Organic Waste Recycling Act of 2014 (Chapter 727, Statues of 2014 [Chesbro, AB 1826]), also commonly referred to as "AB 1826", as amended, supplemented, superseded, and replaced from time to time. Of particular significance to the Collection services provided under the terms of this Agreement, AB 1826 specifies Organic Materials Recycling requirements for businesses and Multi-family Properties, phased in through 2020.

Act

"Act" means the California Integrated Waste Management Act of 1989 (AB 939) Public Resources Code, Section 40000 et seq. as currently in force or as hereafter amended.

Affiliate

"Affiliate" means a Person which is related to Contractor by virtue of direct or indirect ownership interest or common management. An Affiliate includes a Person in which Contractor owns a direct or indirect ownership interest, a Person which has a direct or indirect ownership interest in Contractor and/or a Person which is also owned, controlled or managed by any Person or individual which has a direct or indirect ownership interest in Contractor.

Agency

"Agency" means the City of San Mateo, a California municipal corporation.

Agency Manager

"Agency Manager" means Agency's City Manager, as designated by Agency.

Agreement

"Agreement" means this Amended and Restated Franchise Agreement, including the attachments.

Applicable Law

"Applicable Law" means all federal, State, and local laws, regulations, ordinances, rules, orders, judgments, decrees, permits, approvals, or other requirements of any governmental agency having jurisdiction over the Collection, transportation, Processing, and Disposal of Solid Waste, Targeted Recyclable Materials, Organic Materials and other materials Collected pursuant to this Agreement that are in force on January 1, 2011 and as they may be enacted, issued, or amended during the Term.

Application

"Application" means the application prepared and submitted by Contractor for determination of Contractor's Compensation for the following Rate Year.

Authority

"Authority" means the South Bayside Waste Management Authority or "SBWMA."

Average Hold Time

"Average Hold Time" means the sum of all call Hold Times divided by the number of calls answered by the agent or queue of agents over the same time interval.

Average Speed of Answer

"Average Speed of Answer" means the sum of time Customers wait for their calls to be answered after the call is queued (upon completion of the introductory voicemail message(s) or Customer bypassing the message(s)) divided by the total number of calls received over the same time interval.

Backyard Collection Service

"Backyard Collection Service" means the provision of Collection Service to a SFD in the rear or side Premises.

Billings

"Billings" or "Bills" means statements of charges for services rendered by Contractor, to Owners or Occupants of property, including Residential and Commercial Premises, for the Collection of Solid Waste, Targeted Recyclable Materials, Organic Materials, and other materials Collected pursuant to this Agreement.

Bin

"Bin" means a metal Container with capacity of approximately one (1) to six (6) cubic yards, with a hinged lid, with or without wheels, typically serviced by a front-loading Collection vehicle.

Bulky Items

"Bulky Items" means large items including, but not limited to, Major Appliances, furniture, tires (with rims removed), carpets, mattresses, and other oversize materials whose large size precludes or complicates their handling by normal Collection. Bulky Items do not include abandoned automobiles, large auto parts, or trees.

Bulky Item Collection

"Bulky Item Collection" means the Collection of Bulky Items pursuant to the requirements of this Agreement.

Business Days

"Business Days" means days (i.e., Monday through Friday) during which Contractor's office is open to do business with the public.

Cart

"Cart" means a plastic Container with a hinged lid and two wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has capacity of 20, 30, 60, or 90 gallons (or similar volumes specified in Attachment D).

Cell Phones

"Cell Phones" means all telephones used for mobile or cellular communications including batteries used to power cell phones.

Change in Law

"Change in Law" means any of the following events or conditions which has a material and adverse effect on the performance by the Parties of their respective obligations under this Agreement:

a. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation on or after January 1, 2011 of any Applicable Law; or

b. The order or judgment of any governmental body, on or after January 1, 2011, to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of the Agency, or of the Contractor, whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute such a willful or negligent action, error or omission or lack of reasonable diligence.

Charge

"Charge" means the amount payable to Contractor for providing any additional service to Customers and Agencies specified in Attachment Q.

Collect/Collection

"Collect" or "Collection" means to take physical possession, transport, and remove Solid Waste, Targeted Recyclable Materials, Organic Materials, or other materials pursuant to this Agreement within and from Agency.

Collection Container

"Collection Container" means any Container provided by Contractor to store and Collect Solid Waste, Targeted Recyclable Materials, Organics, or any other material targeted for Collection by Contractor or subcontractor of Contractor.

Commencement Date

"Commencement Date" means the date specified in Section 3.01 when the Contractor is to begin providing services under the terms and conditions of this Agreement.

Commercial

"Commercial" means a business activity including, but not limited to, retail sales, wholesale sales, services, research and development, government, education, non-profit, hospital, manufacturing, institutional and industrial operations, but excluding businesses conducted upon Residential Property which are permitted under applicable zoning regulations and are not the primary use of the property. Commercial Collection includes service provided to Multi-Family Dwelling Customers and Agency Facilities.

Commercial Diversion Level

"Commercial Diversion Level" means the sum of all Commercial Recyclable Materials Collected by Contractor divided by the sum of all Commercial materials Collected by Contractor. For the purposes of this definition, Recyclable Materials Collected shall include the sum of Targeted Recyclable Materials, Other Recyclable Materials, and Organic Materials Collected, without adjusting for Contamination. Materials Collected from Mixed Use Buildings shall be included in the calculation of the Commercial Diversion Level to the extent materials from such Customers are combined during Collection with materials from Commercial Premises.

Commingle

"Commingle" means to mix, mingle, or combine Targeted Recyclable Materials in a Collection Container.

Community Event

"Community Event" means Agency-sponsored or other community events that are one (1) or two (2) days in duration and have up to ten thousand (10,000) attendees per day. Community Events may include "large events" as defined in the Act (Public Resources Code Section 42648).

Compactor

"Compactor" means a mechanical apparatus that compresses materials and/or the Container that holds the compressed materials. Compactors include Bin compactors of any size serviced by front-loading Collection vehicles and Drop Box compactors of any size serviced by Drop Box Collection vehicles.

Complaint

"Complaint" means written or orally communicated statements made by members of the public, Customers, Owners, or Occupants of properties served by Contractor, by officers, employees or agents of Agency or SBWMA alleging non-performance of, or deficiencies in Contractor's performance of, its duties under this Agreement, or a violation by Contractor of this Agreement.

Construction and Demolition Debris or C&D

"Construction and Demolition Debris" and "C&D" means materials resulting from construction, renovation, remodeling, repair, or demolition operations on any Residential, Commercial or other structure or pavement.

Container

"Container" means any receptacle used for storage of Solid Waste, Targeted Recyclable Materials, Organic Materials and other materials Collected pursuant to this Agreement including, but not limited to, metal or plastic cans, Carts, Bins, tubs, Kitchen Pails, and Drop Boxes.

Container Relocation Service

"Container Relocation Service" means service rendered by Contractor for any Customer that requires relocation of their Collection Container(s) each service day to a location that is serviceable by the Contractor's regular Collection vehicles, and that requires Contractor to dispatch a secondary vehicle to relocate the Customer's Collection Container(s) to a serviceable location.

Contamination

"Contamination" means (i) all materials other than those defined as Targeted Recyclable Materials that were Collected by Contractor with Single-Stream or Source Separated Targeted Recyclable Materials; (ii) all materials other than those defined as Plant Materials Collected by Contractor with Plant Materials; or (iii) all materials other than those defined as Organic Materials Collected by Contractor with Organic Materials.

Contamination Level

"Contamination Level" means the percentage of Contamination in the Targeted Recyclable Materials, Plant Materials, or Organic Materials Collected by Contractor, which shall be calculated as the Tonnage of Contaminated Material or residual divided by the Tonnage of all the specific material Collected.

Contamination Measurement Procedure

"Contamination Measurement Procedure" means the procedure the SBWMA will use to determine the Contamination Level of loads of Targeted Recyclable Materials, Plant Materials, or Organic Materials Collected by Contractor and delivered to the Designated Transfer and Processing Facility.

Contractor

"Contractor" means Recology San Mateo County.

Contractor's Compensation

"Contractor's Compensation" means the monetary compensation owed to Contractor in return for providing services in accordance with this Agreement as described in Article 11 and Attachment K.

Contractor Pass-Through Costs

"Contractor Pass-Through Costs" means regulatory agency fees, interest expense, Member Agency-specific changes to the Agreement, and Cap Carry Forward amounts, as described under the heading "Contractor Pass-Through Costs" in Table 1 of Attachment K.

County

"County" means the County of San Mateo.

Curbside

"Curbside" means the location for Collection, where Collection Containers or loose materials are placed on the street or alley against the face of the curb, or, where no curb exists, placed not more than five (5) feet from the outside edge of the street or alley.

Customer

"Customer" means the Person to whom Contractor (or Agency if Agency bills directly) submits billing invoices for Collection services provided to a Premises. The Customer may be the Occupant or Owner of the Premises provided that the Owner of the Premises shall be responsible for payment of Collection services if an Occupant of the Premises fails to make such payment.

Day

"Day" means calendar day unless otherwise specified.

Designated Transfer and Processing Facility

"Designated Transfer and Processing Facility" means the Shoreway Recycling and Disposal Center or "SRDC" at 225 and 333 Shoreway Road, San Carlos, California, which is owned by SBWMA.

Designated Waste

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

Discarded Material

"Discarded Material" means Solid Waste, Targeted Recyclable Materials, and Organic Materials placed by a Generator in a Container and/or at a location that is designated for Collection pursuant to the Agency's Municipal Code. Discarded Material shall become the property of Contractor pursuant to California Public Resources Code Section 41950 until delivery to the Designated Transfer and Processing Facility.

Disposal

"Disposal" means the ultimate disposition of Solid Waste Collected at a Disposal Site.

Designated Disposal Site

"Designated Disposal Site" means the facility or facilities utilized for the landfill Disposal of Solid Waste Collected under the terms of this Agreement.

Drop Box

"Drop Box" means an open-top Container with a typical capacity of twenty (20) to forty (40) cubic yards that is serviced by a Drop Box or roll-off Collection vehicle. Drop boxes that contain putrescible solid waste require a lid. Drop Boxes are also referred to as Debris Boxes.

Effective Date

"Effective Date" means the date identified in Section 3.01 when this Agreement becomes binding and enforceable.

Electronic Waste (or E-Scrap)

"Electronic Waste" or "E-Scrap" means "Covered Electronic Wastes" as defined in the Act (Section 42463 of Public Resources Code) in addition to discarded electronic equipment such as, but not limited to, television sets, computer monitors, central processing units (CPUs), laptop computers, and peripherals (e.g., external computer hard drives, computer keyboards, computer mice, and computer printers). E-Scrap does not include those items defined herein as Targeted Recyclable Materials.

Environmental Laws

"Environmental Laws" means all federal and State statutes, County, and Agency ordinances concerning public health, safety and the environment including, by way of example and not limitation, the Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.; the Resource Conservation and Recovery Act, 42 USC §6902 et seq.; the Federal Clean Water Act, 33 USC §1251 et seq.; the Toxic Substances Control Act, 15 USC §1601 et seq.; the Occupational Safety and Health Act, 29 USC §651 et seq.; the California Hazardous Waste Control Act, California Health and Safety Code §25100 et seq.; the California Toxic Substances Control 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.

Facility/Facilities

"Facility/Facilities" means any plant or site, owned or leased and maintained, operated or used by Contractor for purposes of performing Contractor's obligations under this Agreement (e.g., facilities for parking and maintaining vehicles, administration offices, and customer service offices, etc.). As of the Effective Date, Contractor's Facility(ies) are Shoreway Recycling and Disposal Center at 225 Shoreway Road, San Carlos, California.

Fiscal Year

"Fiscal Year" means the period commencing July 1 through June 30 each year.

Food Scraps

"Food Scraps" means a subset of Organic Materials including: (i) all kitchen and table food waste, 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 BPI-certified plastic food service ware (where BPI refers to the Biodegradable Products Institute and more information can be found at http://www.bpiworld.org/science-of-composting).

Franchise Fee

"Franchise Fee" means the fee paid by Contractor to Agency pursuant to Section 10.02.

Generator

"Generator" means any Person whose act or process produces Solid Waste, Targeted Recyclable Materials, or Organic Materials, or whose act first causes Solid Waste to become subject to regulation.

Gross Revenue Billed

"Gross Revenue Billed" means the total revenue recognized per generally accepted accounting principles by the Contractor for all services provided to Customers during the Rate Year in question. Revenues may be billed by the Contractor to Customers or may be billed by Agency to Customers.

Guarantor

"Guarantor" means Recology Inc.

Guaranty

"Guaranty" means the agreement to be executed by the Guarantor in the form of Attachment G.

Hazardous Substance

"Hazardous Substance" shall mean 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 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 Federal, State or local Environmental Laws currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

Hazardous Waste

"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 any future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the US 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 there under.

Hold Time

"Hold Time" means the amount of time per answered call that a Customer service agent (or agents) place a call on hold, plus the amount of time a call is left unanswered after Contractor's introductory voicemail message(s) is ended either by completion of the message(s) or by the Customer bypassing the message.

Holidays

"Holidays" for the purposes of Collection service means New Year's Day and Christmas Day. Holidays for the purposes of local office operations means New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day. When a Holiday falls on a Saturday, it may be observed on the Friday prior to the Holiday. When a Holiday falls on a Sunday may be observed on the Monday following the Holiday.

Holiday Collection Schedule

"Holiday Collection Schedule" means the modified Collection service schedule due to a recognized Holiday for Collection service. If a Collection service Holiday falls on Monday, Tuesday, Wednesday, Thursday, or Friday, the service shall be provided the immediately following Day. When a Holiday falls on a Saturday, it may be observed on the Friday prior to the Holiday. When a Holiday falls on a Sunday, it may be observed on the Monday following the Holiday.

Holiday Trees

"Holiday Trees" means trees targeted for diversion that were purchased and used in celebration of Christmas and other holidays in December and January.

Household Batteries

"Household Batteries" means disposable or rechargeable dry cells (e.g., A, AA, AAA, B, C, D, 9-volt, button-type) commonly used as power sources for household or consumer products including, but not limited to, nickel-cadmium, nickel metal hydride, alkaline, mercury, mercuric oxide, silver oxide, zinc oxide, nickel-zinc, nickel iron, lithium, lithium ion, magnesium, manganese, and carbon-zinc batteries, but excluding automotive lead acid batteries.

Household Hazardous Waste

"Household Hazardous Waste" means Hazardous Waste generated at Residential Premises. Household Hazardous Waste does not include those items defined as Targeted Recyclable Materials.

Including

"Including" means including but not limited to.

Infectious Waste

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

Inquiry

"Inquiry" means a written or orally communicated request for information, request for Collection services, or request for change in service level made by members of the public, Customers, Owners, or Occupants of properties served by Contractor, or by officers, employees or agents of Agency or SBWMA.

Kitchen Pail

"Kitchen Pail" means a receptacle suitable for the storage of Food Scraps that has a capacity of 1.5 to 2.5 gallons, a wire or plastic handle, and a lid.

Line of Business

"Line of Business" means the individual types of Collection service provided by Contractor to each Service Sector, including Recyclable Materials Collection service, Organic Materials Collection service, and Solid Waste Collection service.

Liquidated Damages

"Liquidated Damages" means the amounts owed by Contractor to the Agency for failure to meet specific standards of performance as described in Section 14.07.

Long Distance Service

"Long Distance Service" means service rendered at a Premises each service day by Contractor in which route personnel manually push or pull a wheeled Container more than fifty (50) feet from its storage location to a serviceable location and then return the Container to its storage location.

Major Appliances

"Major Appliances" means any device including, but not limited to, washing machines, clothes dryer, hot water heaters, dehumidifiers, conventional ovens, microwave ovens, stoves, refrigerators, freezers, air-conditioners, trash compactors, and residential furnaces discarded by Customers. Major Appliances are commonly referred to as White Goods.

Materials Recovery Facility (MRF)

"Materials Recovery Facility" means a permitted facility where Solid Waste, Targeted Recyclable Materials, Organic Materials, and other materials are processed, sorted or separated for the purposes of recovering reusable or Targeted Recyclable Materials. For the purposes of this Agreement, Agency has designated the Shoreway Recycling and Disposal Center, located at 225 and 333 Shoreway Road, San Carlos, CA, owned by the SBWMA, as its Designated Transfer and Processing Facility.

Measured Contamination Level

"Measured Contamination Level" means the Contamination Level of the Targeted Recyclable Materials, Plant Materials, and Organic Materials delivered by Contractor to the Designated Transfer and Processing Facility determined in accordance with procedures contained in Attachment E.

Member Agencies

"Member Agencies" means the following jurisdictions: the cities of Belmont, Burlingame, East Palo Alto, Foster City, Menlo Park, Redwood City, San Carlos, and San Mateo; the towns of Atherton and Hillsborough; the County of San Mateo; and the West Bay Sanitary District.

Member Agency Facilities

"Member Agency Facilities" or "Agency Facilities" means any building, site, or open space, owned, or leased and maintained, operated or used by a Member Agency.

Missed Pick-Up Collection Event

"Missed Pick-Up Collection Event" means events whereby Contractor failed to Collect Solid Waste, Targeted Recyclable Materials, and Organic Materials on or before the Business Day following Contractor's receipt of the Missed Pick-Up Initial Complaint. The only exceptions to this definition include: Missed Pick-Up Initial Complaints for which Contractor: (i) documented in its Customer service system the Customer's failure to properly set out Container or that the Containers were blocked for Collection based on the route driver's report; and, (ii) coded the call for a recollection request or courtesy pick-up prior to receiving a Missed Pick-Up Initial Complaint.

Missed Pick-Up Initial Complaint

"Missed Pick-Up Initial Complaint" means Complaints received by Contractor, Agency, or SBWMA for missed pick-up of Solid Waste, Targeted Recyclable Materials, and Organic Materials 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 that the Containers were blocked for Collection based on the route driver's report; and, (ii) coded the call for a recollection request or courtesy pick-up prior to receiving a Missed Pick-Up Complaint on that same Day.

Mixed Use Building or Mixed Use

"Mixed Use Building" or "Mixed Use" means a Premises containing five (5) or more individual Residential Premises (dwelling units) and one (1) or more Commercial units.

Multi-Family, Multi-Family Dwelling, or MFD

"Multi-Family," "Multi-Family Dwelling", or "MFD" means an individual Residential Premises in a building that contains five (5) or more individual Residential Premises.

Multi-Family Residential Complex or Multi-Family Premises

"Multi-Family Residential Complex" or "Multi-Family Premises" means the building(s) containing five (5) or more individual Residential Premises. Such Premises normally have centralized Solid Waste and Targeted Recyclable Materials Collection service for all units in the building and are billed to one address (typically the Owner or property manager).

Net Revenue Billed

"Net Revenue Billed" means the amount determined in accordance with Section 11.03.E of the Agreement.

Occupant

"Occupant" means a Person who occupies a Premises.

On-Call Service

"On-Call Service" means Collection service provided by Contractor that is not regularly scheduled or is scheduled more than twenty-four (24) hours in advance. On-Call Service is initiated by Customer or Owner by calling, emailing, or requesting the service in person at Contractor's office.

Operating Cost

"Operating Cost" or "Cost of Operations" means those costs actually incurred by Contractor, reasonably necessary to perform under this Agreement, and not otherwise specifically excluded in this Agreement.

Operating Ratio

"Operating Ratio" means a factor used in the calculation of profit. Contractor's profit is determined by applying the Operating Ratio of ninety and one-half percent (90.5%) to total annual Costs of Operation described in Attachment K.

Operator

"Operator" means the company contracted by the SBWMA to operate the Designated Transfer and Processing Facility.

Organic Materials

"Organic Materials" means those materials that will decompose and/or putrefy and that the Agency permits, directs, or requires Generators to separate from Solid Waste and Targeted Recyclable Materials for Collection in specially designated Containers for Organic Materials Collection. Organic Materials include Plant Materials, Food Scraps, paper contaminated with Food Scraps, biodegradable plastic food service ware, pieces of unpainted and untreated wood, and pieces of unpainted and untreated wallboard. No Discarded Material shall be considered Organic Materials, unless such material is separated from Solid Waste and Targeted Recyclable Material.

Other Pass-Through Costs

"Other Pass-Through Costs" means Member Agency Franchise Fees and other fees which are paid to each Member Agency, and fees paid by Contractor to SBWMA for processing and Disposal (including transfer) of materials delivered by Contractor to the Designated Transfer and Processing Facility.

Other Recyclable Material

"Other Recyclable Material" means a subset of Recyclable Materials that are Collected which include, but are not limited to: Household Batteries, Cell Phones, Used Motor Oil, Used Motor Oil Filters, Bulky Items that are Recycled, Major Appliances, E-Scrap, and U-Waste. The purpose of differentiating Other Recyclable Material is to describe a category used to calculate the Overall Diversion Level as specified in Attachment I.

Overage

"Overage" means the amount of Solid Waste placed in or adjacent to a Collection Container that is in excess of the Container capacity.

Overall Diversion Level

"Overall Diversion Level" means the sum of all Recyclable Materials Collected by Contractor divided by the sum of all materials Collected by Contractor in a Rate Year. For the purposes of this definition, Recyclable Materials Collected shall include the sum of Targeted Recyclable Materials, Other Recyclable Materials, and Organic Materials Collected, without adjusting for Contamination.

Owner

"Owner" means the Person holding legal title to the real property constituting the Premises to which Solid Waste, Targeted Recyclable Materials, and/or Organic Materials Collection service is provided.

Party(ies)

"Party(ies)" refers to the Agency and Contractor, individually or together.

Pass-Through Cost

"Pass-Through Cost" means a cost to which no element of overhead, administrative expense, or profit, is added, such that the specific amount of such cost is included without modification in the calculations or reports prepared in implementing this Agreement.

Person

"Person" means any individual, firm, company, association, organization, partnership, corporation, trust, joint venture, the United States, the State, the County, towns, cities, or special purpose districts.

Plant Materials

"Plant Materials" means a subset of Organic Materials consisting of grass cuttings, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees (not more than six (6) inches in diameter) and five (5) feet in length, and similar materials generated at Premises, separated and set out for Collection. Plant Materials does not include materials not normally produced from gardens or landscape areas, such as, brick, rock, gravel, large quantities of dirt, concrete, sod, non-organic wastes, oil, and painted or treated wood products. Diseased plants and trees may be excluded from Plant Materials upon mutual consent of Agency and Contractor.

Premises

"Premises" means any land or building where Solid Waste, Recyclable Materials, or Organic Materials is generated or accumulated.

Previous Contractor

"Previous Contractor" means Allied Waste Services of San Mateo County, a division of Republic Services, Inc., which provided Collection services through December 31, 2010.

Rates

"Rates" means the monetary amounts to be charged a Customer by Contractor for providing Collection of Solid Waste, Recyclable Materials, Organic Materials, and other materials.

Rate Year

"Rate Year" means the twelve-month (12-month) period, commencing January 1 of one year and concluding December 31 of the same year, for which Contractor's Compensation is calculated. For purposes of this Agreement, Rate Years are numbered consecutively starting with Rate Period Eleven (January 1, 2021 to December 31, 2021), thus reflecting a continuation of Rate Years One through Ten from the 2009 Franchise Agreement.

Recycling

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

Recycling Blitz

"Recycling Blitz" means a Contractor outreach campaign, undertaken pursuant to Section 7.09, to implement or enhance Recycling or Organics Collection service at Commercial, Mixed Use, and Multi-Family Dwelling Customers.

Recycling Tote-Bag

"Recycling Tote-Bag" means a durable, mesh plastic bag with handles and a carrying capacity of approximately eight (8) gallons distributed to Multi-Family Dwelling Residential Premises and Multi-Family Residential complexes for personal Recycling use.

Recyclable Containers

"Recyclable Containers" means food and beverage packaging receptacles including but not limited to packaging that has California Redemption Value.

Recyclable Materials

"Recyclable Materials" means Discarded Materials that can be re-used, remanufactured, reconstituted, or Recycled.

Related Party Entity

"Related Party Entity" means any Affiliate which has financial transactions with Contractor pertaining to this Agreement.

Residential

"Residential" means of, from, or pertaining to Single-Family Dwellings, Multi-Family Residential complexes, including single-family homes, apartments, condominiums, townhouse complexes, mobile home parks, cooperative apartments, and yacht harbors and marinas where residents live aboard boats.

Residential Diversion Level

"Residential Diversion Level" means the sum of all Residential Recyclable Materials Collected by Contractor divided by the sum of all Residential materials Collected by Contractor. For the purposes of this definition, Recyclable Materials Collected shall include the sum of Targeted Recyclable Materials, Other Recyclable Materials, and Organic Materials Collected, without adjusting for Contamination. Materials Collected from Mixed Use Buildings shall be included in the calculation of the Residential Diversion Level to the extent materials from such Customers are combined during Collection with materials from Residential Premises.

Residential Premises

"Residential Premises" means individual dwelling units such as Single-Family Dwelling units, Multi-Family Dwelling units (such as townhouses, apartments, and condominiums), mobile home park dwelling units, cooperative apartments, and dwelling units at yacht harbors and marinas where residents live aboard boats.

Residential Property

"Residential Property" means property used for residential purposes.

Residential Recyclable Materials

"Residential Recyclable Materials" means Targeted Recyclable Materials Collected from both Single-Family Dwelling Customers and Multi-Family Residential Complexes.

Revenue Requirement

"Revenue Requirement" means the total projected amount of revenue that must be included in determination of Agency's Rates to cover all costs associated with Contractor's Compensation, Contractor Pass-Through Costs, and Other Pass-Through Costs for a Rate Year.

SB 1383

"SB 1383" means the Short-lived Climate Pollutants: Methane Emissions: Dairy And Livestock: Organic Waste: Landfills Act of 2016 (Chapter 395, Statues of 2016 [Lara, SB 1383]), also commonly referred to as "SB 1383", as amended, supplemented, superseded, and replaced from time to time. Of particular significance to the Collection services provided under the terms of this Agreement, SB 1383 establishes State-wide targets for the reduction of Organic Materials Disposal.

SBWMA

"SBWMA" means the South Bayside Waste Management Authority, which is a joint powers authority comprised of the Member Agencies.

SBWMA Service Area

"SBWMA Service Area" means the service area comprised of the SBWMA's Member Agencies, which include the following: Town of Atherton, City of Belmont, City of Burlingame, City of East Palo Alto, City of Foster City, Town of Hillsborough, City of Menlo Park, City of Redwood City, City of San Carlos, City of San Mateo, sections of unincorporated San Mateo County, and West Bay Sanitary District.

Service Area

"Service Area" means the area within, and, if applicable, outside Agency's jurisdictional boundaries with respect to which Agency exercises franchising authority for the Collection of Solid Waste, Targeted Recyclable Materials, Organic Materials, or other materials pursuant to this Agreement.

Service Day

"Service Day" means Monday through Sunday excluding Holidays specified in this Attachment A for the Collection services.

Service Opportunity

"Service Opportunity" means each individual opportunity the Contractor has to Collect Solid Waste, Targeted Recyclable Materials, and Organic Materials from a Customer's Container which is equivalent to the required Single-Family, Multi-Family, and Commercial lifts. For example, for a Single-Family Customer with regular weekly service, Contractor has three (3)

Service Opportunities per week – one (1) for Solid Waste Collection, one (1) for Targeted Recyclable Materials, and one (1) for Organic Materials.

Service Sector

"Service Sector" means Collection services for each of the following types of services: Single-Family; Multi-Family; Commercial; and Member Agency Facilities.

Single-Family, Single-Family Dwelling, or SFD

"Single-Family," "Single-Family Dwelling," or "SFD" means a Premises used as a Residential dwelling and includes each unit of a duplex, triplex, fourplex or townhouse condominium at which there are no more than four dwelling units where individual Solid Waste, Targeted Recyclable Materials, and Organics Materials Collection is provided separately to each dwelling unit.

Single-Stream Targeted Recyclable Materials

"Single-Stream Targeted Recyclable Materials" shall mean Targeted Recyclable Materials which have been Commingled by the Generator and placed in a Container for the purposes of Collection.

Solid Waste

"Solid Waste" means all putrescible and non-putrescible solid, semisolid, and liquid wastes, as defined in California Public Resources Code Section 40191. For the purposes of this Agreement, "Solid Waste" does not include abandoned vehicles and parts thereof, Hazardous Waste or low-level radioactive waste, medical waste, Source Separated Targeted Recyclable Materials, Source Separated Plant Materials, or Source Separated Organic Materials.

Source Separated

"Source Separated" means materials which otherwise would become Solid Waste, but have been segregated by the Generator, such as Targeted Recyclable Materials or Organic Materials, for the purpose of reuse, Recycling, or composting, to be Collected by Contractor or others.

Special Handling Service

"Special Handling Service" means the provision of Collection service to a SFD in the rear or side Premises. Customers eligible for this service include only those that submit documentation (e.g., a form signed by a doctor) of their inability to perform the generally applicable Curbside Collection set-out requirements.

Specialty Recyclable or Reusable Material

"Specialty Recyclable or Reusable Material" means Recyclable Materials that are not Targeted Recyclable Materials but that may be collected for purposes of Recycling by any Person operating in accordance with the Agency Municipal Code. Such Specialty Recyclable or Reusable Materials include, but are not limited to, scrap metal weighing more than ten (10) pounds, Construction and Demolition Debris, pallets, plastic film, and reusable furniture.

Speed of Answer

"Speed of Answer" means the amount of time before a call is answered once that call is queued upon completion of the introductory voicemail message(s) or Customer bypassing the message(s).

Shoreway Recycling and Disposal Facility

"Shoreway Recycling and Disposal Facility" means the Shoreway Recycling and Disposal Center at 225 and 333 Shoreway Road, San Carlos, California, which is owned by SBWMA.

State

"State" means the State of California.

Subcontractor

"Subcontractor" means a Person which has entered into a contract with the Contractor for the performance of work that is necessary for the Contractor's fulfillment of its obligations under this Agreement.

Targeted Recyclable Materials

"Targeted Recyclable Materials" means a subset of Recyclable Materials that includes: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, paperboard, paper egg cartons, telephone books, books, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard; paper milk cartons; glass containers of any color (including brown, blue, clear, and green); aluminum (including food and beverage containers, foil, small pieces of scrap metal); small pieces of scrap metal weighing less than ten (10) pounds and fitting into the Targeted Recyclable Materials Collection Container (excluding chain, cable, wire, banding, hand tools, and automotive parts); steel, tin or bi-metal containers; plastic containers (i.e., all plastic containers stamped with the Society for the Plastics Industry (SPI) code #1 through #7; and plastic containers that are not stamped but clearly can be identified as PET, HDPE, polypropylene). The list of "Targeted Recyclable Materials" may be modified as technology or commodity markets change during the term of the Agreement. Modifications to the list of "Targeted Recyclable Materials" shall be subject to mutual agreement between the SBWMA, Agency, and Contractor.

Term

"Term" shall have the meaning ascribed to it Section 3.02.

Ton (or Tonnage)

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

Transfer Station

"Transfer Station" means a Facility primarily used for the purpose of transferring Solid Waste from Collection vehicles to transfer vehicles (but which may include recovery operations) to more efficiently transport Solid Waste to the Disposal Site. For the purposes of this Agreement,

Agency has designated the Shoreway Recycling and Disposal Center, located at 225 and 333 Shoreway Road, San Carlos, CA, as its designated Transfer Station.

Spills of Discarded Materials

"Spills of Discarded Materials" means any Solid Waste, Targeted Recyclable Materials, or Organic Materials spilled or left at established Collection sites by Contractor after Collection, other than small particles of grass clippings and leaves of the size and volume that may be collected by regular street sweeping operations which may be left behind.

Universal Waste (or U-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. These include, but are not limited to, batteries, fluorescent light bulbs, mercury switches, and Electronic Waste. U-Waste does not include those items defined herein as Targeted Recyclable Materials.

Unpermitted Materials

"Unpermitted Materials" mean wastes or other materials that the Designated Transfer and Processing Facility is not permitted to receive, including Hazardous Waste and Hazardous Substances.

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 cars at a Residential Premises and not as a part of a for-profit or other business activity.

Used Motor Oil Filter

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

Venue

"Venue" means a permanent facility that during any year seats or serves an average of more than 2,000 individuals per day of operation. Both people attending the event and those working at it, including volunteers, are included in this number.

Waste Zero Specialists

"Waste Zero Specialists" are the Contractor's staff members responsible for recycling promotion directed primarily to Commercial and Multi-Family customers in the SBWMA Service Area.

Weekly Collection Service

"Weekly Collection Service" means Collection Service that is scheduled in advance from Monday through Friday and provided once-per-week on the same day or days each week.

White Goods

"White Goods" means Major Appliances.

ATTACHMENT B
LIST OF AGENCY FACILITIES
CITY OF SAN MATEO

Customer Name	Service Address	Rate Code		# of Units	MON	TUE	WED	THU	FRI	SAT	SUN
CITY OF SAN MATEO REC CENTER	2645 ALAMEDA DE LAS PULGAS	C2YG1	MSW	1	X			X			
CITY OF SAN MATEO REC CENTER	2645 ALAMEDA DE LAS PULGAS	C84O	ORG	2					X		
CITY OF SAN MATEO REC CENTER	2645 ALAMEDA DE LAS PULGAS	C96R	REC	2				X			
BERESFORD RECREATION CENTER	2720 ALAMEDA DE LAS PULGAS	C2YG1	MSW	1	X			X			
BERESFORD RECREATION CENTER	2720 ALAMEDA DE LAS PULGAS	C84G	MSW	1	X			X			
BERESFORD RECREATION CENTER	2720 ALAMEDA DE LAS PULGAS	C84O	ORG	1		X					
BERESFORD RECREATION CENTER	2720 ALAMEDA DE LAS PULGAS	C96G	MSW	9	X			X			
BERESFORD RECREATION CENTER	2720 ALAMEDA DE LAS PULGAS	C96O	ORG	5		X					
BERESFORD RECREATION CENTER	2720 ALAMEDA DE LAS PULGAS	C96R	REC	10			X				
CITY OF SAN MATEO - FIRE DEPT	545 BARNESON AVE	C1YG1	MSW	1		X					
CITY OF SAN MATEO - FIRE DEPT	545 BARNESON AVE	C1YR	REC	1		X					
CITY OF SAN MATEO - FIRE DEPT	545 BARNESON AVE	C84O	ORG	1		X					
CITY OF SAN MATEO - FIRE DEPT	1801 DE ANZA BLVD	C1YG1	MSW	1	X						
CITY OF SAN MATEO - FIRE DEPT	1801 DE ANZA BLVD	C84O	ORG	1				X			
CITY OF SAN MATEO - FIRE DEPT	1801 DE ANZA BLVD	C96R	REC	2		X					
CITY OF SAN MATEO WASTE WATER	2050 DETROIT DR	C2YG1	MSW	1				X			
CITY OF SAN MATEO WASTE WATER	2050 DETROIT DR	C3YG1	MSW	1				X			
CITY OF SAN MATEO WASTE WATER	2050 DETROIT DR	C3YR	REC	1		X					
CITY OF SAN MATEO WASTE WATER	2050 DETROIT DR	C84O	ORG	2				X			
CITY OF SAN MATEO	1201 E POPLAR AVE	C6YR	REC	1		X					
CITY OF SAN MATEO	1201 E POPLAR AVE	C96R	REC	2	ONCALL						
CITY OF SAN MATEO - GARAGE 2	330 E 4TH AVE	C2YR	REC	4	X	X	X	X	X	X	
CITY OF SAN MATEO - WORKER	400 E 5TH AVE	C2YG1	MSW	1	X						
CITY OF SAN MATEO - WORKER	400 E 5TH AVE	C2YR	REC	1		X					
CITY OF SAN MATEO - WORKER	400 E 5TH AVE	C84O	ORG	1				X			
CITY OF SAN MATEO - WORKER	400 E 5TH AVE	C96R	REC	1		X					
CITY OF SAN MATEO - GARAGE 3	ELLSWORTH & S B STREET	C3YR	REC	4	X	X	X	X	X	X	
CITY OF SAN MATEO	200 FRANKLIN PKWY	BATTERY		2	ONCALL						
CITY OF SAN MATEO	200 FRANKLIN PKWY	C2YO	ORG	1			X				
CITY OF SAN MATEO	200 FRANKLIN PKWY	C3YG1	MSW	1		X			X		
CITY OF SAN MATEO	200 FRANKLIN PKWY	C3YR	REC	2	X			X			
LAURIE MEADOWS PARK (MAT)	LAURIE MEADOWS DR	C96G	MSW	2	ONCALL						
LAURIE MEADOWS PARK (MAT)	LAURIE MEADOWS DR	C96R	REC	2	ONCALL						
TRINTA PARK/CITY OF SAN MATEO	LESLIE AND 19TH	C1YO	ORG	1		X					
TRINTA PARK/CITY OF SAN MATEO	LESLIE AND 19TH	C2YR	REC	1				X			
TRINTA PARK/CITY OF SAN MATEO	LESLIE AND 19TH	C2YR	REC	1				X			
TRINTA PARK/CITY OF SAN MATEO	LESLIE AND 19TH	C3YG1	MSW	1		X					
TRINTA PARK/CITY OF SAN MATEO	LESLIE AND 19TH	C64G	MSW	1		X					
TRINTA PARK/CITY OF SAN MATEO	LESLIE AND 19TH	C96G	MSW	3		X					
TRINTA PARK/CITY OF SAN MATEO	LESLIE AND 19TH	C96R	REC	2				X			
CITY CAN - SAN MATEO	MAIN ST & 2ND AVE	C32G	MSW	2	X		X	X	X	X	X
CITY OF SAN MATEO - FIRE DEPT	1500 MARINA CT	C84O	ORG	1				X			
CITY OF SAN MATEO - FIRE DEPT	1500 MARINA CT	C96G	MSW	2				X			
CITY OF SAN MATEO - FIRE DEPT	1500 MARINA CT	C96R	REC	3		X					
LAKESHORE PARK AND REC (MAT)	1550 MARINA CT	C1YG1	MSW	1				X			
LAKESHORE PARK AND REC (MAT)	1550 MARINA CT	C2YR	REC	1		X			X		
LAKESHORE PARK AND REC (MAT)	1550 MARINA CT	C84O	ORG	2				X			
LAKESHORE PARK AND REC (MAT)	1550 MARINA CT	C96G	MSW	5				X			
LAKESHORE PARK AND REC (MAT)	1550 MARINA CT	C96O	ORG	5				X			
LAKESHORE PARK AND REC (MAT)	1550 MARINA CT	C96R	REC	4		X			X		
KING PARK (MAT)	725 MONTE DIABLO AVE	C2YG1	MSW	1	X				X		
KING PARK (MAT)	725 MONTE DIABLO AVE	C96G	MSW	1	X				X		
KING PARK (MAT)	725 MONTE DIABLO AVE	C96O	ORG	1				X			
KING PARK (MAT)	725 MONTE DIABLO AVE	C96R	REC	11				X			
KING PARK (MAT)	725 MONTE DIABLO AVE	C96R	REC	1				X			
SHOREVIEW REC CENTER (MAT)	950 OCEAN VIEW AVE	C96G	MSW	9	X						
SHOREVIEW REC CENTER (MAT)	950 OCEAN VIEW AVE	C96O	ORG	1			X				
SHOREVIEW REC CENTER (MAT)	950 OCEAN VIEW AVE	C96R	REC	5				X			
CITY OF SAN MATEO - CORP YARD	1961 PACIFIC BLVD	C2YG1	MSW	3		X					
CITY OF SAN MATEO - CORP YARD	1961 PACIFIC BLVD	C2YR	REC	5				X			
CITY OF SAN MATEO - CORP YARD	1961 PACIFIC BLVD	C84R	REC	1	ONCALL						
CITY OF SAN MATEO - CORP YARD	1961 PACIFIC BLVD	C6YR	REC	2				X			
CITY OF SAN MATEO - CORP YARD	1961 PACIFIC BLVD	C96G	MSW	6	ONCALL						
CITY OF SAN MATEO - CORP YARD	1961 PACIFIC BLVD	C96O	ORG	5	ONCALL						
CITY OF SAN MATEO - CORP YARD	1961 PACIFIC BLVD	C96R	REC	3	ONCALL						
BERESFORD GARDEN EVENT CENTER	605 PARKSIDE WAY	C84R	REC	2	X				X		
BERESFORD GARDEN EVENT CENTER	605 PARKSIDE WAY	C96G	MSW	2	X		X		X		
BERESFORD GARDEN EVENT CENTER	605 PARKSIDE WAY	C96O	ORG	1		X					

ATTACHMENT B
LIST OF AGENCY FACILITIES
CITY OF SAN MATEO

Customer Name	Service Address	Rate Code		# of Units	MON	TUE	WED	THU	FRI	SAT	SUN
BERESFORD GARDEN EVENT CENTER	605 PARKSIDE WAY	C96R	REC	1	X				X		
CITY OF SAN MATEO - FIRE DEPT	120 S ELLSWORTH AVE	C1YG1	MSW	1	X			X			
CITY OF SAN MATEO - FIRE DEPT	120 S ELLSWORTH AVE	C2YR	REC	1	X				X		
CITY OF SAN MATEO - FIRE DEPT	120 S ELLSWORTH AVE	C84O	ORG	1				X			
CITY OF SAN MATEO - FIRE DEPT	319 S HUMBOLDT ST	C1YG1	MSW	1		X					
CITY OF SAN MATEO - FIRE DEPT	319 S HUMBOLDT ST	C84G	MSW	1		X					
CITY OF SAN MATEO - FIRE DEPT	319 S HUMBOLDT ST	C84O	ORG	1		X					
CITY OF SAN MATEO - FIRE DEPT	319 S HUMBOLDT ST	C96R	REC	2		X					
CITY OF SAN MATEO LIBRARY	1530 SUSAN CT	C1YR	REC	1		X					
CITY OF SAN MATEO LIBRARY	1530 SUSAN CT	C96G	MSW	1				X			
CITY OF SAN MATEO LIBRARY	205 W HILLSDALE BLVD	C1YR	REC	1			X				
CITY OF SAN MATEO LIBRARY	205 W HILLSDALE BLVD	C96G	MSW	1				X			
CITY OF SAN MATEO - CITY HALL	330 W 20TH AVE	C2YG1	MSW	1			X		X		
CITY OF SAN MATEO - CITY HALL	330 W 20TH AVE	C2YO	ORG	1				X			
CITY OF SAN MATEO - CITY HALL	330 W 20TH AVE	C84R	REC	1	X			X			
CITY OF SAN MATEO - CITY HALL	330 W 20TH AVE	C6YR	REC	1	X			X			
CITY OF SAN MATEO - CITY HALL	330 W 20TH AVE	C96O	ORG	1				X			
CITY OF SAN MATEO MAIN LIBRARY	55 W 3RD AVE	C3YG1	MSW	1	X			X			
CITY OF SAN MATEO MAIN LIBRARY	55 W 3RD AVE	C3YR	REC	1	X		X		X		
CITY OF SAN MATEO MAIN LIBRARY	55 W 3RD AVE	C84O	ORG	5					X		
CITY CAN - SAN MATEO	24 2ND AVE	C32G	MSW	1	X		X	X	X	X	X
BERESFORD COMMUNITY GARDEN	W 28TH AVE & PARK VIEW	C1YG1	MSW	1	X			X			
BERESFORD COMMUNITY GARDEN	W 28TH AVE & PARK VIEW	C6YO	ORG	2		X			X		
CITY CAN - SAN MATEO	3RD AVE & SAN MATEO DR	C32G	MSW	1				X			
CITY CAN - SAN MATEO	W 4TH AVE & EL CAMINO REAL	C32G	MSW	1			X				
CITY OF SAN MATEO - PARKS YARD	2001 PACIFIC BLVD	C2YG1	MSW	1		X					
CITY OF SAN MATEO - PARKS YARD	2001 PACIFIC BLVD	C2YR	REC	1				X			
CITY OF SAN MATEO - PARKS YARD	2001 PACIFIC BLVD	C84O	ORG	1	X						
CITY OF SAN MATEO - PARKS YARD	2001 PACIFIC BLVD	C96G	MSW	15	ONCALL						
CITY OF SAN MATEO - PARKS YARD	2001 PACIFIC BLVD	C96O	ORG	8	ONCALL						
CITY OF SAN MATEO - PARKS YARD	2001 PACIFIC BLVD	C96R	REC	8	ONCALL						
CENTRAL PARK	50 E 5TH AVE #.	C2YG1	MSW	2	X		X		X		
CENTRAL PARK	50 E 5TH AVE #.	C3YO	ORG	2	X		X		X		
CENTRAL PARK	50 E 5TH AVE #.	C64G	MSW	10	ONCALL						
CENTRAL PARK	50 E 5TH AVE #.	C64G	MSW	1			X				
CENTRAL PARK	50 E 5TH AVE #.	C84O	ORG	10	ONCALL						
CENTRAL PARK	50 E 5TH AVE #.	C84O	ORG	1		X			X		
CENTRAL PARK	50 E 5TH AVE #.	C84R	REC	10	ONCALL						
CENTRAL PARK	50 E 5TH AVE #.	C84R	REC	2		X			X		
CENTRAL PARK	50 E 5TH AVE #.	C96G	MSW	33			X				
CENTRAL PARK	50 E 5TH AVE #.	C96O	ORG	15					X		
CENTRAL PARK	50 E 5TH AVE #.	C96R	REC	17		X			X		
CITY OF SAN MATEO - FIRE DEPT	31 27TH AVE	C2YG1	MSW	1		X					
CITY OF SAN MATEO - FIRE DEPT	31 27TH AVE	C2YR	REC	1		X					
CITY OF SAN MATEO - FIRE DEPT	31 27TH AVE	C84O	ORG	2		X					
CITY OF SAN MATEO - GARAGE 1	60 E 3RD AVE	C2YR	REC	6	X	X	X	X	X	X	
CITY CAN - SAN MATEO	112 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	147 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	234 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	243 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	244 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	254 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	277 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	301 S B ST # & 3 3RD AVE	C32G	MSW	2	X		X	X	X	X	X
CITY CAN - SAN MATEO	365 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	407 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	639 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	725 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	105 3RD AVE #.	C20G	MSW	1	X		X	X	X	X	X
CITY OF SAN MATEO	301 E 28TH AVE #.	C32G	MSW	4	X			X			
CITY OF SAN MATEO	301 E 28TH AVE #.	C96O	ORG	1		X			X		
CITY OF SAN MATEO	301 E 28TH AVE #.	C96R	REC	2	X				X		
CITY CAN - SAN MATEO	85 N B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	33 N B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	303 BALDWIN AVE #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	28 N B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	136 N B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	44 E 4TH AVE #.	C32G	MSW	1	X	X	X	X	X	X	X

ATTACHMENT B
LIST OF AGENCY FACILITIES
CITY OF SAN MATEO

Customer Name	Service Address	Rate Code		# of Units	MON	TUE	WED	THU	FRI	SAT	SUN
CITY CAN - SAN MATEO	37 E 4TH AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	305 E 4TH AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	150 E 4TH AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	100 E 4TH AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	94 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	208 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	201 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	151 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	105 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	55 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	140 E 2ND AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	57 S B ST #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	201 BALDWIN AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	405 S B ST #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	414 E 2ND AVE #.	C32G	MSW	2	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	500 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	555 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	311 S ELLSWORTH AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	159 N KINGSTON ST #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	183 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	161 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	131 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	117 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	101 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	29 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	19 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	6 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	16 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	146 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	162 W 25TH AVE	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	83 37TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	46 37TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	737 2ND AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY OF SAN MATEO	99 SEAL CT	C64R	REC	3	X	X	X	X	X	X	
CITY OF SAN MATEO	99 SEAL CT	C96G	MSW	8	X	X	X	X	X	X	X
CITY OF SAN MATEO	99 SEAL CT	C96R	REC	5	X	X	X	X	X	X	
BERESFORD GARDEN CENTER	2720 ALAMEDA DE LAS PULGAS	C64O	ORG	4		X					
BERESFORD SNACK SHACK	2720 ALAMEDA DE LAS PULGAS	C96G	MSW	7	X			X			
BERESFORD SNACK SHACK	2720 ALAMEDA DE LAS PULGAS	C96R	REC	4			X				
BERESFORD GARDEN SHELTER	605 PARKSIDE WAY	C3YG1	MSW	1	X			X			
BERESFORD GARDEN SHELTER	605 PARKSIDE WAY	C96G	MSW	6	X			X			
BERESFORD GARDEN SHELTER	605 PARKSIDE WAY	C96O	ORG	1		X					
BERESFORD GARDEN SHELTER	605 PARKSIDE WAY	C96R	REC	6	X				X		
CITY CAN - SAN MATEO	517 S B ST #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	615 E 3RD AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	E 28TH AVE & BAZE RD #.	C32G	MSW	1	ONCALL						
CITY CAN - SAN MATEO	338 N FREMONT & E 4TH AVE #.	C32G	MSW	2	X		X		X		
CITY CAN - SAN MATEO	221 N FREMONT & E 3RD AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	706 ELDORADO ST	C32G	MSW	1				X			
LOS PRADOS PARK (MAT)	1837 BAHIA ST	C96R	REC	1		X					
CITY CAN - SAN MATEO	300 S ELLSWORTH AVE #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	15 N KINGSTON ST #.	C32G	MSW	2	X	X	X	X	X		
CITY CAN - SAN MATEO	106 W 25TH AVE #.	C20G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	71 E 4TH AVE & SAN MATEO DR	C32G	MSW	3	X	X	X	X	X	X	X
CITY OF SAN MATEO	J HART CLINTON DR	C3YG1	MSW	1	X		X		X		
CITY CAN - SAN MATEO	1725 MONTE DIABLO AVE	C96G	MSW	3	X	X	X		X		
CITY CAN - SAN MATEO	1725 MONTE DIABLO AVE	C96R	REC	3	X	X	X		X		
CITY CAN - SAN MATEO	309 SAN MATEO DR & E 4TH AVE	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	225 37TH AVE & EDISON ST	C32G	MSW	2	X		X		X		
CITY CAN - SAN MATEO	330 E 4TH AVE	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	2700 S EL CAMINO REAL #.	C32G	MSW	1		X					
CITY CAN - SAN MATEO	129 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	164 S B ST #.	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	310 S B ST & E 3RD AVE	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	329 S ELLSWORTH AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	215 E 4TH AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	235 E 3RD AVE #.	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	350 S B ST	C32G	MSW	1	X	X	X	X	X	X	X

ATTACHMENT B
LIST OF AGENCY FACILITIES
CITY OF SAN MATEO

Customer Name	Service Address	Rate Code		# of Units	MON	TUE	WED	THU	FRI	SAT	SUN
CITY CAN - SAN MATEO	100 W 25TH AVE #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	415 E 2ND AVE	C32G	MSW	1	X	X	X	X	X	X	X
CITY CAN - SAN MATEO	680 E 3RD AVE & S ELDORADO ST	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	2ND AVE & ELLSWORTH AVE	C32G	MSW	1	X		X	X	X	X	X
CITY CAN - SAN MATEO	60 E 3RD AVE #.	C32G	MSW	2	X		X	X	X	X	X
CITY CAN - SAN MATEO	E 28TH AVE & E KYNE ST #.	C32G	MSW	1	ONCALL						
CITY CAN - SAN MATEO	E 28TH & S DELAWARE ST #.	C32G	MSW	1	X		X		X		
CITY CAN - SAN MATEO	E 28TH AVE & PADDOCK #.	C32G	MSW	1	ONCALL						
CITY CAN - SAN MATEO	S DELAWARE & CURIOSITY #.	C32G	MSW	1	ONCALL						
CITY CAN - SAN MATEO	S DELAWARE & DERBY AVE #.	C32G	MSW	1	ONCALL						
CITY CAN - SAN MATEO	S DELAWARE & LANDING #.	C32G	MSW	1	ONCALL						
CITY CAN - SAN MATEO	FRANKLIN PKWY & MENA #.	C32G	MSW	1	ONCALL						
CITY CAN - SAN MATEO	LANDING AVE & BAZE RD #.	C32G	MSW	6	ONCALL						
CITY CAN - SAN MATEO	E KYNE ST & DERBY AVE #.	C32G	MSW	4	ONCALL						
CITY CAN - SAN MATEO	W KYNE ST & E 28TH AVE #.	C32G	MSW	4	ONCALL						
CITY CAN - SAN MATEO	E KYNE ST & LANDING #.	C32G	MSW	4	ONCALL						
CITY CAN - SAN MATEO	W KYNE ST & LANDING #.	C32G	MSW	2	ONCALL						
CITY CAN - SAN MATEO	YATES WAY & DAVID ST #.	C32G	MSW	2	ONCALL						
CITY CAN - SAN MATEO	YATES WAY & WAYNE WAY #.	C32G	MSW	2	ONCALL						
CITY OF SAN MATEO	2050 DETROIT DR	15DG	MSW	1	ONCALL						
CITY OF SAN MATEO	2050 DETROIT DR	15DG	MSW	1	ONCALL						
CITY OF SAN MATEO	1201 E POPLAR AVE	15DG	MSW	1			X				
CITY OF SAN MATEO	1201 E POPLAR AVE	30DYW	ORG	1	ONCALL						
CITY OF SAN MATEO	1201 E POPLAR AVE	30DYW	ORG	1	ONCALL						
CITY OF SAN MATEO	1201 E POPLAR AVE	30DYW	ORG	1	ONCALL						
CITY OF SAN MATEO	1201 E POPLAR AVE	15DYW	ORG	1	ONCALL						
CITY OF SAN MATEO	1949 PACIFIC BLVD	8DD	DIRT	1	ONCALL						
CITY OF SAN MATEO	1949 PACIFIC BLVD	30DYW	ORG	1		X			X		
CITY OF SAN MATEO	1949 PACIFIC BLVD	30DG	MSW	1		X		X			
CITY OF SAN MATEO	1949 PACIFIC BLVD	30DG	MSW	1		X			X		
CITY OF SAN MATEO	1949 PACIFIC BLVD	10DD	DIRT	1		X					
CITY OF SAN MATEO	1949 PACIFIC BLVD	10DD	DIRT	1	ONCALL						
CITY OF SAN MATEO	1949 PACIFIC BLVD	30DG	MSW	1	ONCALL						

Attachment C
Community Events
City of San Mateo

All of the following Community Events shall be annual unless otherwise noted in parentheses:

- Bay Front Cleanup (third Saturday of September)
- Central Park Music Series (7 to 8 Thursday night from mid-June to August)
- Eggstravaganza (near Easter Holiday)
- San Mateo on the Move (possible two events per year)
- Fireman's Chili Cookoff (one Saturday late August early September)
- Spring Dance Show (First Saturday in June)
- Senior Health and Wellness Fair (One day in October)
- Recycling Event (One Sunday in April, One Saturday in October)
- Holiday Tree Lighting Ceremony (On day early December)
- Martin Luther King Day/Freedom Train (One day in June)

Agency may add additional Community Events or modify this list of Community Events during the Term and shall make such modifications in accordance with Sections 5.08.

Attachment D
Container Specifications
City of San Mateo

Container Specifications - Carts					
1.	Material to be Collected		Color		Default Capacity
	Solid Waste		Black		32 gallons
	Targeted Recyclable Materials		Blue		64 gallons
	Organic Materials		Green		96 gallons
2.	Manufacturer		Toter Inc.		
3.	Material of Construction		LMPDE – Linear Medium Density Polyethelyne		
4.	Recycled Content (percentage)		Minimum of thirty percent (30%) post-consumer recycled content material		
5.	Manufacturing Method (rotational molding, injection molding, other.)		Rotational molding for 32,64,and 96 gallon carts Injection molding for 20 gallon cart		
	Cart Size	**20 gallons[1]**	**32 gallons**	**64 gallons**	**96 gallons**
6.	Durability (in service years)	10+	10+	10+	10+
7.	Cost of Each Container	N/A	N/A	N/A	N/A
8.	Dimensions of Each Container (Length x Width x Height)	24.25 x 19.25 x 38.50	24.25 x 19.25 x 38.50	31.75 x 24.25 x 41.75	35.25 x 29.75 x 43.25
9.	Wheel Size (carts only)	10"	10"	10"	10"
1.	Maximum Load Weight (lbs)	60-74 lbs	112 lbs	224 lbs	336 lbs
10.	Manufacturer's warranty (years)	10	10	10	10
11.	Labeling (list methods)	Hot Stamp on Body and/or Lid			

[1] The 20-gallon Cart shall be a 32-gallon Cart with an insert to reduce the capacity from 32 gallons to 20 gallons. It will be manufactured by Toter.

Attachment D
Container Specifications
City of San Mateo

Container Specifications – Kitchen Pails			
1. Kitchen Pail (Food Waste) ☒			
2. Manufacturer			Norseman Environmental Products
3. Material of Construction			High Density Polyethylene
4. Recycled Content (percentage)			Minimum of twenty percent (20%) post-consumer recycled content material
5. Color			Green body White lid White handle
6. Durability (in service years)			Five (5) years plus
7. Cost of Each Kitchen Pail			N/A
8. Dimensions of Each Kitchen Pail (Length x Width x Height)			12" x 8.6" x 8.6"
9. Manufacturer's warranty	☐ No	☒ Yes	If Yes, Number of Years = five (5)
10. Labeling (list methods)			Hot stamped on front and/or Label affixed to front or on lid

Attachment D
Container Specifications
City of San Mateo

Container Specifications – Recycling Tote Bag			
1. Recycling Tote Bags ..... ☒			
2. Manufacturer.....			Multibag
3. Material of Construction			Polypropylene
4. Recycled Content (percentage)			60% Recycled Polypropylene, 35% Virgin Polypropylene, 3% White pigment, and 2% Printing ink
5. Color			Available in any Pantone color
6. Durability (in service years)			5 – 10 Years
7. Cost of Tote Bag.....			N/A
8. Dimensions of Recycling Tote Bag (Length x Width x Height)			15 x 7 x 15 (inches)
9. Manufacturer's warranty	☒ No	☐ Yes	If Yes, Number of Years = ____
10. Labeling (list methods)			Silkscreen

Attachment D
Container Specifications
City of San Mateo

Container Specifications - Bins					
1. Material to be Collected.	Garbage ☒ Color = Gray				
	Targeted Recyclables ☒ Color = Blue				
	Organic Materials ☒ Color = Green				
	C&D Materials ☒ Color = TBD				
2. Manufacturer.....	Consolidated Fabricators				
3. Material of Construction	Steel Body HDPE Plastic Lid				
4. Recycled Content (percentage).....	30%				
5. Manufacturing Method	Welded (Body) Molded (Lid)				
6. New or Used (Agency authorization required).....	☐ New ☒ Used				
7. Date of Last Refurbished	____				
Container Size (cubic yards)	1 CY	2 CY	3 CY	4 CY	
8. Color	____	____	____	____	
9. Durability (in service years)	7+	7+	7+	7+	
10. Cost of Each Container.....	N/A	N/A	N/A	N/A	
11. Dimensions of Each Container (Length x Width x Height)	72" x 24" x 28"	72" x 34.5" x 34.5"	72" x 41.5" x 41.5"	72" x 50.5" x 46"	
12. Wheel Size (if appropriate)	6"	6"	6"	6"	
13. Maximum Load Weight (lbs)	600	1,000	1,400	1,800	
14. Manufacturer's warranty (years)	1	1	1	1	
15. Labeling (list methods)	Paint and decals				

Attachment D
Container Specifications
City of San Mateo

Container Specifications – Bins					
1. Material to be Collected.	Garbage ☒ Color = Gray				
	Targeted Recyclables ☒ Color = Blue				
	Organic Materials ☒ Color = Green				
	C&D Materials ☒ Color = TBD				
2. Manufacturer	Consolidated Fabricators				
3. Material of Construction	Steel Body HDPE Plastic Lid				
4. Recycled Content (percentage)	30%				
5. Manufacturing Method	Welded (Body) Molded (Lid)				
6. New or Used (Agency authorization required)	☐ New ☒ Used				
7. Date of Last Refurbished	____				
Container Size	6 CY	8 CY	9 CY	15 CY	
8. Color	____	____	____	____	
9. Durability (in service years)	7+	7+	7+	7+	
10. Cost of Each Container	N/A	N/A	N/A	N/A	
11. Dimensions of Each Container (Length x Width x Height)	72"x66"x 50"	72" x 72" x 56"	8x12x34"	8x12x55"	
12. Wheel Size (if appropriate)	n/a	n/a	10"	10"	
13. Maximum Load Weight (lbs)	2,000	2,200	15,000	15,000	
14. Manufacturer's warranty (years)	1	1	1	1	
15. Labeling (list methods)	Paint and decals				

N/A means "not applicable."
CY means "cubic yard."
TBD means "to be determined."

Attachment D
Container Specifications
City of San Mateo

Container Specifications – Drop Boxes				
1. Material to be Collected.	Garbage ☒			
	Targeted Recyclables ☒			
	Organic Materials ☒			
	C&D Materials ☒			
2. Manufacturer		Consolidated Fabricators		
3. Material of Construction		Steel Body	Steel Lid	
4. Recycled Content (percentage)		30%		
5. Manufacturing Method		Welded		
6. New or Used (Agency authorization required)		☐ New	☒ Used	
7. Date of Last Refurbished				
Container Size	20 CY	30 CY	40 CY	
8. Color	____	____	____	
9. Durability (in service years)	±	±	±	
10. Cost of Each Container	N/A	N/A	N/A	N/A
11. Dimensions of Each Container (Length x Width x Height)	8x18x49"	8x20x66"	8x22x80"	
12. Wheel Size (if appropriate)	10"	10"	10"	
13. Maximum Load Weight (lbs)	15,000	15,000	15,000	
14. Manufacturer's warranty (years)	1	1	1	
15. Labeling (list methods)		Paint and decals		

N/A means "not applicable."

Attachment E-1
Contamination Measurement Methodology: Single Loads

This Attachment presents the methodology for quantifying the Contamination Level of single load(s) of Recyclable Materials Collected in the Service Area and delivered to the Designated Transfer and Processing Facility by Contractor.

This Attachment is organized into the following six (6) sections:

1. **Objectives**–describes the purpose of the methodology.
2. **Sampling rationale**–defines which loads will be sampled.
3. **Sampling allocation**–describes the number of samples required to provide a sufficient level of accuracy in findings.
4. **Test procedures**–describes sampling and sorting activities for each load.
5. **Sorting categories**-describes the sorting categories.
6. **Calculations**

Appendices 1 through 3 consist of:

1. *methodology checklist*
2. sample *data collection forms*
3. *equipment list*

1. Objectives

This methodology is designed to estimate the Contamination Level (as a percentage by weight of the entire load) in an individual load from five (5) inbound material types Collected in the Service Area. These material streams are listed below and described further in Section 3.

- Commercial Source Separated and Targeted Recyclable Materials
- Commercial Organic Materials
- Commercial Plant Materials
- Single-Family Targeted Recyclable Materials
- Single-Family Organic Materials

The methodology described herein is intended to produce consistent and statistically reliable estimates of the Contamination Level of individual loads from the above material streams. In addition, the methodology is designed to require the minimum necessary organizational time and financial investment.

2. Sampling rationale

Loads may be selected for sampling when observation of the load by SBWMA or Operator indicates that it may exceed the allowed Contamination Level. A statistical sampling process will be used to determine the Measured Contamination Level in individual loads.

3. Sampling allocation

Approximately five (5) samples, each weighing approximately one hundred and fifty (150) pounds, are required from an individual load in order to calculate the Measured Contamination Level with a sufficient level of accuracy for every material stream except

Commercial Organic Materials. Because of the variability typically found in loads of Commercial Organic Materials, approximately fifteen (15) samples of two hundred (200) pounds are required for sampling to achieve the specified level of accuracy.

The recommended numbers of samples are based on the following factors:

1) An analysis of the composition variability among samples that were sorted during waste characterization studies of similar waste streams and programs in other West Coast communities.

2) An agreement on the acceptable level of accuracy.

Table 1 indicates the statistical confidence intervals (error ranges) at the ninety percent (90%) confidence level that are expected to result from characterizing five (5) samples per load, or fifteen (15) samples per load in the case of Commercial Plant Materials.

Table 1: Samples per Load and Results

Material stream	Estimated sample weight	Number of samples	Expected statistical error range
Commercial Source-Separated and Targeted Recyclable Materials	150 lbs.	5	4%
Commercial Organic Materials	200 lbs.	15	7%
Commercial Plant Materials	150 lbs.	5	1%
Single-Family Targeted Recyclable Materials	150 lbs.	5	2%
Single-Family Organic Materials-	150 lbs.	5	1%

The error ranges shown above shall be interpreted as follows. When the calculation method described below provides the Measured Contamination Level of a load, the estimate will be expressed in terms of percent by weight of the entire load. The error range around the estimate reflects a percent by weight of the entire load. Thus, if the Measured Contamination Level for a given material stream is five percent (5%), plus or minus one percent (1%), then ninety percent (90%) confidence that the Contamination is between four percent (4%) and six percent (6%) of the entire load is achieved. The Parties agree that the actual Measured Contamination Level will be the sole determinant of the percentage of Contamination in a load, and of Contractor's compliance with the maximum contamination levels.

It is expected that a two (2) person crew can obtain, sort, and weigh five (5) samples in a five (5) to seven (7) hour period.

4. Test procedures

Test procedures are broken down in to the following steps, which shall be used by SBWMA, or a third party designated by the SBWMA.

- Safety training and staff coordination
- Sampling and sorting area designation
- Sample selection

- Sample sorting
- Sample disposal
- Data management

Contractor or its representative shall have the right to be present at, observe, and photograph and video all aspects of the sampling process, including without limitation each of the steps listed above or described below.

Contractor shall not be responsible for any of the costs incurred in implementing the sampling process and procedures described in this Attachment E-1, other than costs incurred by Contractor in exercising its observation rights set forth in the preceding paragraph.

These steps are described in more detail following the definitions of roles. Each step is the responsibility of a specific person or group of people as follows:

- ***sampling crew manager***—responsible for selecting samples, working with Operator and the *sampling crew*, quality control, and compliance with Facility regulations.
- ***sampling crew***—responsible for sorting samples.
- ***facility manager***—responsible for coordinating with the *sampling crew manager*.
- ***tipping floor staff***—responsible for identifying loads potentially contaminated beyond the acceptable threshold, creating a designated sampling and sorting area, and ensuring segregation of selected loads in that area.
- ***loader operator(s)***—responsible for segregating the selected load from other loads in the designated sampling and sorting area.

Safety training and staff coordination

When the *sampling crew manager* and the *sampling crew* arrive at the Designated Transfer and Processing Facility they will participate in any required safety training and put on all required personal protective equipment (see the *equipment list* shown in Appendix 3). The *sampling crew manager* will also walk through the process of extracting samples from the designated load with both the *loader operator(s)* and the *tipping floor staff*.

Sampling and sorting area designation

With the input of the *tipping floor staff* and the *loader operator(s)*, the *sampling crew manager* and *sampling crew* will set up in the designated sampling and sorting area near the tipping floor. The sorting area should be in a location near the load to be sampled and from which the loader can safely remove samples after sorting.

Sample selection

Five (5) cells will be randomly selected for sampling using a random number generator for all material streams except commercial organics. Fifteen (15) cells will be selected for the commercial organics material stream.

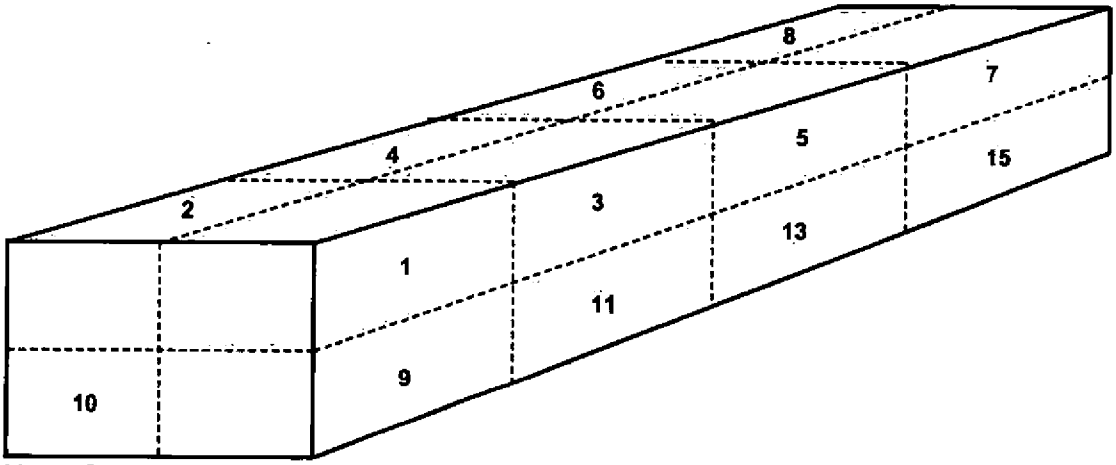
The *sampling crew manager* will assist the *loader operator* in locating the appropriate cell for each sample using the sample cell map in Figure 1 below.

After the loader has extracted the material in the selected cell, the *sampling crew manager* will guide the loader to a designated tarp. Using visual cues the *sampling crew manager* will ensure the *loader operator(s)* deposits the proper quantity of material on the tarp. A shovel may be used to add material from the bottom of the cell to ensure the sample includes some heavy and small material that the loader bucket cannot collect.

Pulling the tarp is a basic test used to estimate sample weight.[1] If it is determined that a sample is too heavy it may be lightened by removing vertical slices from the sample. If it is determined that a sample is too light it may be increased by removing or adding more material. It is important to add or remove all material in the slice from the top to bottom, to ensure that both small, heavy, and loose materials and large, light, and bagged materials are added or removed.

Samples can be queued and stored on tarps until sorted but samples must be prevented from mixing with each other and with other material on the tipping floor. The *sampling crew manager* will place a unique sample placard on each sample for a photograph and, if the sample is not immediately sorted, for later identification. The placard is marked with a unique sample identification number and additional information (such as the date) used to identify loads in photographs and correlate load net weights with sample details. Each placard will be coded according to its corresponding materials stream. (e.g., 'RSS-1' indicates the first load of Residential single-stream recycling). Each load will be photographed individually with the sample placard visible and legible.

Figure 1: Sixteen (16) cell grid



Note: Cells 12, 14 and 16 are below cells 4, 6 and 8, respectively.

Sample sorting

The sample identification number, as designated by the placard, will be recorded on the tally form (see Appendix 2 for an example of this form.) The sample will be moved into

[1] Samples of Commercial Source-Separated and Targeted Recyclable Materials, Single-Family Targeted Recyclable Materials, and Commercial Plant Materials shall weigh between one hundred and twenty five (125) pounds and one hundred and seventy five (175) pounds. Samples of Commercial Organic Materials and Single-Family Organic Materials shall weigh between one hundred and seventy five (175) pounds and two hundred and twenty five (225) pounds.

the designated sorting area. Next, the *sampling crew* will sort the Contamination materials, as defined in Appendix 1, out of the load and into sort containers. The *sampling crew* will then weigh the Contamination materials while the *sampling crew manager* records the weights on the tally form. The remainder of the load–all acceptable items–will be put into containers, weighed, and recorded on the tally form. The *sampling crew manager* is responsible for monitoring the homogeneity of material in each container and ensuring the accuracy of the sorting process. At the end of each sampling day the *sampling crew* will comply with any *tipping floor staff* directions regarding cleaning the designated sampling and sorting area and storing sampling and sorting supplies.

Sample disposal

After the weight of all material in each sample is recorded on the tally sheet, the *sampling crew* will move the sorted material to a location where it is safe and convenient for the loader to remove.

Data management

At the end of each sampling day, the *sampling crew manager* will review all forms for accuracy and completeness. Any issues shall be resolved immediately while the day's work is still fresh in the mind. To ensure the tally forms are not lost before inputting the data into an electronic form, copies shall be made of all completed forms and copies will be kept in a place separate from the originals. One copy of the forms will be mailed or hand delivered to the person inputting the data into an electronic form.

The appendices cover calculations, data collection forms, and an equipment list for this study.

5. Sorting categories

All loads identified for sorting shall be sorted and weighed into the following two (2) categories:

1) Contamination
2) Targeted Recyclable Materials, Source-Separated Targeted Recycable Materials, Organic Materials, or Plant Materials

6. Calculations

Estimates of Contamination and Targeted Recyclable Materials, Source-Separated Targeted Recyclable Materials, Organic Materials, or Plant Materials will be calculated using a method that gives equal weighting or "importance" to each sample within a given stream. Confidence Intervals (error ranges) will be calculated based on assumptions of normality in the composition estimates.

In the descriptions of calculation methods, the following variables will be used:

- i denotes an individual sample.
- j denotes the material type.
- c_j is the weight of the material type j in a sample.
- w is the weight of an entire sample.
- r_j is the composition estimate for material j (r stands for *ratio*).

- *a* denotes a region of the state (*a* stands for *area*).
- *s* denotes a particular sector or subsector of the waste stream.
- *n* denotes the number of samples in the particular group that is being analyzed at that step.

Estimating the Composition

The following method will be used to estimate the composition of waste belonging to the Commercial Source-Separated and Targeted Recyclable Materials, Commercial Organic Materials, Commercial Plant Materials, Single-Family Targeted Recyclable Materials, and Single-Family Organic Materials streams.

For a given stream, the composition estimate denoted by r_j represents the ratio of the component's weight to the total weight of all the samples in the stream. This estimate will be derived by summing each component's weight across all of the selected samples belonging to a given stream and dividing by the sum of the total weight of waste for all of the samples in that stream, as shown in the following equation:

$$r_j = \frac{\sum_i c_{ij}}{\sum_i w_i} \qquad (1)$$

where:

- c = weight of particular component
- w = sum of all component weights
- for i = 1 to n, where n = number of selected samples
- for j = 1 to m, where m = number of components

For example, the following simplified scenario involves three samples. For the purposes of this example, only the weights of the component *carpet* are shown.

	Sample 1	Sample 2	Sample 3
Weight (c) of carpet	5	3	4
Total Sample Weight (w)	80	70	90

$$r_{Carpet} = \sum \frac{5+3+4}{80+70+90} = 0.05$$

To find the composition estimate for the component *carpet*, the weights for that material are added for all selected samples and divided by the total sample weights of those samples. The resulting composition is 0.05, or five percent (5%). In other words, five percent (5%) of the sampled material, by weight, is *carpet*. This finding is then projected onto the stratum being examined in this step of the analysis.

The confidence interval for this estimate will be derived in two (2) steps. First, the variance around the estimate will be calculated, accounting for the fact that the ratio included two (2) random variables (the component and total sample weights). The variance of the ratio estimator equation follows:

$$\mathrm{Var}(r_j) \approx \left(\frac{1}{n}\right)\left(\frac{1}{\overline{w}^2}\right)\left(\frac{\sum_i (c_{ij} - r_j w_i)^2}{n-1}\right) \qquad (2)$$

where:

$$\overline{w} = \frac{\sum_i w_i}{n} \qquad (3)$$

(For more information regarding Equation 2, please refer to *Sampling Techniques, 3rd Edition* by William G. Cochran [John Wiley & Sons, Inc., 1977].)

Second, precision levels at the 90 percent (90%) confidence level will be calculated for a component's mean as follows:

$$r_j \pm \left(z\sqrt{\mathrm{Var}(r_j)}\right) \qquad (4)$$

where z = the value of the z-statistic (1.645) corresponding to a 90 percent (90%) confidence level.

Appendix 1: Methodology checklist

Roles and responsibilities

- **sampling crew manager**—responsible for selecting samples, working with Facility staff and the sampling crew, quality control, and compliance with Facility regulations.
- **sampling crew**—responsible for sorting samples.
- **facility manager**—responsible for coordinating with the sampling crew manager, SBWMA, and drivers.
- **tipping floor staff**—responsible for identifying loads potentially contaminated beyond the acceptable threshold, creating a designated sampling and sorting area, and ensuring segregation of selected loads in that area.
- **loader operator(s)**—responsible for segregating the selected load from other loads in the designated sampling and sorting area.

- ☐ **Advanced preparation**
  - ☐ *Project manager:*
    - ☐ Contact *facility manager*
      - ☐ Ask *facility manager* to update the following employees with the sampling plan:
        - ☐ *Loader operator(s)*
        - ☐ *Tipping floor staff*
      - ☐ Request safety expectations
      - ☐ Schedule safety training
      - ☐ Ask if there are any circumstances that may affect the study (i.e., weather, animals, site construction, etc.)
    - ☐ Obtain safety gear (Appendix 3)
      - ☐ Check safety gear
    - ☐ Obtain sorting equipment (Appendix 3)
      - ☐ Check sorting equipment
    - ☐ Print tally sheets (Appendix 2)
      - ☐ Print on "Rite in the Rain" all-weather paper
  - ☐ *Sampling crew* and *sampling crew manager*
    - ☐ Review material list
    - ☐ Review data collection forms
    - ☐ Review unique site requirements

- ☐ **Arrival at Facility**
  - ☐ *Sampling crew:*
    - ☐ Arrive at Facility ahead of schedule
    - ☐ Participate in any required safety training
    - ☐ Don safety gear
  - ☐ *Sampling crew manager:*
    - ☐ Arrive at Facility ahead of schedule
    - ☐ Reviews logistics and expectations with MRF manager
    - ☐ Participate in any required safety training
    - ☐ Don safety gear

- **Tipping floor coordination**
  - *Sampling crew manager:*
    - Designate a designated sampling/sorting area on each tipping floor (2) with input from tipping floor staff and loader operator(s), meeting the following criteria:
      - *Loader operator(s)* can visually communicate with sampling crew
      - *Loader operator(s)* can safely remove sorted loads
      - Approximately twenty (20) feet by twenty (20) feet
    - Explain and walkthrough the sampling process with both the *tipping floor staff* and the *loader operator(s)*
      - Explain that samples must be dumped in a clean area, separate from other loads (called a designated dumping area)
      - Explain that the *sampling crew manager* is responsible for identifying the portion of the load that the *loader operator(s)* will sample
      - Explain the appropriate samples size. Samples of Commercial Source-Separated and Targeted Recyclable Materials, Single-Family Targeted Recyclable Materials, and Commercial Plant Materials shall weigh between one hundred and twenty five (125) pounds and one hundred and seventy five (175) pounds. Samples of Commercial Organic Materials and Single-Family Organic Materials shall weigh between one hundred and seventy five (175) pounds and two hundred and twenty five (225) pounds.
      - Explain that the *sampling crew manager* will be responsible for guiding the *loader operator(s)* to the appropriate tarpaulin
  - *Sampling crew*:
    - Set up designated sampling sorting area
      - Sorting table
      - Baskets
      - Digital scale(s)

- **Sample collection**
  - *Tipping floor staff*:
  - *Sampling crew manager*:
    - Direct *loader operator(s)* to pre-selected sampling cell
    - Direct *loader operator(s)* to designated tarpaulin
    - Signal *loader operator(s)* with tipping instructions
    - Pull tarp to test for appropriate sample weight
    - Place placard in the load
    - Photograph load
      - Placard should be visible and legible
    - Wrap and segregate load until ready to sort
  - *Loader operator(s):*
    - Pinch/scoop sample, as directed by the *sampling crew manager*
    - Tip sample on designated tarpaulin, as directed by the *sampling crew manager*
  - *Sampling crew*:
    - May assist *sampling crew manager* at any point

- **Sample sorting**
  - *Sampling crew*:

- Move the sample into the designated sampling/sorting area
- Sort the sample
  - Sort Contamination materials into designated baskets
- Assist the *sampling crew manager* with weighing the baskets
- Assist the *sampling crew manager* with weighing the remainder material

- *Sampling crew manager*:
  - Record the sample ID onto the tally sheet
  - Assist the *sampling crew* in moving the sample into the designated sampling/sorting area
  - Sort the sample
    - Sort all Contamination material into designated baskets
  - Weigh baskets containing Contamination materials, and record weights on the tally sheet
    - Ensure homogeneity of materials
  - Weigh remainder material and record weights on the tally sheet
    - Ensure all Contamination materials are removed

- **Sample disposal**
  - *Sampling crew manager* and *sampling crew*:
    - Dispose of all materials in a designated disposal area
  - *Loader operator(s)*:
    - Remove disposed materials when it is safe and convenient

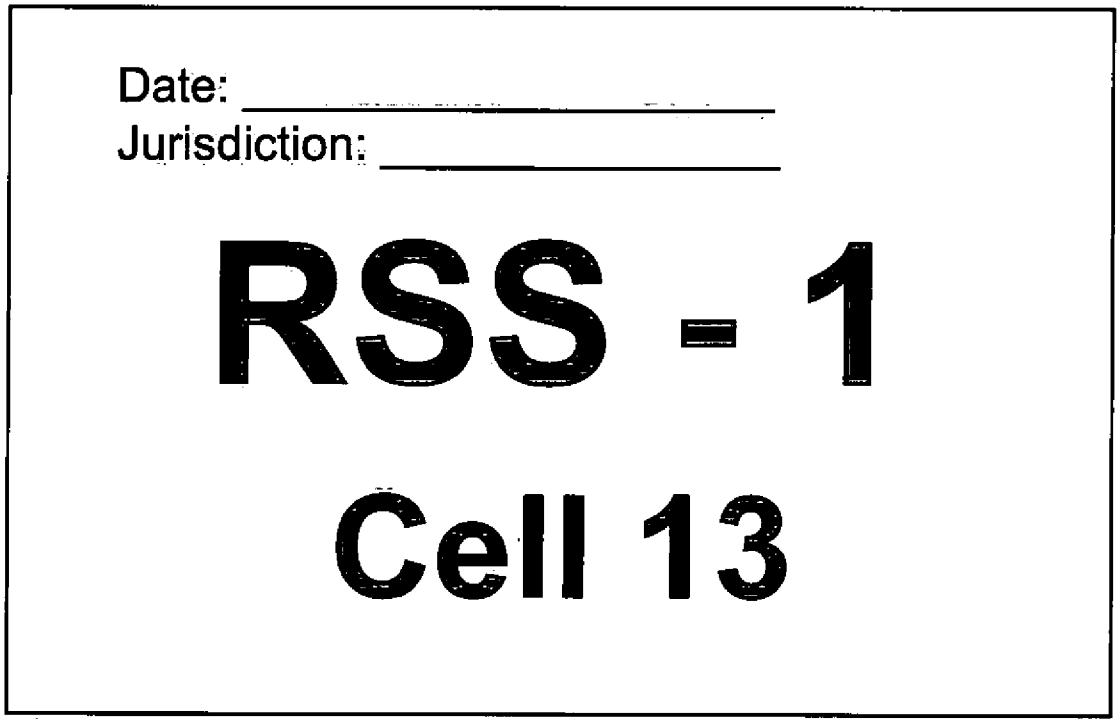
- **Data management**
  - *Sampling crew manager*:
    - Review all forms for accuracy and completeness
      - Tally sheet(s)
  - *Project manager*:
    - Check all forms for accuracy and completeness
      - Tally sheet(s)
    - Copy all data forms
      - Store copies separate from the originals
    - Download pictures from camera
    - Provide copies of data for electronic input
    - Ensure data entry is checked for accuracy

Appendix 2: Data collection forms

Appendix consists of copies of each of the following two (2) data collection forms:

- sampling placard
- tally sheet

Figure 2: Example Sampling placard



Attachment E-1
Contamination Measurement Methodology: Single Loads

Figure 3: Example Tally sheet

South Bayside Waste Management Authority: Contamination Sampling

RethinkWaste
South Bayside Waste Management Authority

CONTAMINANTS	Container 1				
	Container 2				
	Container 3				
	Container 4				
	Container 5				
	Container 6				
	Container 7				
	Container 8				
	Container 9				
	Container 10				

ACCEPTABLE	Container 1				
	Container 2				
	Container 3				
	Container 4				
	Container 5				
	Container 6				
	Container 7				
	Container 8				
	Container 9				
	Container 10				

DATE:		SAMPLE ID:	
SAMPLING POPULATION:		SAMPLE WEIGHT:	
TIME:		TRUCK NO.:	
LOAD NO.:		CELL NO.:	

NOTES:

Appendix 3: Equipment list

Appendix 3 provides a list of equipment necessary for all sampling and sorting activities. Extra safety equipment should be available to ensure the safety of observers or others at the sorting site.

Sorting equipment:

- Approximately twenty (20) identical sorting containers (e.g. laundry baskets or five (5) gallon buckets)
- square point shovels
- rakes
- push brooms
- digital scale, battery powered (weigh up to two hundred (200) pounds, accurate to one-tenth (1/10) of a pound)
- fifteen (15) to twenty (20) ten (10) foot by twelve (12) foot or similar size tarps
- clipboards
- data collection forms printed on Rite in the Rain paper
- permanent markers
- mechanical pencils
- tape measures
- utility knives, scissors
- duct tape
- ten (10) to fifteen (15) Carts
- ten (10) to fifteen (15) plastic receptacles
- four (4) metal eight (8) foot by twelve (12) foot tables
- one (1) metal work desk with drawer
- erasable placards and markers
- digital camera with extra flash card
- moisture probe
- six (6) special pallets with solid tops
- three (3) six cubic yard Bins
- three (3) three cubic yard Bins

Safety equipment:

- dust masks (N-95 or better)
- safety glasses
- hearing protection
- steel-toed work boots
- puncture resistant gloves
- glove liners (latex or nitrile)
- leather work gloves
- reflective safety vests (Brite Lime)
- hard hats
- safety/medical kit
- fire extinguisher
- disinfecting soap, paper towels, antiseptic towels
- water
- rubber aprons or Tyvek protective garments

ATTACHMENT F
FAITHFUL PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS, that RECOLOGY SAN MATEO COUNTY, hereinafter called the PRINCIPAL, and

_____,
a corporation duly organized under the laws of the State of _____,
having its principal place of business at _____,
in the State of _____, and authorized to do business as an admitted surety insurer in the State of California, regulated by the California Insurance Commissioner and with a financial condition and record of service satisfactory to the City of San Mateo hereinafter called the SURETY, are held and firmly bound to the City of San Mateo, a municipal corporation in the State of California, hereinafter called the OBLIGEE, in the sum of _____ Dollars ($XXXXXX.00) {Insert Member Agency-specific bond amount determined pursuant to Section 13.03} lawful money of the United States, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the PRINCIPAL has entered into a Contract with the OBLIGEE for Recyclable Materials, Organic Materials, and Solid Waste Collection Services ("Contract") and said PRINCIPAL is required under the terms of said Contract to furnish a bond of faithful performance of said Contract.

NOW, THEREFORE, if the PRINCIPAL shall well and truly perform and fulfill all of the undertakings, covenants, terms and agreements of said Contract, and any modification thereto made as therein provided, at the time and in the manner therein specified, then this obligation shall become null and void, otherwise it shall be and remain in full force and virtue.

The SURETY, for value received, hereby agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder, or the specifications incorporated therein shall impair or affect its obligations on this bond, and it hereby waives notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work or to the specifications.

PROVIDED, however, that the SURETY shall not be liable (1) as respects to any obligations related to said Contract occurring after two (2) years from the date of this Bond, unless this Bond is extended, or (2) with respect to PRINCIPAL'S obligation to procure a replacement performance bond, as provided for in Section 13.03 of the Contract. This Bond may be extended beyond _____, 20__ in the sole discretion of the SURETY by means of a continuation certificate in form and substance satisfactory to OBLIGEE signed at least ninety (90) days prior to _____, 20__.

In the event suit is brought upon this Bond by the OBLIGEE and the OBLIGEE is the prevailing party, the SURETY shall pay, in addition to the sums set forth above, all costs incurred by the OBLIGEE in such suit, including reasonable attorneys' fees to be fixed by the court.

ATTACHMENT F
FAITHFUL PERFORMANCE BOND

IN WITNESS WHEREOF, the Principal and Surety have executed this instrument as of this ____ day of _____, 20__.

RECOLOGY SAN MATEO COUNTY
(PRINCIPAL)

By: _____
Mark R. Lomele
Executive Vice President & CFO

_____
(SURETY)

By:_____
Attorney-In-Fact

Name:_____

* * *

Note: To be considered complete, both the principal and surety must sign this performance bond. In addition, the surety's signature must be acknowledged by a notary public and a copy of the surety's power of attorney must be attached.

ATTACHMENT G
GUARANTY

THIS GUARANTY (the "Guaranty") is given as of the ____ day of _____, 2017, {insert Effective Date of Agreement} by RECOLOGY INC. ("Guarantor"), to the City of San Mateo, a public agency ("Agency").

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

A. Recology San Mateo County ("Contractor") is a corporation organized under the laws of the State of California, all of the issued and outstanding stock of which is owned by Guarantor.

B. Guarantor is a corporation organized under the laws of the State of California.

C. Contractor and Agency have negotiated an Amended and Restated Agreement for Solid Waste, Recyclable Materials, and Organic Materials Collection ("Agreement"), under which Contractor is to provide specified services to Agency. A copy of this Agreement is attached hereto and incorporated herein by this reference.

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

E. Guarantor is providing this Guaranty to induce Agency 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 Agency 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 Agency of each and every sum due from Contractor to Agency under the Agreement, as and when due from time to time, and the prompt performance of every other task and duty 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 conditional 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 it 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 Agency'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 Agency to (a) proceed against Contractor, (b) proceed against or exhaust any security or collateral Agency may hold now or hereafter hold, or (c) pursue any other right or remedy for Guarantor's benefit, and agree that Agency 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 Agency may hold now or hereafter hold. Agency 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 Agency's rights and remedies in enforcing this Guarantee.

The Guarantor hereby waives and agrees to waive at any future time at the request of Agency, to the extent now or then permitted by applicable law, any and all rights which the Guarantor may have or which at any time hereafter may be conferred upon it, by statute, regulation or otherwise, to avoid any of its obligations under, or to terminate, cancel, quit or surrender this Guaranty. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not affect the liability of the Guarantor hereunder: (a) at any time or from time to time, without notice to the Guarantor, the time for Contractor's performance of or compliance with any of its obligations under the Agreement is extended, or such performance or compliance is waived; (b) the Agreement is modified or amended in any respect; (c) any other indemnification with respect to Contractor's obligations under the Agreement or any security therefor is released or exchanged in whole or in part or otherwise dealt with; (d) any assignment of the Agreement is effected which does not require Agency's approval; or (e) any termination or suspension of the Agreement arising by reason of a default by Contractor.

The Guarantor hereby expressly waives diligence, presentment, demand for payment or performance, protest and all notices whatsoever, including, but not limited to, notices of non-payment or non-performance, notices of protest, notices of any breach or default, and notices of acceptance of this Guaranty. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor's obligations hereunder shall continue and remain in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from Agency 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 Agency 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 Agency 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 Agency 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 Agency**. No delay on the part of Agency 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 Agency to take other or further action without notice or demand. No modification or waiver by Agency of any of the provisions of this Guaranty shall be effective unless it is in writing and signed by Agency and by Guarantor, nor shall any waiver by Agency 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 Agency 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 Agency 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:

Michael J. Sangiacomo
Recology Inc.
50 California Street, 24th Floor
San Francisco, CA 94111

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 Agency 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 represents and warrants that it has the corporate power to give this guaranty, that its execution of this Guaranty has been authorized by all necessary action under its Articles of Incorporation and by-laws, and that the person signing this Guaranty on its behalf has authority to do so.

11. **Notices**. Notice shall be given in writing, deposited in the U.S. mail, registered or certified, first class postage prepaid, addressed as follows:

ATTACHMENT G
GUARANTY

To Agency: City of San Mateo

ATTN: City Clerk

With a copy to Agency's Attorney at the same address.

To Guarantor: Recology Inc.
50 California Street, 24th Floor
San Francisco, CA 94111
Attention: Legal Department

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.

RECOLOGY INC.

By:_____
Michael J. Sangiacomo
President and Chief Executive Officer

By:_____
Cary Chen
Corporate Secretary

Attachment H
Delinquent Payment Policy
City of San Mateo

Delinquent Payment

Single-Family Residential Customers shall be considered delinquent sixty (60) Days after start of the quarter in which Collection services are provided by Contractor and Multi-Family Dwelling and Commercial Customers shall be considered delinquent thirty (30) Days after payment is due to Contractor.

Contractor may discontinue services to any Account, if payment is not received by Contractor within thirty (30) Days after the Account becomes delinquent. Contractor must provide all delinquent Accounts written notice of its intent to discontinue service at least thirty (30) Days prior to such discontinuance. Agency shall allow Contractor to collect a premium fee to initiate service at a discontinued service Account, in an amount not to exceed (ii) twenty-five percent (25%) of the unpaid balance for Residential Customers and ten percent (10%) of the balance for Multi-Family Residential, Mixed Use and Commercial Properties.

ATTACHMENT I
PERFORMANCE INCENTIVES AND DISINCENTIVES

Performance incentives (in the form of increased compensation to Contractor) will be awarded for excellent performance on aspects of Solid Waste diversion and Customer service as specified in this Attachment. Any performance incentive for achieving or surpassing the performance standards specified herein shall be added to Contractor's Compensation during the Rate Year immediately following the calculation and award of the performance incentive. Performance disincentives will be assessed for substandard performance on aspects of Solid Waste diversion, Collection service delivery, and Customer service as specified in this Attachment. Any performance disincentives for performance falling below standards as specified herein shall be subtracted from Contractor's Compensation during the Rate Year immediately following the calculation and assessment of the performance disincentive.

1. GENERAL

Agency shall provide an incentive payment to Contractor for exceeding the following two (2) performance standards:

- Overall Diversion Level
- Average Speed of Answer

Agency shall assess a disincentive payment to Contractor for not meeting the following five (5) performance standards:

- Minimum Single-Family Diversion Level
- Minimum Commercial Diversion Level
- Commercial or Single-Family Missed Pick-Up Collection Events
- Average Speed of Answer
- Ninety (90) Second Maximum Hold Time

Table 1 provides a summary of the incentives and disincentives, which is described in detail in Sections 2 through 5 of this Attachment. Section 6 of this Attachment describes the incentive and disincentive payment procedures.

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ATTACHMENT I
PERFORMANCE INCENTIVES AND DISINCENTIVES

Summary of Incentives/Disincentives

TABLE 1

Performance Incentive and Disincentive	Disincentive Payment Threshold	Incentive Payment Threshold	Performance Incentive/Disincentive Payment Amount
Annual Diversion Level			
Overall Diversion Level	Not applicable	Level > Average level for the prior five (5) Rate Years as further described in Section 2 of this Attachment	Incentive payment = $70.00 per Ton
Minimum Single-Family Diversion Level	Level < Average level for the prior five (5) Rate Years as further described in Section 2 of this Attachment	Not applicable	Disincentive payment = $70.00 per Ton
Minimum Commercial Diversion Level	Level < Average level for the prior five (5) Rate Years as further described in Section 2 of this Attachment	Not applicable	Disincentive payment = $70.00 per Ton
Commercial or Single-Family Missed Pick-Up Collection Events	Actual > 0	Not applicable	Disincentive payment = $50.00 per Missed Pick-Up Collection Event
Average Speed of Answer	Actual > 30 seconds	Actual < 15 seconds	Incentive or disincentive payment = $500 per second above or below the threshold
Ninety (90) Second Maximum Hold Time	Actual < 100% of all calls received are answered in ninety (90) seconds or less	Not applicable	Disincentive payment = $5.00 per number of calls exceeding the threshold

2. DIVERSION LEVELS

Definition of Calculated Diversion Level

The Single-Family, Commercial, and Overall Diversion Levels achieved shall be calculated based on the methodology shown in the following example:

TABLE 2

ATTACHMENT I
PERFORMANCE INCENTIVES AND DISINCENTIVES

Service Sector	Material Type	Annual Tons Collected	Calculated Diversion Level
Single-Family			
	Targeted Recyclable Materials	35,000	
	Other Recyclable Materials	3,000	
	Organic Materials	51,000	
	Total Materials for Diversion	89,000	
	Solid Waste	80,000	
	Total Materials Collected	169,000	
	Calculated Single-Family Diversion Level		**52.7%**
Multi-Family			
	Targeted Recyclable Materials	8,000	
	Other Recyclable Materials	1,000	
	Organic Materials	6,000	
	Plant Materials	1,000	
	Total Materials for Diversion	16,000	
	Solid Waste	30,000	
	Total Materials Collected	46,000	
	Calculated Diversion Level		**34.8%**
Commercial			
	Targeted Recyclable Materials	28,000	
	Other Recyclable Materials	2,000	
	Organic Materials	13,000	
	Plant Materials	5,000	
	Total Materials for Diversion	48,000	
	Solid Waste	147,000	
	Total Materials Collected	195,000	
	Calculated Diversion Level		**24.6%**
Agency Facilities			
	Targeted Recyclable Materials	2,000	
	Other Recyclable Materials	500	
	Organic Materials	500	
	Plant Materials	200	
	Total Materials for Diversion	3,200	
	Solid Waste	9,000	
	Total Materials Collected	12,200	
	Calculated Diversion Level		**26.2%**
Commercial (includes Multi-Family, Commercial, and Agency Facilities)			
	Targeted Recyclable Materials	38,000	
	Other Recyclable Materials	3,500	
	Organic Materials	19,500	
	Plant Materials	6,200	
	Total Materials for Diversion	67,200	
	Solid Waste	186,000	
	Total Materials Collected	253,200	
	Calculated Commercial Diversion Level		**26.5%**
Overall (includes Single-Family, Multi-Family, Commercial, and Agency Facilities)			
	Targeted Recyclable Materials	73,000	
	Other Recyclable Materials	6,500	
	Organic Materials	70,500	
	Plant Materials	6,200	
	Total Materials for Diversion	156,200	
	Solid Waste	266,000	
	Total Materials Collected	422,200	
	Calculated Overall Diversion Level		**37.0%**

Exceptional Diversion Level Performance

ATTACHMENT I
PERFORMANCE INCENTIVES AND DISINCENTIVES

Contractor shall receive an incentive payment if the calculated Overall Diversion Level achieved by Contractor in any given Rate Year exceeds the arithmetic average of the calculated Overall Diversion Levels for the five (5) Rate Years prior to the Rate Year under consideration. The incentive payment for Rate Year Eleven (2021) shall equal seventy dollars ($70.00) per Ton for each Ton over that threshold. In subsequent Rate Years, the per-Ton incentive payment amount shall be adjusted by the Annual Index Change in the CPI-U, which is described in Attachment K.

For example, when assessing the potential for an incentive payment for completed Rate Year Sixteen, the Rate Year Sixteen Overall Diversion Level shall be compared to the average of the calculated Overall Diversion Level for Rate Years Eleven, Twelve, Thirteen, Fourteen, and Fifteen.

Continuing the example, if the calculated Overall Diversion Levels for Rate Years Eleven through Fifteen were 36.5%, 36.7%, 36.8%, 36.9% and 37.1%, respectively, then the arithmetic average over such five (5) Rate Year period would be 36.8%. This is the threshold that Contractor would need to exceed in Rate Year Sixteen to earn an incentive payment.

If in Rate Year Sixteen the Contractor Collected the Tonnages set forth in Table 2 above, then the amount of the performance incentive would be calculated as follows:

Total Tons of material actually Collected:	422,200
Tons of Recyclable Material* required to be Collected to meet threshold:	155,370 (= 422,200 x 0.368)
Tons of Recyclable Material* actually Collected:	156,200
Amount by which Contractor exceeded threshold:	830 (= 156,200 – 155,370)
Incentive payment:	$58,100 (= 830 x $70.00)**

* For purposes of this calculation, Recyclable Materials Collected shall include the sum of Targeted Recyclable Materials, Other Recyclable Materials, and Organic Materials Collected, without adjusting for Contamination pursuant to the definition of "Overall Diversion Level" in Attachment A.

** For simplicity purposes, $70 per Ton has been used in this calculation; however, it is the amount for Rate Year Eleven (2021). The amount for Rate Year Sixteen would equal $70 per Ton adjusted annually by the Annual Index Change in the CPI-U.

Minimum Diversion Level Requirements

Minimum Single-Family Diversion Level

Contractor shall be assessed a Disincentive Payment if the calculated Single-Family Diversion Level in any given Rate Year is less than the arithmetic average of the calculated Single-Family Diversion Levels for the five (5) Rate Years prior to the Rate Year under consideration. The disincentive payment for Rate Year Eleven (2021) shall equal seventy dollars ($70.00) per Ton for each Ton under that arithmetic average). In subsequent Rate Years, the per-Ton incentive payment amount shall be adjusted by the Annual Index Change in the CPI-U, which is described in Attachment K.

Minimum Commercial Diversion Level

Contractor shall be assessed a Disincentive Payment if the calculated Commercial Diversion Level in any given Rate Year is less than the arithmetic average of the calculated Commercial Diversion Levels for the five (5) Rate Years prior to the Rate Year under consideration. The disincentive payment for Rate Year Eleven (2021) shall equal seventy dollars ($70.00) per Ton for each Ton under that arithmetic average. In subsequent Rate Years, the per-Ton incentive payment amount shall be adjusted by the Annual Index Change in the CPI-U, which is described in Attachment K.

3. COMMERCIAL OR SINGLE-FAMILY MISSED PICK-UP COLLECTION EVENTS

Contractor shall be assessed a disincentive payment for the actual number of Commercial or Single-Family Missed Pick-Up Collection Events for Agency that occur during each month. The disincentive payment for Rate Year Eleven (2021) shall equal fifty dollars ($50.00) per Commercial or Single-Family Missed Pick-Up Collection Event. In subsequent Rate Years, the disincentive payment amount shall be adjusted by the Annual Index Change in the CPI-U, which is described in Attachment K. Disincentive payments for Missed Pick-Up Collection Events will be based on the following example:

Actual number of Commercial or Single-Family Missed Pick-Up Collection Events = 87

Allowable threshold of Commercial or Single-Family Missed Pick-Up Collection Events = 0

Example disincentive payment calculation: 87 x $50 = $4,350

4. AVERAGE SPEED OF ANSWER AT CUSTOMER SERVICE CENTER

Exceptionally Fast Average Speed of Answer

Contractor shall receive an incentive payment if the actual Average Speed of Answer is less than fifteen (15) seconds each month. The incentive payment for Rate Year Eleven (2021) shall equal five hundred dollars ($500.00) per second for each second below the Average Speed of Answer Standard. In subsequent Rate Years, the incentive payment amount shall be adjusted by the Annual Index Change in the CPI-U, which is described in Attachment K. The incentive payment shall be calculated based on the following example:

Actual Average Speed of Answer = 14 seconds

Average Speed of Answer Standard = 15 seconds

Incentive payment is required if the Actual Average < 15 seconds

Example incentive payment calculation: 15 – 14 = 1 second x $500.00 = $500.00

If the actual Average Speed of Answer is equal to or greater than fifteen (15) seconds each month, no incentive payment will be provided.

Maximum Average Speed of Answer

Contractor shall be assessed a disincentive payment if the Average Speed of Answer is greater than or equal to thirty (30) seconds each month. The disincentive payment for Rate Year Eleven (2021) shall equal five hundred dollars ($500.00) per second for each second greater than or equal to the Average Speed of Answer Standard. In subsequent Rate Years, the disincentive payment amount shall be adjusted by the Annual Index Change in the CPI-U, which is described in Attachment K. If Contractor fails to achieve

the maximum Average Speed of Answer, the Agency shall assess a disincentive payment based on the following example:

Actual Average Speed of Answer= 47 seconds

Average Speed of Answer Standard = 30 seconds

Disincentive payment is required if the Actual Average > 30 seconds

Example disincentive payment calculation: 47 - 30 = 17 seconds x $500.00 = $8,500

If the actual Average Speed of Answer is equal to or greater than fifteen (15) seconds and less than thirty (30) seconds each month, neither incentives or disincentives shall be applied.

5. NINETY SECOND (90) MAXIMUM HOLD TIME

The maximum Hold Time shall be ninety (90) seconds. A disincentive payment shall apply if the percentage of calls exceeding this ninety (90) second threshold in a given quarter exceeds five percent (5%) of the calls received in that quarter. Quarters shall be calendar quarters (e.g., the first quarter of the Rate Year includes January, February, and March). The disincentive payment for Rate Year Eleven (2021) shall equal five dollars ($5.00) per call above the ninety (90) second Hold Time in a given quarter that exceeds five percent (5%) of the calls received in that quarter. In subsequent Rate Years, the disincentive payment amount shall be adjusted by the Annual Index Change in the CPI-U, which is described in Attachment K. If Contractor fails to achieve this performance standard, the Agency shall assess a disincentive payment based on the following example:

Total number of calls received in quarter = 19,380

5% of total number of calls received in quarter = 19,380 x 0.05 = 969

Actual number of calls in quarter exceeding 90 second Hold Time = 1,281

Number of calls exceeding 90 second Hold Time in excess of 5% threshold = 1,281 – 969 = 312

Example disincentive payment calculation: 312 x $5.00 = $1,560

6. INCENTIVE/DISINCENTIVE PAYMENT PROCEDURES

A. **Record Keeping.** In accordance with Article 9, records shall be maintained by Contractor for Agency in a manner that adequately demonstrates and documents Contractor's performance in accordance with this Agreement. The records shall be sufficient for Agency and SBWMA to determine Contractor's compliance with the specified performance standards.

B. **Determination of Achievement of Performance Standards.** In accordance with the requirements of Sections 9.06, 9.07, and 11.07.E, Contractor shall provide with its quarterly and annual reports, a report that identifies compliance with the performance standards listed in this Attachment and calculation of the performance incentive payments and disincentive assessments due.

Performance incentives and disincentives for Overall Diversion Level, minimum Single-Family Diversion Level, minimum Commercial Diversion Level, Average Speed of Answer, and ninety (90) second maximum Hold Time shall be calculated in aggregate for the SBWMA Service Area and Agency's share shall be proportional

based on the Tons of Solid Waste Collected in the previous Rate Year by Contractor. Performance disincentives for Single-Family Missed Pick-Up Collection Events shall be calculated separately for each Agency.

The incentives and disincentives that will be calculated monthly include:

- Commercial or Single-Family Missed Pick-Up Collection Events
- Average Speed of Answer
- Ninety (90) Second Maximum Hold Time

The incentives and disincentives that will be calculated annually include:

- Overall Diversion Level
- Minimum Single Family Diversion
- Minimum Commercial Diversion Level

C. **Amount.** The incentive and disincentive payment amounts shall be determined in accordance with the formulas presented in Sections 2 through 5 of this Attachment I. Notwithstanding any other provision of this Agreement, except for Commercial or Single-Family Missed Pick-Up Collection Events, on an annual basis, the maximum disincentive payments by Contractor shall not exceed one hundred thousand dollars ($100,000) in total for all Member Agencies, and the maximum incentive payments to Contractor shall not exceed one hundred thousand dollars ($100,000) in total for all Member Agencies.

D. **Timing of Payment.** Payments related to performance incentives and disincentives that are calculated monthly and annually are to be included in Contractor's annual Application for adjustment to Contractor's Compensation. Contractor's Compensation for the next Rate Year will be increased or decreased by the net amount of performance incentive payments and disincentive assessments calculated. If performance incentive or disincentives payments are due for performance in the last two (2) Rate Years, the amount shall not be reflected in an adjustment to Contractor's Compensation. Instead, payments shall be made directly by the Agency to the Contractor for incentive payments or directly by the Contractor to the Agency for disincentive payments. Such payments shall be made within thirty (30) days of the determination of the amount due. The SBWMA will review Contractor's calculations of incentives and disincentive payments and underlying data for accuracy, will confer with Member Agencies to confirm data as to each Member Agency, and will meet with Contractor to resolve any errors or inconsistencies.

E. **Disputes by Contractor**. Contractor may, within ten (10) calendar days after receiving the Agency's or SBWMA's written notice containing Agency's or SBWMA's revised determination of incentive and disincentive payments, provide written notice to Agency and SBWMA of any disagreement with Agency's or SBWMA's determination. Contractor may present evidence in writing to support its position. Agency and SBWMA shall review Contractor's submission and within ten (10) calendar days shall schedule a meeting with Contractor to discuss Contractor's concerns. The decision of Agency or SBWMA shall be final.

Attachment J
Liquidated Damages

The following table lists the events that constitute breaches of the Agreement's standard of performance warranting the imposition of Liquidated Damages; the acceptable performance level; the definition of the Complaint, incident, or event; the method by which occurrences will principally be tracked (by Contractor or Agency), and the amount of Liquidated Damages for failure to meet the contractually-required standard of performance.

Contractor is required to maintain records of Customer Complaints which show for each Complaint: date and time received; name, address and telephone number of caller; nature of Complaint (e.g., missed pick-up, excessive noise, property damage, etc.); name of employee receiving Complaint; action taken by Contractor to respond to Complaint; and date Complaint was resolved.

Contractor shall submit to Agency with its quarterly report a Liquidated Damages report which summarizes the number of Complaints in each category and computes the amount (if any) of Liquidated Damages accrued by month during the preceding quarter. If Agency requests, Contractor shall also provide a printout of the full records for the quarter.

The Liquidated Damage amounts specified in this Attachment are effective for Rate Year Eleven (2021). In subsequent Rate Years, the Liquidated Damage amounts shall be adjusted by the Annual Index Change in the CPI-U, which is described in Attachment K.

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TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
	COLLECTION QUALITY				
1.	Collection Quality Complaint (includes Solid Waste, Recyclable Materials and Organic Materials Collection service)	Number of "Collection quality Complaints" is less than or equal to thirty (30) per month for each of the following three categories (i.e., A, B and C) for the SBWMA Service Area. Table 2 provides the proportional distribution of the total monthly allowance to all Member Agencies.	"Collection quality Complaints" shall include all Complaints received regarding events described under Items 1A through 1C herein:	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded for each category (Items 1A through 1C) for the Agency	$150 per Complaint received above the acceptable performance level
	A. Unauthorized Collection Hours (includes: Solid Waste, Recyclable Materials and Organic Materials Collection service)	See above	Each Complaint that Contractor has performed Collection services outside of hours authorized in Section 8.01.A.	See above	See above
	B. Inadequate Care of or Damage to Private Property	See above	Each Complaint that Contractor has not closed a Customer's gate, has crossed planted areas, or has damaged private property (including damage of private vehicles) pursuant to Section 8.02.H.	See above	See above

TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
	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 of damage was reported pursuant to Section 8.02.H.	See above	See above
2.	Failure to Provide New Service or Initiate Change in Service	Number of "Failures to Provide New Service or Initiate Change in Service" is less than or equal to sixty (60) each month for the SBWMA Service Area. Table 2 provides the proportional distribution of the total monthly allowance to all Member Agencies.	Each Complaint of Contractor's failure to provide new service or change an existing service level within five (5) Business Days of receiving the request pursuant to Section 8.02.C.	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded to this category for the Agency.	$100 per Complaint received above the acceptable performance level
3.	Improper Container Placement Complaints	The number of "Improper Container Placement Complaints" shall be less than or equal to 500 per month for the SBWMA Service Area. Table 2 provides the proportional distribution of the total monthly allowance to all Member Agencies.	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 pursuant to Section 8.02.B.1, provided that Contractor shall not be responsible for placement of Containers that are moved due to wind, rain or other inclement weather conditions, third parties or other factors outside Contractor's reasonable control.	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded to this category for the Agency.	$50 per Complaint above the acceptable performance level

TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
4.	Failure to Effectively Distribute Non-Collection Notices	The number of non-collection notices that Contractor distributes is at least 50% of all Container set-outs that require a non-collection notice based on the presence of contamination.	An event is a Container set-out that contains contamination but was not provided a non-collection notice.	Contractor shall provide a report on a monthly basis that contains information on Contactor's use of non-collection notices.	$25 per event
5.	Excessive Noise Complaints	The number of "excessive noise Complaints" shall be less than or equal to sixty (60) per month for the SBWMA Service Area. Table 2 provides the proportional distribution of the total monthly allowance to all Member Agencies.	Each Complaint of excessive noise reportedly related to Contractor's Collection operations pursuant to Section 8.02.J.	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded to this category for the Agency.	$50 per Complaint above the acceptable performance level
6.	Unacceptable Employee Behavior	No incidents or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Each Complaint of reportedly discourteous, rude, or inappropriate behavior by Collection vehicle personnel, Customer service personnel, or other employees of Contractor pursuant to Section 8.06.J.	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded to this category for the Agency.	$250 per Complaint

TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
7.	A. Complaints of Spills of Discarded Materials	The number of "Complaints of spills of Discarded Materials" shall be less than or equal to one-hundred and twenty (120) per month for the SBWMA Service Area. Table 2 provides the proportional distribution of the total monthly allowance to all Member Agencies.	Each Complaint of litter, or spills of Solid Waste, Recyclable Materials, or Organic Materials near Containers or on public streets and Contractor's failure to pick up or clean up such material immediately pursuant to Section 8.02.I.	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded to this category for the Agency.	$50 per Complaint above the acceptable performance level
	B. Complaints of Failure to Clean Up Spills of Discarded Materials	See above	Each Complaint of Contractor failing to clean up Solid Waste, Recyclable Materials, or Organic Materials that were littered on public property pursuant to Section 8.02.I.	See above	See above
8.	Spills of Vehicle Fluids	No incidents or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	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 pursuant to Section 8.02.I.	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded to this category for the Agency.	$500 per Complaint

TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
9.	Untimely Scheduling of Bulky Item Collections	No incidents or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Each failure to schedule and perform a Bulky Item Collection within ten (10) Business Days of Customer's request subject to exceptions described in Section 5.05.H of the Agreement.	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded to this category for the Agency; and, shall document all Bulky Item Collections including date of Customer's request and actual date of service, and, upon request shall provide reports for the Agency's review.	$100 per incident

TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
10.	Abandoned Waste	No incidents or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Each failure to Collect abandoned waste within one (1) Business Day after notice provided in accordance with Section 5.09.A, unless such failure resulted from the volume of requests exceeding the maximum of thirty (30) scheduled events per day set forth in Section 5.09.A..	Contractor shall print a report on a monthly basis from its Customer service system listing the total number of Complaints coded to this category for the Agency; and, shall document all Abandoned Waste Collections including date of notice and actual date of service, and, upon request shall provide reports for the Agency's review.	$100 per incident
	Customer Service Quality				
1.	Untimely Resolution of 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 resolve or remedy a Complaint or Inquiry within ten (10) Business Days of receipt of Complaint or Inquiry pursuant to Section 7.02.D, with the exception of missed pick-ups which are addressed in Attachment I or other service related events that have Liquidated Damages associated with them.	Contractor shall document all Complaints and Inquiries including the date of response pursuant to Section 7.02.D, and, upon request, shall provide detailed reports for the Agency's review.	$100 per incident

TABLE 1				
Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
Reporting				

TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
1.	Late Submittal of Reports, Application, Proposal, or Other Submittals	Report, application or proposal shall be submitted on the date or in accordance with the timeframe specified in this Agreement.	For each day Contractor fails to submit: (i) reports in the timeframe specified in Article 9, (ii) Application for determination of Contractor's Compensation in the timeframe specified in Article 11; (iii) proposal requested by Agency for change in service in the timeframe specified in Article 9; and (iv) other submittals required by this Agreement in the timeframe specified in this Agreement.	Contractor's submittal dates shall be recorded and compared to the submittal requirements of the Agreement	$250 per day for each day report is overdue

TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
2.	Submittal of Inaccurate Report, Application, Proposal, or Other Submittals and Correspondence	Report, application, proposal or correspondence submitted does not contain inaccurate, misleading or erroneous data and information.	For each day Contractor fails to submit corrections or restatements rectifying the inaccurate, misleading or erroneous data and information contained in reports, applications, proposals or correspondence submitted to Agency or SBWMA commencing with the third (3rd) Business Day after receiving notification from Agency or SBWMA of Contractor having submitted inaccurate, misleading or erroneous data and information.	The data and information contained in Contractor's submittal shall be recorded and verified for accuracy by Agency or SBWMA.	$250 per day for each day inaccurate or erroneous information is not corrected by Contractor commencing with the third (3rd) Business Day after receiving notification from Agency or SBWMA of Contractor having submitted inaccurate, misleading or erroneous data and information
3.	Failure to Perform and Report on Billing Review	Reports on billing reviews are submitted on time.	Failure to conduct Billing reviews and report on the findings of the review pursuant to Section 7.01.F.	Contractor's submittal dates shall be recorded and compared to the submittal requirements of the Agreement	$250 per day for each day report is overdue

TABLE 1					
	Event of Non-Performance	**Acceptable Performance Level**	**Definition of Complaint, Incident, or Event**	**Tracking Method**	**Liquidated Damage Amount**
	Other				
1.	Disposal of Diversion Program Materials	Contractor does not Dispose of Recyclable Materials or Organic Materials Collected.	For each Ton of Recyclable Materials or Organic Materials Disposed of without written approval of the Agency pursuant to Section 8.02.D.	Alleged incidents shall be investigated by Agency	$175 per Ton Disposed for Recyclables $100 per Ton Disposed for Organics
2.	Use of Unauthorized Facilities	Each Ton of material shall be delivered to the Designated Transfer and Processing Site.	For each Ton of Solid Waste, Recyclable Materials or Organic Materials that is not delivered to the Designated Transfer and Processing Facility pursuant to Section 6.01.	Alleged incidents shall be investigated by Agency	$175 per Ton Delivered to unauthorized facility for Recyclables $100 per Ton Delivered to unauthorized facility for Organics and Solid Waste

Table 2: Monthly Allowances for Each Member Agency for Select Collection Quality Standards

Member Agency	Monthly Percentage Threshold*	Collection Quality Performance Standard Number				
		1A, 1B, 1C	2	3	5	7.A
Atherton	2.48%	1	1	12	1	3
Belmont	7.15%	2	4	36	4	9
Burlingame	7.01%	2	4	35	4	8
Hillsborough	3.89%	1	2	19	2	5
EPA	4.44%	1	3	22	3	5
Foster City	7.15%	2	4	36	4	9
Menlo Park	8.35%	3	5	42	5	10
Redwood City	18.41%	5	12	92	12	22
San Carlos	9.08%	3	5	45	5	11
San Mateo	21.61%	6	14	108	14	26
North Fair Oaks (CSA-8)	2.77%	1	2	14	2	3
WBSD	2.34%	1	1	12	1	3
Unincorporated County	5.32%	2	3	27	3	6
Total Acceptable Performance Level	100.00%	30	60	500	60	120

* Monthly percentage threshold was calculated based on total monthly SFD Service Opportunities as of March 2017.

Attachment K

Contractor's Compensation

and

Rate Setting Process

TABLE OF CONTENTS

1. INTRODUCTION 3
2. DEFINITIONS 3
3. CONTRACTOR ACCOUNTABILITY FOR PROPOSAL ASSUMPTIONS 5
4. ADJUSTMENTS TO CONTRACTOR'S COMPENSATION 6
5. POSSIBLE CARRY FORWARD OF ANNUAL COMPENSATION ADJUSTMENTS ABOVE 5% 7
6. APPLICATION FOR CONTRACTOR'S COMPENSATION ADJUSTMENT 18
7. SBWMA REVIEW OF APPLICATION 20
8. ALLOCATION OF CONTRACTOR'S COMPENSATION AMONG MEMBER AGENCIES 21
9. PASS-THROUGH COSTS 21
10. REVENUE RECONCILIATION OF GROSS REVENUE BILLED TO APPROVED CONTRACTOR'S COMPENSATION FOR MOST-RECENTLY COMPLETED YEAR 22
11. PREPARATION AND REVIEW OF REPORTS 23
12. PERFORMANCE INCENTIVES AND DISINCENTIVES FOR CONTRACTOR'S PERFORMANCE 23
13. RATE SETTING 24

ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS

1. Introduction

As provided in Article 11 of the Agreement, Member Agencies expect the SBWMA, of which they are all members, to provide substantial assistance in administering the annual review of Contractor's Compensation and the integration of that review with Member Agencies' adjustment of Rates and Charges billed to Customers for Contractor's services.

This Attachment describes the process for adjusting Contractor's Compensation, Rates, and Charges for Rate Year Eleven (2021) and each year thereafter. Note that Contractor's Compensation and Rate setting process for Rate Years One (2010) through Ten (2020) is described in the 2009 Franchise Agreement, as amended by Section 11.02.F of the Agreement.

This Attachment presents definitions of terms specifically related to this Attachment (Section 2); describes Contractor's accountability regarding Contractor's Compensation assumptions (Section 3); the procedures by which specific elements of Contractor's Compensation will be adjusted annually (Section 4); the procedure by which Agency may elect to stabilize Rates by carrying forward a portion of Contractor's Compensation (Section 5); the format and content of Contractor's annual Application for adjustments in Contractor's Compensation (Section 5); the actions to be taken by SBWMA in reviewing that Application (Section 6); allocating Contractor's Compensation among Member Agencies (Section 7); an explanation of Pass-Through Costs (Section 8); reconciling the revenue earned by Contractor each Rate Year with the approved Contractor's Compensation for that Rate Year (Section 9); preparing and reviewing reports to Member Agencies with recommendations for adjustments in each Member Agency's Rates (Section 10); a discussion of Performance Incentives and Disincentives (Section 11); and the role of each Member Agency in establishing Rates and the Rate structure (Section 12).

SBWMA and Contractor may agree to modifications in the procedures and schedules in this Attachment in order to adapt them to changed circumstances or to improve their efficiency and timeliness. Before implementing any such modifications, SBWMA will provide at least thirty (30) Days prior written notice to all Member Agencies. The notice will include an explanation of the reason(s) for the proposed modification(s) and the section(s) of this Attachment that would be affected by the proposed modification(s).

2. Definitions

The following terms are defined for the purposes of this Attachment K. Other terms that are capitalized that are not otherwise defined in this Attachment or in Attachment A of the Agreement are defined by reference to the line items as they appear in projected 2021 Contractor's Compensation in Attachment N.

A. **"Annual Index Change"** means the average CPI value for the 12-month period ending April of the then-current Rate Year minus the average CPI value for 12-month period ending April of the most-recently-completed Rate Year, divided by the average CPI value for the 12-month period ending April of the most-recently completed Rate Year. The Annual Index Change shall be rounded to the nearest thousandth. The Annual Index Change may be a positive or negative value, which results in increases or decreases when costs are adjusted pursuant to Section 4.

   For example, if the Contractor is preparing its Application for Contractor's Compensation to be effective for Rate Year Twelve (2022), the Annual Index Change for CPI-U shall be calculated as

follows: [(Average CPI-U for May 2020 through April 2021) – (Average CPI-U for May 2019 through April 2020)] / (Average CPI-U for May 2019 through April 2020).

B. **"CPI-U"** means the All Urban Consumers Index (CPI-U) compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor agency, using the following parameters.

CPI-U Parameters:
Area – San Francisco-Oakland-San Jose Metropolitan Area
Item – All Items
Base Period – Current 1982-84=100
Not seasonally adjusted
Periodicity – Bi-monthly
Series ID – CUURA422SA0

C. **"CPI-U-Motor Fuel"** is the index that shall be used to adjust diesel fuel costs and means All Urban Consumers Index for Motor Fuel compiled and published by the U. S. Department of Labor, Bureau of Labor Statistics or its successor agency, using the following parameters:

CPI-U-Motor Fuel Parameters:
Area – San Francisco-Oakland-San Jose Metropolitan Area
Item – Motor Fuel
Base Period – Current 1982-84=100
Not seasonally adjusted
Periodicity – Monthly
Series ID – CUURA422SETB

D. **"CPI-W-Wages"** means the Consumer Price Index, Urban Wage Earners and Clerical Workers compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor agency, using the following parameters.

CPI-W Parameters:
Area – San Francisco-Oakland-San Jose Metropolitan Area
Item – All Items
Base Period – Current 1982-84=100
Not seasonally adjusted
Periodicity – Bi-monthly
Series ID – CWURA422SA0

E. **"CPI-W-Medical"** means the Consumer Price Index, Urban Wage Earners and Clerical Workers, Medical Care, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor agency, using the following parameters.

CPI-W-Medical Parameters:
Area – San Francisco-Oakland-San Jose Metropolitan Area
Item – Medical Care
Base Period – Current 1982-84=100
Not seasonally adjusted

Periodicity – Bi-monthly
Series ID – CWURA422SAM

F. **"Compensation Adjustment Factor"** means the amount of change in the Contractor's Compensation for the then-current Rate Year compared to the coming Rate Year.

G. **"Potential Cap Carry Forward"** means the amount of Member Agency's share of Contractor's Compensation for the coming Rate Year that Member Agency may elect to defer (carry forward) to the subsequent Rate Year, which is calculated as provided in Section 5.

H. **"Cap Carry Forward"** means the amount that Member Agency actually elects to defer (carry forward) from the coming Rate Year to the subsequent Rate Year pursuant to Section 5, which shall be included in Member Agency's share of Contractor's Compensation as an adjustment for such subsequent Rate Year.

I. **"Direct Cost"** means those costs directly attributable to the provision of Collection services including, but not limited to, costs for Collection vehicle personnel and related benefits, payroll taxes, and workers compensation insurance; Collection vehicle fuel; and other direct costs.

J. **"Indirect Cost"** means those costs not directly attributable to provision of Collection service, which costs are aggregated into an overhead cost pool(s). Indirect costs include, but are not limited to, costs for general and administrative, general operations, vehicle maintenance, and container maintenance costs.

3. Contractor Accountability for Proposal Assumptions

The method of adjusting Contractor's Compensation holds Contractor accountable for several projections and assumptions on which its projected 2021 costs were based, and which are incorporated into the baseline costs shown on Attachment N, including: proposed technology, route productivity, Single-Family Container placement assumptions, and Customer recycling/organics participation rates, as follows:

- Proposed Technology – No additional adjustments shall be made to Contractor's Compensation if the technology proposed by Contractor does not achieve the intended results or productivity. (If a Change in Law requires consideration of new or alternative technology or if the Parties mutually agree to consider a change in technology, cost impacts related to the change in technology will be addressed under the applicable provisions of the Agreement).
- Route Productivity – The assumptions regarding route productivity directly impact costs related to labor, route hours, vehicles, fuel use, and vehicle maintenance. No adjustments to Contractor's Compensation will be made for differences between route productivity levels assumed in Attachment N and actual route productivity.
- Customer Recycling and Organic Program Participation Levels – Contractor's estimate of the number of Single-Family Dwelling, Multi-Family, and Commercial Customers that will be provided Targeted Recyclable Materials and Organic Materials Collection Service is incorporated into the baseline costs shown on Attachment N. No adjustments to Contractor's Compensation will be made for differences between estimated and actual participation levels

with the exception of adjustments for changes in service level pursuant to Section 4 of this Attachment.

4. Adjustments to Contractor's Compensation

The annual process for adjusting Contractor's Compensation is summarized in Table 1. Column One of the table describes the adjustment of Contractor's projected 2021 costs shown on Attachment N to establish Rate Year Eleven (2021) Contractor's Compensation; Column Two describes annual adjustments to determine Contractor's Compensation for Rate Year Twelve (2022) and each year thereafter. When determining the Contractor's Compensation for the coming Rate Year, separate cost adjustment calculations shall be performed for the following Service Sectors and Lines of Business, which shall encompass all portions of Contractor's Compensation:

- Single-family Solid Waste
- Single-family Targeted Recyclable Materials (including Household Batteries, Cell Phones, Used Motor Oil, and Used Motor Oil Filters)
- Single-family Organic Materials including Holiday Trees
- Single-family Bulky Item Materials (two On-Call Bulky Collection events)
- Multi-Family and Commercial Cart and Bin Solid Waste
- Multi-Family and Commercial Cart and Bin Targeted Recyclable Materials
- Multi-Family and Commercial Cart and Bin Organic Materials including Holiday Trees
- Multi-Family and Commercial Drop Box
- Multi-Family Bulky Item Materials (two On-Call Bulky Collection events)
- Agency Facilities Cart and Bin Solid Waste
- Agency Facilities Cart and Bin Targeted Recyclable Materials
- Agency Facilities Cart and Bin Organic Materials
- Agency Facilities Drop Box
- Agency Facilities Venues and Events

The total Contractor's Compensation shall equal the sum of Contractor's Compensation for each of the above Lines of Business. For purposes of Attachment K, "Multi-Family and Commercial" shall be considered one Service Sector.

Table 1 describes the process for adjusting costs for service level changes (in addition to other adjustments to costs). The Parties agree that service level changes shall not be made for Contractor's Compensation for Single-family and Multi-Family Bulky Item Materials (two On-Call Bulky Collection events) as long as Contractor is subject to the average daily limit of one hundred fifty (150) Bulky Item Collection service events, as set forth in Section 5.05.H of the Agreement.

All other adjustments described in Table 1 shall be applicable to the above Service Sectors and Lines of Business. Adjustments for changes in service levels for the above Service Sectors and Lines of Business may also occur in accordance with Section 15.12 of the Agreement.

If Contractor's Compensation is adjusted under the 2009 Franchise Agreement after Rate Year Six (2016) but before Rate Year Eleven (2021) due to a Change in Law or Customer migration under Sections 11.05.A.3 or 11.05.A.4 of the 2009 Franchise Agreement, or an Agency-directed change under Section 15.12 of the 2009 Franchise Agreement, then Contractor's Compensation for Rate Year Eleven (2021) shall be equitably adjusted to give effect to the change.

5. Possible Carry Forward of Annual Compensation Adjustments Above 5%

If Agency's share of Contractor's Compensation for the coming Rate Year (expressed in dollars) exceeds Agency's share of Contractor's Compensation for the current Rate Year (expressed in dollars) by more than five percent (5%), calculated as provided below, then Agency may elect to defer (carry forward) the excess to the subsequent Rate Year in accordance with this Section. The purpose of the carry forward mechanism is to smooth Rate adjustments, not to reduce the amount of compensation to which Contractor is entitled.

Agency's deferral right shall apply only to increases in Contractor's Compensation resulting from application of the methodology set forth in this Attachment K, excluding any Agency-specific costs. The following cost items shall not be subject to deferral or included in deferral calculations:

- Any costs listed in Table 1 under the line items "Contract Changes to Specific Agencies" or "Incentives/Disincentives Payments";
- Cost increases under other Sections of the Agreement including, but not limited to, those resulting from Agency-directed changes (Section 15.12) or Changes in Law (Section 11.05); and,
- Increases in costs that are not part of Contractor's Compensation including, but not limited to, Franchise Fees or other Agency fees, or processing and Disposal fees paid by Contractor to SBWMA.

Agency's share of Contractor's Compensation for a given Rate Year (expressed in dollars), adjusted as necessary to comply with the foregoing requirements, shall be referred to herein as "Adjusted Contractor's Compensation." Adjusted Contractor's Compensation for a given Rate Year includes any Cap Carry Forward from the previous Rate Year.

In each of its Applications to establish Rates for Rate Years Twelve (2022) onward, Contractor shall include its calculation of: (A) Adjusted Contractor's Compensation for the coming Rate Year, (B) Adjusted Contractor's Compensation for the current Rate Year, (C) the difference between the two (calculation: C = A - B), and (D) the amount, if any, by which such difference exceeds five percent (5%) of Adjusted Contractor's Compensation for the current Rate Year (calculation: D = C - (B x 0.05)) (the "Potential Cap Carry Forward"). If the calculation of the Potential Cap Carry Forward results in a negative value, the Potential Cap Carry Forward shall equal zero.

SBWMA shall confirm or correct Contractor's calculations and include such amounts, for each Member Agency, in its reports on Contractor's Application.

Agency may elect to carry forward any amount provided that the amount is less than or equal to the Potential Cap Carry Forward. If Agency elects to defer some or all of the Potential Cap Carry Forward, then:

1. Contractor's Compensation for the coming Rate Year shall be deemed reduced by such amount, for purposes of Agency's obligation to adjust Rates under Section 13 below; and,
2. Contractor's Compensation for the subsequent Rate Year shall be increased by such amount (which shall be the "Cap Carry Forward") in the Contractor's Compensation and Rate setting process for such subsequent Rate Year).

Agency may not defer any amounts in the final Rate Year of the Term. All Contractor's Compensation due to Contractor that was carried forward and not previously compensated to Contractor shall be reflected in the Contractor's Compensation for the final Rate Year of the Term, so that no Cap Carry Forward is calculated or applied for recovery beyond the final Rate Year of the Term. For purposes of

this Attachment K, the final Rate Year of the Term means Rate Year Twenty-Five (2035), or, if the Term is extended under Section 3.03.A of the Agreement, the last Rate Year of the mutually agreed Term. If the Term is extended for up to twelve (12) months under Section 3.03.B of the Agreement, no amounts may be deferred from or to that extension period.

If the amount of the Potential Cap Carry Forward is greater than ten percent (10%) of Adjusted Contractor's Compensation for the current Rate Year, the Parties shall meet and confer to discuss the Agency's plan to reduce the amount of the Cap Carry Forward with the goal of eliminating the Cap Carry Forward in the coming Rate Years.

ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS

Table 1: Contractor's Compensation Adjustment Methodology
{Note: The table below replaces the current Table 1 in its entirety}

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty Five (2022 - 2035)
ANNUAL COST OF OPERATIONS		
A. Direct Labor-Related Costs for Collection Vehicle Route Personnel Represented Through Collective Bargaining Agreements (CBA).	• Adjust projected 2021 Direct Labor-Related Costs to reflect service level changes from April 2016 to April 2020 by 100% of the average service level change in accounts, lifts, or pulls as described in the following bullet. • The service level adjustment shall be based on the change in the rolling three-year average number of Solid Waste accounts in the SBWMA Service Area and shall be calculated using the following formula: Adjusted 2021 Direct Labor-Related Costs = Projected 2021 Direct Labor-Related Costs per Attachment N x [1 + 75% x (((Sum of number of Solid Waste accounts as of April 2018 + April 2019 + April 2020) - (Sum of number of Solid Waste accounts as of April 2014 + April 2015 + April 2016)) / (Sum of number of Solid Waste accounts as of April 2014 + April 2015 + April 2016))]. For Commercial lines of business, lifts shall be used rather than accounts; and, for Drop Box lines of business, pulls shall be used rather than accounts. • Because Contractor is subject to the average daily limit of one hundred fifty (150) Bulky Item Collection service events, as set forth in Section 5.05.H of the Agreement, no service level adjustments shall be applied to the following Service Sectors and Lines of Business: Single-family Bulky Item Materials (two On-Call Bulky Collection events) and Multi-Family Bulky Item Materials (two On-Call Bulky Collection events).	Step One: • Direct Wages for CBAs: Annually adjust Wage costs by 100% of the Annual Index Change using the CPI-W-Wages. • Benefits for CBAs: Annually adjust Health Benefit costs by 100% of the Annual Index Change using CPI-W-Medical. • Payroll taxes: Annually adjust direct labor-related payroll tax expense based on the effective tax rate of 8.1%. The effective tax rate shall be applied to the adjusted direct wages for CBAs to calculate payroll tax expense. When the Federal and/or State employer payroll tax rates or limits are changed, Contractor shall submit to SBWMA a new effective payroll tax rate for review and approval (not to be unreasonably withheld). If approved, the new payroll tax rates shall be used to calculate payroll tax expense for the Rate Year affected by the change(s). • Workers Compensation Insurance: Annually adjust worker's compensation costs by 100% of the Annual Index Change in the CPI-W-Wages. Step Two: • Annually adjust wages, benefits, payroll taxes, and workers compensation insurance costs to reflect service level changes by adjusting wage and benefit costs by 100% of the average service level change in accounts, lifts, and pulls as described in Table 2.

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
B. Direct Fuel Costs for All Contractor Vehicles Including Collection Vehicles, Support Vehicles, and Supervisor's Vehicles	• Step One: Adjust 2021 projected Direct Fuel costs to reflect the change in the CPI-U-Motor Fuel from April 2016 to April 2020 using the following formula: Adjusted 2021 Direct Fuel cost = Projected 2021 Direct Fuel cost x [1 + (((Average CPI for May 2019 through April 2020) – (Average CPI for May 2015 through October 2016)) / (Average CPI for May 2015 through April 2016))]. • Step Two: Adjust Direct Fuel Cost amount calculated in Step One to reflect service level changes using the method described in Row A above for Rate Year Eleven (2021) Direct-Labor Related Costs.	• Step One: Annually adjust direct fuel costs by 100% of the Annual Index Change for the CPI-U-Motor Fuel. • Step Two: Annually adjust direct fuel costs to reflect service level changes by adjusting costs by 100% of the average service level change in accounts, lifts, and pulls as described in Table 2.
C. Other Direct Costs for Collection Services	• Adjust Other Direct Costs to reflect service level changes by using the method described in Row A above for Rate Year Eleven (2021) Direct-Labor Related Costs.	• Step One: Annually adjust Other Direct Costs by 100% of the Annual Index Change using CPI-U. • Step Two: Annually adjust Other Direct Costs to reflect service level changes by adjusting costs by 100% of the average service level change in accounts, lifts, and pulls as described in Table 2.

D. Depreciation for All Contractor Vehicles including Collection Vehicles, Support Vehicles, and Supervisor's Vehicles	The annual depreciation amount shall equal $3,056,022, which is the projected amount for 2021 as specified in Attachment N.	• A vehicle equipment replacement schedule prepared by the Contractor is included in Attachment N. It shows the timing of anticipated vehicle purchases, estimated vehicle acquisition costs, and estimated annual depreciation and interest expenses for Rate Years Eleven (2021) through Twenty-Five (2035). In preparing this schedule, Contractor estimated vehicle acquisition costs in 2017 dollars and escalated the amounts annually by two percent (2%) as reflected in the equipment replacement schedule. • For Rate Years Twelve (2022) through Sixteen (2026), the annual depreciation amount shall be equal to the projected amount for 2021 specified in Attachment N. • After completion of the new vehicle acquisitions in accordance with the equipment replacement schedule in Attachment N, the vehicle depreciation amount shall be adjusted to reflect actual vehicle acquisition costs in a manner that remaining undepreciated costs shall be depreciated evenly over the remaining Rate Years of the Agreement. The recalculation of the annual vehicle depreciation amount to be effective for Rate Years Seventeen (2027) through Twenty-Five (2035) shall be included in the Application submitted in 2026 for Rate Year Seventeen (2027) Contractor's Compensation. The recalculation of vehicle depreciation expense shall be as follows: - "Annual Depreciation Cost Difference" = Actual cost of vehicles less projected vehicle costs of $48,724,246, divided by 9 years. - The annual vehicle depreciation amount specified in Attachment N ($3,056,022) shall be adjusted by 50% of the Annual Depreciation Cost Difference; however, the adjustment, whether positive or negative, shall not exceed $350,000. Thus, the annual vehicle depreciation expense shall not be less than $2,706,022 or greater than $3,406,022. This adjusted depreciation amount shall be allocated to each Member Agency based on the

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
		percentage of projected 2021 total depreciation for all Member Agencies that was allocated to each Member Agency as shown in Attachment N. The allocated depreciation amount shall be included in Contractor's Compensation for Rate Years Seventeen (2027) through Twenty-Five (2035). - Contractor shall not be compensated for any additional vehicle depreciation beyond $3,406,022 per year.
E. Depreciation - Containers	• Contractor projected its Container replacement needs and costs and related depreciation for Rate Years Eleven (2021) through Twenty-Five (2035), which are specified in Attachment N for 2021. This amount ($1,178,150) shall be the fixed annual Container Depreciation Costs for Rate Years Eleven (2021) through Twenty-Five (2035). • These depreciation amounts shall not be adjusted annually unless new Containers are purchased beyond the replacement quantities estimated by Contractor, subject to Agency or SBWMA approval (which shall not to be unreasonably withheld). If additional Containers are purchased, the depreciation expense shall be based on ten (10) year period or other period agreed upon by the Parties.	• Same method as shown for Rate Year Eleven (2021).
F. Allocated Indirect Costs (e.g., General and Administrative, Operations, Vehicle Maintenance, and Container Maintenance costs including all non-route personnel CBA and non-CBA labor) excluding Allocated Depreciation and Interest	The annual Allocated Indirect Costs amount shall equal $17,429,667, which is the projected amount for Rate Year Eleven (2021) as specified in Attachment N.	• Step One: Annually adjust Allocated Indirect Costs by 100% of the Annual Index Change using CPI-U. • Step Two: Annually adjust Allocated Indirect Costs to reflect service level changes by adjusting (increasing or decreasing) costs by 65% of the average service level change in accounts, lifts, and pulls as described in Table 2.

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
G. Total Allocated Indirect Depreciation Costs (e.g., depreciation costs related to General and Administrative, Operations, Vehicle Maintenance, and Container Maintenance services)	• Contractor projected its equipment acquisition needs, costs, and depreciation expense related to indirect services for Rate Years Eleven (2021) through Twenty-Five (2035). The depreciation expenses is the Allocated Indirect Depreciation Cost of $117,650, which is specified in Attachment N for 2021.	• The annual Allocated Indirect Depreciation Costs for Rate Years Twelve (2022) through Twenty-Five (2035) shall be fixed and shall equal the Rate Year Eleven (2021) amount of $117,650. • These depreciation amounts shall not be adjusted during the Term unless new equipment is purchased subject to SBWMA approval (which shall not to be unreasonably withheld). If additional equipment is purchased, the depreciation expense shall be based on ten (10) year period or other period agreed upon by the SBWMA and Contractor.
Total Annual Cost of Operations	• Calculated as the sum of the cost components adjusted as described above.	• Calculated as the sum of the cost components adjusted as described above.
PROFIT		
Profit	• Calculate Profit using the following formula: [(Total Cost of Operations for the coming Rate Period) / 90.5%] – (Total Cost of Operations for the coming Rate Period). • The operating ratio is fixed for the Term of the Agreement at ninety and one-half percent (90.5%).	• Same method as shown for Rate Year Eleven (2021).
CONTRACTOR PASS-THROUGH COSTS		

ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
A. Regulatory Agency Fees	• Any non-operating fees (excluding fines, penalties, late fees) paid by Contractor (e.g., to U.S. Department of Transportation, Bay Area Air Quality Management District, Local Enforcement Agency, Bay Area Water Quality Control Board, California Highway Patrol). No regulatory agency fees were applicable when Contractor projected 2021 Contractor's Compensation; therefore, the 2021 amount shown in Attachment N is zero. If new regulatory agency fees become effective during the Term, the amount of the fees included in Contractor's Compensation shall be determined through a special compensation review for change in law pursuant to Section 11.05 of the Agreement.	• Same method as shown for Rate Year Eleven (2021).
B. Interest Expense for Containers and All Contractor Vehicles including Collection Vehicles, Support Vehicles, and Supervisor's Vehicles (which are separately identified on the Equipment Replacement Schedule in Attachment N)	• The annual interest expense shall be equal to the projected interest expense for 2021 specified in Attachment N, which is $1,145,186. This interest expense for the Contractor vehicles is $982,006 and for Containers is $163,180.	• For Rate Years Twelve (2022) through Sixteen (2026), the annual Interest Expense for Rate Years Twelve (2022) through Twenty-Five (2035) shall be fixed and shall equal the Rate Year Eleven (2021) amount of $1,145,186, which includes interest expense for the Contractor vehicles of $982,006 and for Containers of $163,180. • After completion of the new vehicle acquisitions in accordance with the equipment replacement schedule in Attachment N, the interest amount shall be adjusted to reflect interest expense related to actual vehicle acquisition costs. The recalculation of the annual vehicle interest expense to be effective for Rate Years Seventeen (2027) through Twenty-Five (2035) shall be included in the Application submitted in 2026 for Rate Year Seventeen (2027) Contractor's Compensation.
	•	•
C. Contract Changes to Specific Agencies	{Note: This line item is included to address any Agency-specific costs and annual adjustment thereof (e.g., billing, street sweeping, etc.). Agency and Contractor to negotiate relevant compensation adjustment language, if applicable.}	• {Note: This line item is included to address any Agency-specific costs and annual adjustment thereof (e.g., billing, street sweeping, etc.). Agency and Contractor to negotiate relevant compensation adjustment language, if applicable.}

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
D. Cap Carry Forward The Cap Carry Forward methodology is described in Section 5 above. A hypothetical example of the Cap Carry Forward is provided in Table 3.	• The Cap Carry Forward shall not be applicable in Rate Year Eleven (2021)	• For Rate Year Twelve (2022), the Cap Carry Forward shall equal zero because Adjusted Contractor's Compensation shall not be capped in Rate Year Eleven (2021), and therefore no amount may be carried forward. • For Rate Year Thirteen (2023) onward, the Cap Carry Forward shall equal the amount, if any, calculated for the preceding (i.e. then-current) Rate Year and elected by Agency to be carried forward, as provided in Section 5 above.
Total Contractor Pass-Through Costs	• Calculated as the sum of the Contractor Pass-Through Costs.	• Same method as shown for Rate Year Eleven (2021).
CONTRACTOR'S COMPENSATION	• Calculated as the sum of Total Annual Cost of Operations, Profit, and Contractor's Pass-Through Costs.	• Same method as shown for Rate Year Eleven (2021).
OTHER ADJUSTMENTS		
Incentives/Disincentives Payments	• Amount varies annually based on actuals pursuant to Section 12 of Attachment K.	• Same method as shown for Rate Year Eleven (2021).
CONTRACTOR'S COMPENSATION (Adjusted)	• Calculated as the sum of the Contractor's Compensation and Other Adjustments	• Same method as shown for Rate Year Eleven (2021).

Table 2: Service Level Adjustment Methodology for Rate Years Twelve to Twenty-Five (2022 - 2035)

{Note: The table below replaces the current Table 2 in its entirety}

Accounts (Single-Family Dwelling accounts for Solid Waste Collection)
• Adjustment shall be based on the annual percent change in the rolling three-year average number of Solid Waste accounts in the SBWMA Service Area, where the annual percent change shall be calculated using the following formula: (((Average of Solid Waste accounts as of April 30 of the then-current Rate Year and the two most-recently completed Rate Years) - (Average of Solid Waste accounts as of April 30 of the three most-recently completed Rate Years)) / (Average of Solid Waste accounts as of April 30 of the three most-recently completed Rate Years)). The annual percent change calculated using the above formula is referred to herein as the "average service level change". For example, if the Contractor is preparing its Application in Rate Year Eleven (2021) for Contractor's Compensation to be effective for Rate Year Twelve (2022), the average service level change shall be calculated as follows: (((Average of Solid Waste accounts as of April 30, 2021 + as of April 30, 2020 + as of April 30, 2019) - (Average of the Solid Waste accounts as of April 30, 2020 + as of April 30, 2019 + as of April 30, 2018)) / (Average of the Solid Waste accounts as of April 30, 2020 + as of April 30, 2019 + as of April 30, 2018)). The value of the applicable cost item for Rate Year Eleven (2021) would be multiplied by (1 + the average service level change) to determine the value of such cost item for Rate Year Twelve (2022), assuming the cost item is to be adjusted by 100% of the average service level change. If Table 1 states that the cost item is to be adjusted by 65% of the average service level change (as is the case for Allocated Indirect Costs), then the value of the applicable cost item for Rate Year Eleven (2021) would be multiplied by (1 + (0.65 x (the average service level change))) to determine the value of such cost item for Rate Year Twelve (2022).
Lifts for Carts and Bins (Multi-Family and Commercial, and Agency Facilities Bin and Cart lifts for Solid Waste, Recyclable Materials, and Organic Materials Collection)
• Same method as described above, but using the average service level change in the number of lifts during a 4 week period in April, rather than the number of accounts as of April 30. • Calculations shall be separately performed for Solid Waste, Recyclable Materials, and Organic Materials Collection lifts, separately for Multi-Family and Commercial lifts and Agency Facilities lifts.
Pulls for Drop Boxes (Multi-Family and Commercial, and Agency Facilities Drop Box and Compactor pulls for Solid Waste, Recyclable Materials, and Organic Materials Collection)
• Same method as described above, but using the average service level change in the number of pulls during the 12 month period ending April 30, rather than the number of accounts as of April 30. • Calculations shall be combined for Solid Waste, Recyclable Materials, and Organic Materials Collection pulls, but shall be performed separately for Multi-Family and Commercial pulls and Agency Facilities pulls.

Note: Service level adjustments may be positive or negative values, which shall result in increases or decreases when costs are adjusted pursuant to Section 4.

Table 3: Example Compensation Cap Methodology

CPI + Growth Percentage for Example City of Example	4.5% 2023	6.2% 2024	5.8% 2025	5.0% 2026	3.5% 2027	2.4% 2028	2.3% 2029
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	1,731,660	1,839,023	1,945,687	2,042,971	2,114,475	2,165,222	2,215,023
Benefits for CBAs	804,714	854,606	904,173	949,382	982,610	1,006,193	1,029,335
Payroll Taxes	144,074	153,007	161,881	169,975	175,924	180,147	184,290
Workers Compensation Insurance	123,375	131,024	138,624	145,555	150,649	154,265	157,813
Total Direct Labor Related-Costs	2,803,823	2,977,660	3,150,365	3,307,883	3,423,659	3,505,826	3,586,460
Direct Fuel Costs	187,237	198,846	210,379	220,898	228,630	234,117	239,501
Other Direct Costs	244,805	259,983	275,062	288,815	298,924	306,098	313,138
Depreciation							
- Collection Vehicles	254,669	254,669	254,669	254,669	254,669	254,669	254,669
- Containers	98,179	98,179	98,179	98,179	98,179	98,179	98,179
Total Depreciation	352,848	352,848	352,848	352,848	352,848	352,848	352,848
Lease (Yr 1 principal only) for Collection Equipment	-	-	-	-	-	-	-
Allocated Indirect Costs							
General and Administrative	997,138	1,058,960	1,120,380	1,176,399	1,217,573	1,246,795	1,275,471
Operations	104,966	111,474	117,940	123,837	128,171	131,247	134,266
Vehicle Maintenance	297,057	315,475	333,772	350,461	362,727	371,433	379,975
Container Maintenance	175,509	186,390	197,201	207,061	214,308	219,451	224,499
Total Allocated Indirect Costs	1,574,670	1,672,299	1,769,293	1,857,757	1,922,779	1,968,926	2,014,211
Total Allocated Indirect Depreciation Costs	9,804	9,804	9,804	9,804	9,804	9,804	9,804
Total Annual Cost of Operations	5,173,187	5,471,441	5,767,750	6,038,008	6,236,643	6,377,618	6,515,963
Profit	543,042	574,350	605,454	633,824	654,675	669,474	683,996
Operating Ratio	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%
Total Operating Costs	5,716,229	6,045,791	6,373,205	6,671,829	6,891,318	7,047,092	7,199,959
Contractor Pass-Through Costs							
Interest Expense	95,432	95,432	95,432	95,432	95,432	95,432	95,432
ADD: Prior Year Compensation Cap Reductions	-	-	38,978	100,259	139,796	62,435	-
Contract Changes to Specific Agencies	-	-	-	-	-	-	-
Total Contractor Pass-Through Costs	95,432	95,432	134,411	195,691	235,228	157,867	95,432
BASE CONTRACTOR'S COMPENSATION	5,811,661	6,141,223	6,507,615	6,867,520	7,126,546	7,204,959	7,295,391
CONTRACTOR'S COMPENSATION CAP (5%)	5,881,902	6,102,244	6,407,357	6,727,724	7,064,111	7,417,316	7,585,297
Adjustment for 5% Cap	-	(38,978)	(100,259)	(139,796)	(62,435)	-	-
ADJUSTED CONTRACTORS COMPENSATION	5,811,661	6,102,244	6,407,357	6,727,724	7,064,111	7,204,959	7,295,391
% CHANGE IN CONTRACTOR COMPENSATION	4.10%	5.00%	5.00%	5.00%	5.00%	1.99%	1.26%

Note: All amounts presented in $ per year with the exception of percentages as noted.

6. Application for Contractor's Compensation Adjustment

Contractor is required to submit an Application for Contractor's Compensation Adjustment (Application) annually by June 15 for determination of Contractor's Compensation for the following Rate Year commencing with its Application for Rate Year Eleven (2021) Contractor's Compensation, which is due June 15, 2020. This Section describes the content of the Application.

A. Reporting of Operational Information

Operational information shall be reported in total as well as disaggregated by each Line of Business, by Service Sector, and by Member Agency. The information shall be submitted on forms provided by Contractor and approved by SBWMA. Operational information to be provided includes, but is not limited to, the following:

- Tonnage Collected by Line of Business;
- Number of accounts by Line of Business and account type (i.e., Container size, Collection frequency, and material type);
- Number of accounts, lifts, and pulls needed to perform the average service level adjustment calculations (described in Section 4);
- Number of Containers in service by Line of Business;
- Set-out rates by Line of Business;
- Number of routes and annual route hours by Line of Business;
- Number and type of vehicles by Line of Business;
- Annual route labor hours by Line of Business; and,
- Roster of all personnel by category including direct, indirect, and general and administrative (G&A).

B. Audited Financial Statements

Financial statements (balance sheet, income and expense statement) for the operations covered by this Agreement for Contractor's immediately preceding fiscal year (October 1 – September 30) shall be submitted with the Application. The financial statements shall be accompanied by a report of an independent Certified Public Accountant licensed by the California Board of Public Accountancy stating that (i) it has audited the financial statements in accordance with auditing standards generally accepted in the United States, and (ii) in its opinion the financial statements present fairly, in all material respects, the financial position of Contractor as of September 30 of the year under review and of the immediately preceding year, and the changes in its financial position for the years then ended in conformity with United States generally accepted accounting principles.

The Certified Public Accountant's report shall also contain a separate statement identifying the amounts of audited revenue and expense that are attributable to the last nine months of the Contractor's fiscal year (January - September 30).

In addition, Contractor shall submit financial statements covering the last three months of the preceding calendar year (October 1 - December 30) and a compiled twelve (12) month statement covering the preceding calendar year. These statements shall be accompanied by

a report of the independent Certified Public Accountant stating that it has conducted a review of the statements in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and that contains the elements described in AICPA Professional Standards, section AR 100.

C. Preparation of Management Representation Letter

The Application shall include a management representation letter signed by the President of Contractor, which states that:

- Management accepts responsibility for the accuracy and completeness of the Application;
- The Application is based on the Contractor's Compensation adjustment procedures described in Article 11, this Attachment K (including Tables 1 and 2), and on the forms approved by the SBWMA; and,
- All significant information and supporting documents relevant to the Contractor's Compensation adjustment process are available for review by SBWMA.

D. Calculation of Contractor's Compensation for the Coming Rate Year

The Application shall include a calculation of Contractor's Compensation for the coming Rate Year (i) in total for the SBWMA Service Area, (ii) in total for each Member Agency, and by Service Sector and Lines of Business specified in Section 4 for each Member Agency. The calculations shall show the adjustments to each cost line item and shall be performed in accordance with the methodology described in Section 4 of this Attachment.

For the Application submitted in 2026 for Rate Year Seventeen (2027), Contractor shall include detailed calculations of the vehicle depreciation and interest expense adjustments to be effective for Rate Years Seventeen (2027) through Twenty-Five (2035) that reflect changes for actual vehicle acquisition costs (which were acquired in accordance with the equipment replacement schedule in Attachment N) compared to projected costs presented in Attachment N. In addition to the detailed calculations, Contractor shall provide supporting documentation such as, but not limited to: vehicle specifications, acquisition costs for all vehicles, date vehicles were place into service, and interest rate.

E. Supporting Documentation

Contractor shall make available to SBWMA and each Member Agency, upon request, supporting documentation and summary reports for all calculations, assumptions, and data used in the calculation of the Contractor's Compensation for the coming Rate Year. Supporting documents and reports requested may include:

- General Ledger
- Revenue and Accounts Receivable Ledgers
- Collective Bargaining Agreements
- Solid Waste Transfer Tickets
- Weight tickets for all C&D Materials, Recyclable Materials, Inert Materials, and Organic Materials
- Customer billing information and service levels

- Copies of Bureau of Labor Statistics Index Data
- Other information requested by SBWMA

7. SBWMA Review of Application

Agency delegates to SBWMA the authority to conduct the review of the Application. SBWMA will review the Application and supporting documentation to determine that it has been prepared in a manner consistent with the Agreement, including this Attachment. SBWMA may request and Contractor shall provide any missing information necessary to complete the Application. Agency may participate in meetings with SBWMA and Contractor to discuss the Application.

A. Preliminary Review

SBWMA shall determine if the Application is complete and ready for analysis.

1. Completeness and Mathematical Accuracy of Application. SBWMA shall determine if:
   a. All required forms and financial statements are included;
   b. All forms are completed correctly and data and indexes tie to correct source; and
   c. All calculations are mathematically correct.

   If the Application is incomplete or contains arithmetic errors, SBWMA will notify Contractor and Contractor will promptly provide missing information and corrected calculations.
2. Verification of Supporting Documents and Schedules. Various documents are to be included in the Application to support the requested adjustment in Contractor's Compensation. Any supporting information SBWMA finds to have been omitted shall be promptly be provided by Contractor.
3. Contractor Notification. SBWMA will notify Contractor when it has determined that the Application is complete.

B. Review of Application

The Contractor's Compensation review process is intended to allow SBWMA to determine whether the Application is consistent with the Agreement and accurately calculates Contractor's Compensation for the coming Rate Year. SBWMA shall take the following steps during its review of the Application.

1. Review of Contractor's Compensation Calculations. SBWMA shall review Contractor's Compensation adjustment calculations to verify that the calculations are performed in accordance with Article 11 and relevant attachments including this Attachment. SBWMA shall notify Contractor of any apparent errors or discrepancies in the calculation of Contractor's Compensation which it identifies.
2. Review of Revenue Projection for Following Year. SBWMA shall review Contractor's projection of Gross Revenue Billed. Any unusual trends will be identified and explanations obtained from the Contractor.
3. Determine Prior Year Revenue Surplus/Shortfall. SBWMA will review the Contractor's Revenue Reconciliation calculations submitted in March in light of audited financial statements.

8. Allocation of Contractor's Compensation Among Member Agencies

Contractor allocated projected 2021 Contractor's Compensation among the Member Agencies using the methodology described in the 2009 Franchise Agreement (Attachment K, subsection 6.B) and as illustrated in Attachment N. The Contractor's allocation of projected 2021 Contractor's Compensation was based on April-May 2016 operating statistics compiled by Contractor including those from the annual route audit described in Section 7.12, including route labor hours per year, route hours per year, number of accounts, service stops, Bin and Cart lifts, Drop Box pulls, Tonnage, and number of Containers, reported separately for each Member Agency. Route labor hours and route hours included hours related to on and off route time, collection time, and hauling time to deliver materials to the Designated Transfer and Processing Facility. Contractor compiled the operating statistics based on the 2016 annual route audit or best available information.

The Parties agree that the projected 2021 Contractor's Compensation for each Member Agency (which is presented in Attachment N by Service Sector and Lines of Business specified in Section 4) shall be used as the basis for determining each Member Agency's share of adjusted 2021 Contractor's Compensation for Rate Year Eleven (2021), and each Member Agency's share of Contractor's Compensation for all subsequent Rate Years. Cost allocations shall not be adjusted during the Term of the Agreement, with the exception of allocation of adjusted vehicle depreciation and interest costs for Rate Year Seventeen (2027) as described further in Section 4 of this Attachment. Agency's share of Contractor's Compensation shall be adjusted independently from others using the methodology in this Attachment K, adjusting for changes in cost indices and Agency service levels.

99. Pass-Through Costs

Pass-Through Costs are costs which are included in the Revenue Requirement and Gross Revenue Billed on which no profit is paid to Contractor. Pass-Through Costs are divided into two groups:

1) Contractor Pass-Through Costs, which consist of regulatory agency fees, interest expense, Member Agency-specific changes to the Agreement, and Cap Carry Forward amounts, as described under the heading "Contractor Pass-Through Costs" in Table 1 above.

2) Other Pass-Through Costs, which consist of Member Agency Franchise Fees and other fees which are paid to each Member Agency, and fees paid by Contractor to SBWMA for processing and Disposal (including transfer) of materials delivered by Contractor to the Designated Transfer and Processing Facility.

Other Pass-Through Costs are not part of Contractor's Compensation, but are included in the Revenue Requirement (see Section 13 below). As part of SBWMA's report on Contractor's Application (see Section 11 below), SBWMA shall estimate the total amount of Other Pass-Through Costs and the portion thereof attributable to each Member Agency. Estimated Franchise Fees and other fees are calculated separately for each Member Agency, and therefore do not need to be allocated.

SBWMA will estimate total payments by Contractor to SBWMA for processing and Disposal fees, based on total Tonnages of Solid Waste, Recyclable Materials, and Organic Materials projected to be delivered to the Designated Transfer and Processing Facility for the coming Rate Year. Such fees shall be allocated

to each Member Agency based on total Tonnages of each type of material projected to be delivered to the Designated Transfer and Processing Facility from each Member Agency.

10. Revenue Reconciliation of Gross Revenue Billed to Approved Contractor's Compensation for Most-Recently Completed Year

Annually, Contractor's Net Revenue Billed for the most-recently completed Rate Year will be reconciled to the Contractor's Compensation approved for the most-recently completed Rate Year. The difference will be added to or subtracted from Contractors' Compensation for the coming Rate Year.

Contractor shall report the Revenue Reconciliation annually by March 31 of each year (in a format to be approved by SBWMA), commencing in 2020 so that it can be included with the Application for Rate Year Eleven (2021) Contractor's Compensation, which is due June 15, 2020. The report shall include the following:

a. Statement of Gross Revenue Billed for the most-recently completed Rate Year for each Member Agency, by Service Sector and Lines of Business specified in Section 4.

b. Statement of Other Pass-Through Costs by Member Agency by Service Sectors and Lines of Business specified in Section 4.

c. Statement of Revenues Billed attributable to additional services defined in Attachment Q by Member Agency with adjustment for Backyard Collection Service pursuant to Section 11.03 of the Agreement.

Subtracting the sum of items b and c from a, yields Net Revenue Billed. [The calculation is: a - (b + c) = Net Revenue Billed.] Net Revenue Billed is compared to the approved Contractor's Compensation and the surplus, or shortfall, is determined. The reconciliation shall be performed separately for each Member Agency, resulting in a surplus or shortfall for each Member Agency.

The amounts described in items a, b and c for the most-recently completed Rate Year must be included in the audited financial statement due by June 15. Any variance between the March 31 data and the final audited data must be explained and the Revenue Reconciliation report revised accordingly. The audited data will be considered in calculating the adjustment to Contractor's Compensation for the following Rate Year.

Payment(s) made by Contractor to SBWMA under Section 6.02 of the Agreement for transportation, Disposal and supplemental processing of Contaminated loads shall not be subtracted from Gross Revenue Billed.

The revenue reconciliation process will not be carried out during the last Rate Year of the Term; however, notwithstanding the foregoing or any other provision of this Agreement, if Agency fails to set Rates in the final Rate Year of the Term so that Contractor is fully reimbursed for all Cap Carry Forwards elected by Agency, as is required by Section 5 and Section 13 of this Attachment K, then a final revenue reconciliation shall be conducted as provided in this paragraph. The process shall follow the above procedure and the procedure for preparation, review and approval of SBWMA staff reports set forth below. If the revenue reconciliation demonstrates that Contractor has been overcompensated for Agency's Cap Carry Forwards through the Rates set by Agency, Contractor shall pay the surplus to Agency. If the revenue reconciliation demonstrates that Contractor has been undercompensated for Agency's Cap Carry Forwards through the Rates set by Agency, Agency shall pay the shortfall to

Contractor. The Parties and SBWMA shall use best efforts to finalize the revenue reconciliation process and effect any payments within one (1) year after the end of the Term.

11. Preparation and Review of Reports

SBWMA staff will prepare a report on its review of the Application. The report will contain SBWMA staff findings on each of the following components of the Application.

- Contractor's Annual Costs of Operation
- Contractor's Pass-Through Costs
- Calculated Profit
- Revenue surplus or shortfall for the most-recently completed Rate Year, based on the Revenue Reconciliation described in Section 10
- Other Pass-Through Costs, including Contractor payments to SBWMA for processing and Disposal and to Agency for Franchise Fees and other fees
- Total Revenue Requirement for Contractor for the coming Rate Year
- Recommended overall percentage change in each Member Agency's Rates
- Discussion of issues for consideration by Member Agencies, including unresolved disagreements, if any, that Contractor has with the report's findings and recommendations
- Adjusted Attachment Q Charges for the coming Rate Year

Annually in January of each Rate Year, SBWMA provides a report preparation timeline that is reviewed and approved by the Contractor. In accordance with the timeline (on or about before September 1 of each year), SBWMA staff will provide a draft of its report to Contractor and to each Member Agency for review and shall consider all comments received within ten (10) Business Days after the draft report is released. Agency will be responsible to include in its comments any special or intermittent Agency specific costs that should be included in Contractor's Revenue Requirement for the next year. SBWMA staff will submit the final report to the SBWMA Board of Directors for consideration at a regular or special meeting held at a date specified in the timeline (which may be on or before September 30).

Upon approval by the SBWMA Board, the report will be distributed to each Member Agency, in accordance with the timeline (on or before October 1).

12. Performance Incentives and Disincentives for Contractor's Performance

Contractor performance will be monitored against established and quantifiable standards in the areas of Diversion, Collection Performance, and Customer Service. Incentives have been designed to reward Contractor for outstanding levels of performance with regard to Diversion and Average Hold Time for Customer service calls. Disincentives (in the form of reduced compensation to Contractor) may be assessed for substandard performance related to: diversion level attained (i.e., Single-Family and Commercial sectors), Missed Pick-Up Collection Events, Average Hold Time, and Calls Answered in Ninety (90) Seconds.

The Performance Incentives and Disincentives are detailed in Attachment I. Payment related to Performance Incentives and Disincentives shall be included in Contractor's Application. Contractor's

Compensation for the coming Rate Year will be increased or decreased by the net amount of Performance Incentive payments and Disincentive assessments calculated.

13. Rate Setting

Member Agencies shall review their Collection Rates, including Charges on Attachment Q for additional services, annually (or as frequently as they determine necessary) and adjust them in amount and with an effective date sufficient to achieve the Revenue Requirement projected for that year in the SBWMA report. The Revenue Requirement consists of: (i) the Agency's share of Contractor's Compensation; (ii) an adjustment to reflect a revenue shortfall or surplus for the most-recently completed Rate Year; (iii) Other Pass-Through Costs including, but not limited to, Franchise Fees and others fees and payments to SBWMA for processing and Disposal; and, (iv) Performance Incentive and Disincentive payments due, if any.

Annually, Agency shall adjust Contractor's Charges specified in Attachment Q for additional services for 100% in the Annual Index Change for the CPI-U.

ATTACHMENT L
(Reserved)

Attachment L is reserved for future use.

Attachment M
Agency's Franchise Fees and Other Fees
City of San Mateo

FRANCHISE FEE

In consideration of the exclusive franchise granted to Contractor by this Agreement, and to reimburse Agency for costs incurred in administering this Agreement, Contractor shall pay to Agency an annual Franchise Fee of four percent (4%)

LANDFILL CLOSURE FEE

In consideration of the exclusive franchise granted to Contractor by this Agreement, and to reimburse Agency City of Mateo 3rd Ave Landfill Post-Closure Costs, Contractor shall pay to Agency an annual Landfill Closure Fee $600,000 annually during the Term.

SOLID WASTE TRASH REDUCTION PROGRAM

In consideration of the exclusive franchise granted to Contractor by this Agreement, and to reimburse Agency for costs incurred in administering solid waste and recycling programs, Contractor shall pay to Agency an annual Solid Waste Trash Reduction Program Fee of $2,200,000. This fee shall increase/decrease on an annual basis.

Contractor's Compensation

CONTRACTOR'S TOTAL COMPENSATION - DETAIL

TOTAL SBWMA

	Proposed Compensation - 2021	Single Family Dwelling	MFD & Commercial	Member Agency Facilities	Total Service Sectors
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	19,343,478	10,688,629	8,441,352	213,497	19,343,478
Benefits for CBAs	8,989,037	5,094,383	3,794,848	99,806	8,989,037
Payroll Taxes	1,609,377	889,294	702,320	17,763	1,609,377
Workers Compensation Insurance	1,378,158	761,530	601,419	15,210	1,378,158
Total Direct Labor Related-Costs	31,320,051	17,433,836	13,539,939	346,276	31,320,051
Direct Fuel Costs	2,091,532	1,217,685	846,740	27,107	2,091,532
Other Direct Costs	2,894,742	1,621,306	1,222,303	51,133	2,894,742
Depreciation					
- Collection Vehicles	3,056,022	1,784,658	1,163,316	108,048	3,056,022
- Containers	1,178,150	876,951	301,199	-	1,178,150
Total Depreciation	4,234,172	2,661,609	1,464,516	108,048	4,234,172
Allocated Indirect Costs					
General and Administrative	9,456,605	5,487,883	3,718,016	250,706	9,456,605
Operations	1,928,415	1,119,103	758,187	51,125	1,928,415
Vehicle Maintenance	3,685,656	2,138,871	1,449,075	97,711	3,685,656
Container Maintenance	1,358,991	788,653	534,310	36,029	1,358,991
Total Allocated Indirect Costs	16,429,667	9,534,510	6,459,587	435,570	16,429,667
Total Allocated Indirect Depreciation Costs	117,650	68,238	45,884	3,528	117,650
Total Annual Cost of Operations	**57,087,814**	**32,537,183**	**23,578,969**	**971,663**	**57,087,814**
Profit	**5,992,644**	**3,415,505**	**2,475,140**	**101,998**	**5,992,644**
Operating Ratio	90.5%				
Total Operating Costs	**63,080,458**	**35,952,688**	**26,054,109**	**1,073,660**	**63,080,458**
Contractor Pass-Through Costs					
Interest Expense[1]	1,145,186	652,756	469,526	22,904	1,145,186
Total Contractor Pass-Through Costs	**1,145,186**	**652,756**	**469,526**	**22,904**	**1,145,186**
BASE CONTRACTOR'S COMPENSATION	**64,225,644**	**36,605,444**	**26,523,635**	**1,096,564**	**64,225,644**

[1] Interest expense excludes interest on bin container purchases.

TOTAL CONTRACTOR'S COMPENSATION BY MEMBER AGENCY

Proposed Compensation 2021

BASE COLLECTION COSTS	2021 Projected Total	2021 Costs: Atherton	Belmont	Burlingame	E Palo Alto	Foster City	Hillsborough	Menlo Park	North Fair Oaks	Redwood City	San Carlos	San Mateo	West Bay	Unincorp S.M. County
Annual Cost of Operations														
Direct Labor-Related Costs														
Wages for CBAs	$19,343,478	$494,498	$1,256,552	$1,953,017	$781,591	$1,164,855	$621,506	$1,938,079	$611,182	$3,438,223	$1,690,035	$4,345,145	$323,991	$724,805
Benefits for CBAs	$8,989,037	$232,423	$584,394	$893,674	$365,959	$539,670	$293,343	$893,507	$286,606	$1,600,910	$782,766	$2,020,403	$152,570	$342,812
Payroll Taxes	$1,609,377	$41,142	$104,545	$162,491	$65,028	$96,916	$51,709	$161,248	$50,850	$286,060	$140,611	$361,516	$26,956	$60,304
Workers Compensation Insurance	$1,378,158	$35,231	$89,525	$139,145	$55,686	$82,992	$44,280	$138,082	$43,545	$244,962	$120,410	$309,477	$23,083	$51,640
Total Direct Labor Related-Costs	$31,320,051	$803,295	$2,035,016	$3,148,328	$1,268,265	$1,884,434	$1,010,838	$3,130,916	$992,183	$5,570,154	$2,733,821	$7,036,542	$526,600	$1,179,560
Direct Fuel Costs	$2,091,532	$58,260	$132,595	$194,552	$88,906	$126,958	$73,999	$221,729	$65,153	$369,209	$190,123	$451,915	$37,057	$81,077
Other Direct Costs	$2,894,742	$77,717	$183,886	$277,712	$121,818	$175,274	$98,312	$309,014	$89,142	$511,702	$262,850	$628,805	$49,718	$108,791
Depreciation														
- Collection Vehicles	$3,056,022	$87,984	$193,109	$286,736	$127,419	$184,198	$110,471	$332,013	$92,641	$535,114	$280,194	$652,936	$54,173	$119,033
- Containers	$1,178,150	$36,671	$77,090	$102,553	$32,636	$73,460	$37,043	$113,697	$36,566	$209,708	$105,767	$258,681	$22,873	$51,406
Total Depreciation	$4,234,172	124,655	270,198	389,289	160,055	257,658	147,514	445,710	129,207	744,823	385,960	911,617	77,046	170,439
Allocated Indirect Costs														
General and Administrative	$9,456,605	$147,775	$580,446	$891,820	$465,831	$585,320	$221,524	$985,912	$278,558	$1,765,927	$898,901	$2,129,965	$148,491	$356,136
Operations	$1,928,415	$57,092	$122,058	$188,494	$78,967	$119,502	$70,740	$210,877	$55,200	$330,481	$177,843	$408,578	$34,487	$74,096
Vehicle Maintenance	$3,685,656	$109,117	$233,281	$360,256	$150,924	$228,397	$135,202	$403,036	$105,500	$631,627	$339,900	$780,888	$65,913	$141,614
Container Maintenance	$1,358,991	$32,288	$84,436	$128,796	$63,953	$87,764	$33,804	$148,940	$39,159	$242,090	$123,731	$302,615	$21,729	$49,647
Total Allocated Indirect Costs	$16,429,667	$346,272	$1,020,221	$1,569,366	$759,715	$1,020,982	$461,270	$1,748,765	$478,418	$2,970,124	$1,540,374	$3,622,046	$270,620	$621,493
Total Allocated Indirect Depreciation Costs	$117,650	$3,466	$7,409	$11,716	$4,851	$7,246	$4,301	$12,848	$3,323	$20,229	$10,754	$24,916	$2,084	$4,508
Annual Implementation Cost Amortization	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$57,087,814	1,413,665	3,649,327	5,590,961	2,423,609	3,472,553	1,796,233	5,868,981	1,757,425	10,186,241	5,123,883	12,675,941	963,126	2,165,868
Profit	$5,992,644	$148,396	$383,078	$586,897	$254,412	$364,522	$188,555	$616,081	$184,481	$1,069,274	$537,866	$1,330,624	$101,102	$227,356
Operating Ratio	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%
Total Operating Cost	$63,080,458	$1,562,061	$4,032,405	$6,177,858	$2,678,021	$3,837,075	$1,984,788	$6,485,062	$1,941,906	$11,255,515	$5,661,749	$14,006,565	$1,064,228	$2,393,224
Contractor Pass-Through Costs														
Interest Expense[1]	$1,145,186	$31,098	$72,732	$108,271	$48,509	$70,556	$36,431	$123,263	$35,298	$202,557	$105,128	$248,574	$19,617	$43,153
BASE CONTRACTOR'S COMPENSATION	$64,225,644	$1,593,158	$4,105,137	$6,286,129	$2,726,530	$3,907,631	$2,021,219	$6,608,325	$1,977,205	$11,458,072	$5,766,877	$14,255,139	$1,083,844	$2,436,377

[1] Interest expense excludes interest on bin container purchases.

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	2,346	2,344	2,327	483	2,346
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	*2.5%*	*2.5%*	*2.6%*	*1.6%*	*2.5%*
City Total Route Labor hours year	1,438.26	1,738.85	2,673.28	213.50	6,064
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	*3.1%*	*4.1%*	*6.8%*	*1.6%*	*4.3%*
City # of route hours/year	1,360.19	1,504.51	2,318.34	213.50	5,397
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	*3.2%*	*3.9%*	*6.6%*	*1.6%*	*4.2%*
City Total Containers in Service	2,546	2,623	6,427	483	12,079
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	*2.6%*	*2.7%*	*6.4%*	*1.6%*	*3.7%*

Single Family Dwelling	Solid Waste A	Targeted Recyclable Materials B	Organic Materials (including Holiday Trees) C	Two On-Call Collection Events D	**Single Family Dwelling Total**
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$120,654	$129,580	$185,865	$14,682	$450,780
Benefits for CBAs	$55,741	$62,477	$87,499	$7,897	$213,614
Payroll Taxes	$10,038	$10,781	$15,464	$1,222	$37,505
Workers Compensation Insurance	$8,596	$9,232	$13,242	$1,046	$32,116
Total Direct Labor Related-Costs	$195,030	$212,070	$302,069	$24,847	$734,015
Direct Fuel Costs	$12,994	$16,396	$23,064	$694	$53,148
Other Direct Costs	$17,113	$21,593	$30,752	$1,110	$70,568
Depreciation - Collection Vehicles	$19,395	$22,469	$37,242	$639	$79,746
Depreciation - Containers	$7,060	$7,535	$21,344	$0	$35,939
Depreciation for Collection Equipment	$26,455	$30,004	$58,586	$639	$115,685
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$43,998	$45,781	$46,115	$1,195	$137,088
Operations	$11,483	$14,734	$24,321	$244	$50,781
Vehicle Maintenance	$21,946	$28,160	$46,483	$466	$97,054
Container Maintenance	$6,704	$7,216	$16,616	$172	$30,707
Total Allocated Indirect Costs excluding Depreciation and Interest	$84,130	$95,891	$133,534	$2,076	$315,631
Total Allocated Indirect Depreciation Costs (Form 9)	$693	$892	$1,509	$15	$3,109
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$336,415**	**$376,846**	**$549,515**	**$29,380**	**$1,292,156**
Profit (insert Operating Ratio below)	**$35,314**	**$39,558**	**$57,684**	**$3,084**	**$135,641**
90.5000000%					
Total Proposed Costs before Pass-Through Cost Allocation	**$371,729**	**$416,404**	**$607,199**	**$32,464**	**$1,427,797**
Contractor Pass-Through Costs					
Interest Expense	$6,488	$7,359	$14,368	$157	$28,372
Total Contractor Pass-Through Costs	**$6,488**	**$7,359**	**$14,368**	**$157**	**$28,372**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$378,217**	**$423,762**	**$621,568**	**$32,621**	**$1,456,168**

Service Level Statistics Used for Future Service Level Cost Adjustments			
	Accounts	Accounts	Accounts
2014	2,340	2,340	2,340
2015	2,347	2,347	2,347
2016	2,346	2,346	2,346
Rolling Three-Year Average	**2,344**	**2,344**	**2,344**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	**B**	**C**	**D**	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$120,654	$129,580	$185,865	$14,682	$450,780
Benefits for CBAs	$55,741	$62,477	$87,499	$7,897	$213,614
Payroll Taxes	$10,038	$10,781	$15,464	$1,222	$37,505
Workers Compensation Insurance	$8,596	$9,232	$13,242	$1,046	$32,116
Total Direct Labor Related-Costs	$195,030	$212,070	$302,069	$24,847	$734,015
Direct Fuel Costs	$12,994	$16,396	$23,064	$694	$53,148
Other Direct Costs	$17,113	$21,593	$30,752	$1,110	$70,568
Depreciation - Collection Vehicles	$19,395	$22,469	$37,242	$639	$79,746
Depreciation - Containers	$7,060	$7,535	$21,344	$0	$35,939
Depreciation for Collection Equipment	$26,455	$30,004	$58,586	$639	$115,685
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$43,998	$45,781	$46,115	$1,195	$137,088
Operations	$11,483	$14,734	$24,321	$244	$50,781
Vehicle Maintenance	$21,946	$28,160	$46,483	$466	$97,054
Container Maintenance	$6,704	$7,216	$16,616	$172	$30,707
Total Allocated Indirect Costs excluding Depreciation and Interest	$84,130	$95,891	$133,534	$2,076	$315,631
Total Allocated Indirect Depreciation Costs (Form 9)	$693	$892	$1,509	$15	$3,109
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$336,415**	**$376,846**	**$549,515**	**$29,380**	**$1,292,156**
Profit (insert Operating Ratio below) 90.5%	**$35,314**	**$39,558**	**$57,684**	**$3,084**	**$135,641**
Total Proposed Costs before Pass-Through Cost Allocation	**$371,729**	**$416,404**	**$607,199**	**$32,464**	**$1,427,797**
Contractor Pass-Through Costs					
Interest Expense	$6,488	$7,359	$14,368	$157	$28,372
Total Contractor Pass-Through Costs	**$6,488**	**$7,359**	**$14,368**	**$157**	**$28,372**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$378,217**	**$423,762**	**$621,568**	**$32,621**	**$1,456,168**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	2,340	2,340	2,340	
2015	2,347	2,347	2,347	
2016	2,346	2,346	2,346	
Prior Year Rolling Three-Year Average	**2,344**	**2,344**	**2,344**	
	Accounts	Accounts	Accounts	
2014	2,340	2,340	2,340	
2015	2,347	2,347	2,347	
2016	2,346	2,346	2,346	
Current Year Rolling Three-Year Average	**2,344**	**2,344**	**2,344**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$120,654	$129,580	$185,865	$14,682	$450,780
Benefits for CBAs	$55,741	$62,477	$87,499	$7,897	$213,614
Payroll Taxes	$10,038	$10,781	$15,464	$1,222	$37,505
Workers Compensation Insurance	$8,596	$9,232	$13,242	$1,046	$32,116
Total Direct Labor Related-Costs	$195,030	$212,070	$302,069	$24,847	$734,015
Direct Fuel Costs	$12,994	$16,396	$23,064	$694	$53,148
Other Direct Costs	$17,113	$21,593	$30,752	$1,110	$70,568
Depreciation - Collection Vehicles	$19,395	$22,469	$37,242	$639	$79,746
Depreciation - Containers	$7,060	$7,535	$21,344	$0	$35,939
Depreciation for Collection Equipment	$26,455	$30,004	$58,586	$639	$115,685
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$43,998	$45,781	$46,115	$1,195	$137,088
Operations	$11,483	$14,734	$24,321	$244	$50,781
Vehicle Maintenance	$21,946	$28,160	$46,483	$466	$97,054
Container Maintenance	$6,704	$7,216	$16,616	$172	$30,707
Total Allocated Indirect Costs excluding Depreciation and Interest	$84,130	$95,891	$133,534	$2,076	$315,631
Total Allocated Indirect Depreciation Costs (Form 9)	$693	$892	$1,509	$15	$3,109
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$336,415	$376,846	$549,515	$29,380	$1,292,156
Profit (insert Operating Ratio below) 90.5%	$35,314	$39,558	$57,684	$3,084	$135,641
Total Proposed Costs before Pass-Through Cost Allocation	$371,729	$416,404	$607,199	$32,464	$1,427,797
Contractor Pass-Through Costs					
Interest Expense	$6,488	$7,359	$14,368	$157	$28,372
Total Contractor Pass-Through Costs	$6,488	$7,359	$14,368	$157	$28,372
TOTAL BASE CONTRACTOR'S COMPENSATION	$378,217	$423,762	$621,568	$32,621	$1,456,168

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	11	13	8	0	483	32
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*0.1%*	*0.1%*	*0.5%*	*0.0%*	*1.6%*	*0.1%*
City Total Route Labor hours year	187.94	102.67	102.07	0.00	213.50	393
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*0.4%*	*0.4%*	*1.6%*	*0.0%*	*1.6%*	*0.4%*
City # of route hours/year	139.72	98.61	98.59	0.00	213.50	337
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*0.4%*	*0.4%*	*1.6%*	*0.0%*	*1.6%*	*0.5%*
City Total Containers in Service	14	43	9	0	483	66
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*0.1%*	*0.2%*	*0.4%*	*0.0%*	*1.6%*	*0.2%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$19,953	$7,654	$11,277	$0	$2,367	$41,249
Benefits for CBAs	$9,514	$3,428	$3,549	$0	$1,164	$17,655
Payroll Taxes	$1,660	$637	$938	$0	$197	$3,432
Workers Compensation Insurance	$1,422	$545	$803	$0	$169	$2,939
Total Direct Labor Related-Costs	$32,548	$12,264	$16,567	$0	$3,896	$65,275
Direct Fuel Costs	$2,164	$798	$1,540	$0	$257	$4,760
Other Direct Costs	$2,978	$1,285	$1,868	$0	$354	$6,486
Depreciation - Collection Vehicles	$2,667	$1,198	$2,748	$0	$245	$6,859
Depreciation - Containers	$98	$199	$374	$0	$61	$732
Depreciation for Collection Equipment	$2,765	$1,397	$3,122	$0	$306	$7,591
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$1,002	$1,268	$5,484	$0	$491	$8,245
Operations	$856	$793	$3,902	$0	$100	$5,652
Vehicle Maintenance	$1,637	$1,516	$7,458	$0	$191	$10,802
Container Maintenance	$110	$312	$737	$0	$71	$1,230
Total Allocated Indirect Costs excluding Depreciation and Interest	$3,605	$3,889	$17,582	$0	$853	$25,929
Total Allocated Indirect Depreciation Costs (Form 9)	$54	$49	$203	$0	$6	$312
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$44,114**	**$19,682**	**$40,883**	**$0**	**$5,673**	**$110,353**
Profit (insert Operating Ratio below)	**$4,630.73**	**$2,066**	**$4,292**	**$0**	**$596**	**$11,584**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$48,745**	**$21,749**	**$45,175**	**$0**	**$6,269**	**$121,937**
Contractor Pass-Through Costs						
Interest Expense	$886	$448	$1,001	$0	$98	$2,434
Total Contractor Pass-Through Costs	**$886**	**$448**	**$1,001**	**$0**	**$98**	**$2,434**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$49,631**	**$22,197**	**$46,176**	**$0**	**$6,367**	**$124,371**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	1,560	2,964	728	0	
2015	1,560	3,068	1,040	0	
2016	1,456	3,120	1,248	0	
Rolling Three-Year Average	**1,525**	**3,051**	**1,005**	**-**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$19,953	$7,654	$11,277	$0	$2,367	$41,249
Benefits for CBAs	$9,514	$3,428	$3,549	$0	$1,164	$17,655
Payroll Taxes	$1,660	$637	$938	$0	$197	$3,432
Workers Compensation Insurance	$1,422	$545	$803	$0	$169	$2,939
Total Direct Labor Related-Costs	$32,548	$12,264	$16,567	$0	$3,896	$65,275
Direct Fuel Costs	$2,164	$798	$1,540	$0	$257	$4,760
Other Direct Costs	$2,978	$1,285	$1,868	$0	$354	$6,486
Depreciation - Collection Vehicles	$2,667	$1,198	$2,748	$0	$245	$6,859
Depreciation - Containers	$98	$199	$374	$0	$61	$732
Depreciation for Collection Equipment	$2,765	$1,397	$3,122	$0	$306	$7,591
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$1,002	$1,268	$5,484	$0	$491	$8,245
Operations	$856	$793	$3,902	$0	$100	$5,652
Vehicle Maintenance	$1,637	$1,516	$7,458	$0	$191	$10,802
Container Maintenance	$110	$312	$737	$0	$71	$1,230
Total Allocated Indirect Costs excluding Depreciation and Interest	$3,605	$3,889	$17,582	$0	$853	$25,929
Total Allocated Indirect Depreciation Costs (Form 9)	$54	$49	$203	$0	$6	$312
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$44,114**	**$19,682**	**$40,883**	**$0**	**$5,673**	**$110,353**
Profit (insert Operating Ratio below)	**$4,631**	**$2,066**	**$4,292**	**$0**	**$596**	**$11,584**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$48,745**	**$21,749**	**$45,175**	**$0**	**$6,269**	**$121,937**
Contractor Pass-Through Costs						
Interest Expense	$886	$448	$1,001	$0	$98	$2,434
Total Contractor Pass-Through Costs	**$886**	**$448**	**$1,001**	**$0**	**$98**	**$2,434**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$49,631**	**$22,197**	**$46,176**	**$0**	**$6,367**	**$124,371**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	1,560	2,964	728	0	
2015	1,560	3,068	1,040	0	
2016	1,456	3,120	1,248	0	
Prior Year Rolling Three-Year Average	**1,525**	**3,051**	**1,005**	-	
	Lifts	Lifts	Lifts	Hauls	
2014	1,560	2,964	728	0	
2015	1,560	3,068	1,040	0	
2016	1,456	3,120	1,248	0	
Current Year Rolling Three-Year Average	**1,525**	**3,051**	**1,005**	-	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$19,953	$7,654	$11,277	$0	$2,367	$41,249
Benefits for CBAs	$9,514	$3,428	$3,549	$0	$1,164	$17,655
Payroll Taxes	$1,660	$637	$938	$0	$197	$3,432
Workers Compensation Insurance	$1,422	$545	$803	$0	$169	$2,939
Total Direct Labor Related-Costs	$32,548	$12,264	$16,567	$0	$3,896	$65,275
Direct Fuel Costs	$2,164	$798	$1,540	$0	$257	$4,760
Other Direct Costs	$2,978	$1,285	$1,868	$0	$354	$6,486
Depreciation - Collection Vehicles	$2,667	$1,198	$2,748	$0	$245	$6,859
Depreciation - Containers	$98	$199	$374	$0	$61	$732
Depreciation for Collection Equipment	$2,765	$1,397	$3,122	$0	$306	$7,591
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$1,002	$1,268	$5,484	$0	$491	$8,245
Operations	$856	$793	$3,902	$0	$100	$5,652
Vehicle Maintenance	$1,637	$1,516	$7,458	$0	$191	$10,802
Container Maintenance	$110	$312	$737	$0	$71	$1,230
Total Allocated Indirect Costs excluding Depreciation and Interest	$3,605	$3,889	$17,582	$0	$853	$25,929
Total Allocated Indirect Depreciation Costs (Form 9)	$54	$49	$203	$0	$6	$312
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$44,114**	**$19,682**	**$40,883**	**$0**	**$5,673**	**$110,353**
Profit (insert Operating Ratio below) 90.5%	**$4,631**	**$2,066**	**$4,292**	**$0**	**$596**	**$11,584**
Total Proposed Costs before Pass-Through Cost Allocation	$48,745	$21,749	$45,175	$0	$6,269	$121,937
Contractor Pass-Through Costs						
Interest Expense	$886	$448	$1,001	$0	$98	$2,434
Total Contractor Pass-Through Costs	**$886**	**$448**	**$1,001**	**$0**	**$98**	**$2,434**
TOTAL BASE CONTRACTOR'S COMPENSATION	$49,631	$22,197	$46,176	$0	$6,367	$124,371

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	858	390	936		2,346	2,184.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*0.4%*	*2.3%*	*1.4%*		*2.5%*	
City Total Route Labor hours year	46.23	2.15	17.44	48.25	114.07	65.82
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*1.0%*	*0.9%*	*1.8%*		*1.9%*	
City # of route hours/year	31.16	2.15	16.83		114.07	50.14
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*1.2%*	*1.0%*	*1.8%*		*1.9%*	
City # of Containers	13	7	18		2,546	38.00
SBWMA # of Conainers	842	256	528		96,806	
City # of Containers %	*1.5%*	*2.7%*	*3.4%*		*2.6%*	
	41%	2%	15%	42%		

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$942	$44	$355	$983	$145	$2,469
Benefits for CBAs	$440	$20	$166	$460	$68	$1,154
Payroll Taxes	$78	$4	$30	$82	$12	$205
Workers Compensation Insurance	$67	$3	$25	$70	$10	$176
Total Direct Labor Related-Costs	$1,528	$71	$576	$1,594	$235	$4,004
Direct Fuel Costs	$135	$6	$51	$141	$18	$352
Other Direct Costs	$255	$12	$96	$266	$35	$663
Depreciation - Collection Vehicles	$535	$25	$202	$558	$60	$1,380
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$535	$25	$202	$558	$60	$1,380
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$846	$39	$319	$883	$354	$2,442
Operations	$254	$12	$96	$265	$32	$659
Vehicle Maintenance	$486	$23	$183	$507	$62	$1,260
Container Maintenance (using lifts for Agency Costs)	$122	$6	$46	$127	$51	$351
Total Allocated Indirect Costs excluding Depreciation and Interest	$1,708	$79	$644	$1,783	$498	$4,712
Total Allocated Indirect Depreciation Costs (Form 9)	$17	$1	$7	$18	$2	$45
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$4,178**	**$194**	**$1,576**	**$4,360**	**$848**	**$11,156**
Profit (insert Operating Ratio below)	**$439**	**$20**	**$165**	**$458**	**$89**	**$1,171**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$4,616**	**$215**	**$1,741**	**$4,818**	**$937**	**$12,327**
Contractor Pass-Through Costs						
Interest Expense	$113	$5	$43	$118	$13	$292
Total Contractor Pass-Through Costs	**$113**	**$5**	**$43**	**$118**	**$13**	**$292**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$4,729**	**$220**	**$1,784**	**$4,937**	**$949**	**$12,619**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	728	312	780	41	
2015	832	364	780	53	
2016	858	390	936	40	
Rolling Three-Year Average	**806**	**355**	**832**	**45**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$942	$44	$355	$983	$145	$2,469
Benefits for CBAs	$440	$20	$166	$460	$68	$1,154
Payroll Taxes	$78	$4	$30	$82	$12	$205
Workers Compensation Insurance	$67	$3	$25	$70	$10	$176
Total Direct Labor Related-Costs	$1,528	$71	$576	$1,594	$235	$4,004
Direct Fuel Costs	$135	$6	$51	$141	$18	$352
Other Direct Costs	$255	$12	$96	$266	$35	$663
Depreciation - Collection Vehicles	$535	$25	$202	$558	$60	$1,380
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$535	$25	$202	$558	$60	$1,380
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$846	$39	$319	$883	$354	$2,442
Operations	$254	$12	$96	$265	$32	$659
Vehicle Maintenance	$486	$23	$183	$507	$62	$1,260
Container Maintenance (using lifts for Agency Costs)	$122	$6	$46	$127	$51	$351
Total Allocated Indirect Costs excluding Depreciation and Interest	$1,708	$79	$644	$1,783	$498	$4,712
Total Allocated Indirect Depreciation Costs (Form 9)	$17	$1	$7	$18	$2	$45
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$4,178**	**$194**	**$1,576**	**$4,360**	**$848**	**$11,156**
Profit (insert Operating Ratio below)	**$439**	**$20**	**$165**	**$458**	**$89**	**$1,171**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	$4,616	$215	$1,741	$4,818	$937	$12,327
Contractor Pass-Through Costs						
Interest Expense	$113	$5	$43	$118	$13	$292
Total Contractor Pass-Through Costs	**$113**	**$5**	**$43**	**$118**	**$13**	**$292**
TOTAL BASE CONTRACTOR'S COMPENSATION	$4,729	$220	$1,784	$4,937	$949	$12,619

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Atherton Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	728	312	780	41	
2015	832	364	780	53	
2016	858	390	936	40	
Prior Year Rolling Three-Year Average	**806**	**355**	**832**	**45**	
	Lifts	Lifts	Lifts	Hauls	
2014	728	312	780	41	
2015	832	364	780	53	
2016	858	390	936	40	
Current Year Rolling Three-Year Average	**806**	**355**	**832**	**45**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$942	$44	$355	$983	$145	$2,469
Benefits for CBAs	$440	$20	$166	$460	$68	$1,154
Payroll Taxes	$78	$4	$30	$82	$12	$205
Workers Compensation Insurance	$67	$3	$25	$70	$10	$176
Total Direct Labor Related-Costs	$1,528	$71	$576	$1,594	$235	$4,004
Direct Fuel Costs	$135	$6	$51	$141	$18	$352
Other Direct Costs	$255	$12	$96	$266	$35	$663
Depreciation - Collection Vehicles	$535	$25	$202	$558	$60	$1,380
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$535	$25	$202	$558	$60	$1,380
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$846	$39	$319	$883	$354	$2,442
Operations	$254	$12	$96	$265	$32	$659
Vehicle Maintenance	$486	$23	$183	$507	$62	$1,260
Container Maintenance (using lifts for Agency Costs)	$122	$6	$46	$127	$51	$351
Total Allocated Indirect Costs excluding Depreciation and Interest	$1,708	$79	$644	$1,783	$498	$4,712
Total Allocated Indirect Depreciation Costs (Form 9)	$17	$1	$7	$18	$2	$45
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$4,178**	**$194**	**$1,576**	**$4,360**	**$848**	**$11,156**
Profit (insert Operating Ratio below) 90.5%	**$439**	**$20**	**$165**	**$458**	**$89**	**$1,171**
Total Operating Costs before Pass-Through Cost Allocation	**$4,616**	**$215**	**$1,741**	**$4,818**	**$937**	**$12,327**
Contractor Pass-Through Costs						
Interest Expense	$113	$5	$43	$118	$13	$292
Total Contractor Pass-Through Costs	**$113**	**$5**	**$43**	**$118**	**$13**	**$292**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$4,729**	**$220**	**$1,784**	**$4,937**	**$949**	**$12,619**

BWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

). City of Belmont Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	6,765	6,760	6,548	2,092	6,765
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	*7.2%*	*7.2%*	*7.2%*	*7.1%*	*7.2%*
City Total Route Labor hours year	2,939.79	2,617.44	2,510.23	925.16	8,993
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	*6.4%*	*6.1%*	*6.4%*	*7.1%*	*6.4%*
City # of route hours/year	2,670.48	2,379.36	2,185.18	925.16	8,160
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	*6.2%*	*6.2%*	*6.3%*	*7.1%*	*6.3%*
City Total Containers in Service	6,793	6,802	6,774	2,092	22,461
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	*7.0%*	*7.1%*	*6.8%*	*7.1%*	*7.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$246,615	$195,052	$174,528	$63,622	$679,818
Benefits for CBAs	$113,935	$94,045	$82,162	$34,220	$324,362
Payroll Taxes	$20,518	$16,228	$14,521	$5,293	$56,561
Workers Compensation Insurance	$17,571	$13,897	$12,434	$4,533	$48,435
Total Direct Labor Related-Costs	$398,639	$319,222	$283,645	$107,668	$1,109,175
Direct Fuel Costs	$25,512	$25,930	$21,739	$3,006	$76,188
Other Direct Costs	$33,598	$34,149	$28,986	$4,808	$101,541
Depreciation - Collection Vehicles	$38,078	$35,535	$35,103	$2,771	$111,487
Depreciation - Containers	$18,838	$19,540	$22,496	$0	$60,874
Depreciation for Collection Equipment	$56,916	$55,075	$57,600	$2,771	$172,361
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$126,873	$132,029	$129,764	$5,175	$393,842
Operations	$22,544	$23,302	$22,924	$1,056	$69,825
Vehicle Maintenance	$43,086	$44,535	$43,813	$2,017	$133,452
Container Maintenance	$17,887	$18,712	$17,513	$744	$54,856
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,391	$218,579	$214,014	$8,992	$651,975
Total Allocated Indirect Depreciation Costs (Form 9)	$1,361	$1,410	$1,422	$65	$4,258
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$726,415**	**$654,365**	**$607,406**	**$127,310**	**$2,115,497**
Profit (insert Operating Ratio below) 90.5%	**$76,254**	**$68,690**	**$63,761**	**$13,364**	**$222,069**
Total Proposed Costs before Pass-Through Cost Allocation	**$802,669**	**$723,055**	**$671,167**	**$140,674**	**$2,337,566**
Contractor Pass-Through Costs					
Interest Expense	$13,958	$13,507	$14,126	$680	$42,271
Total Contractor Pass-Through Costs	**$13,958**	**$13,507**	**$14,126**	**$680**	**$42,271**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$816,627**	**$736,563**	**$685,293**	**$141,354**	**$2,379,837**

Service Level Statistics Used for Future Service Level Cost Adjustments			
	Accounts	Accounts	Accounts
2014	6,759	6,759	6,759
2015	6,789	6,789	6,789
2016	6,765	6,765	6,765
Rolling Three-Year Average	**6,771**	**6,771**	**6,771**

BWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

). City of Belmont Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$246,615	$195,052	$174,528	$63,622	$679,818
Benefits for CBAs	$113,935	$94,045	$82,162	$34,220	$324,362
Payroll Taxes	$20,518	$16,228	$14,521	$5,293	$56,561
Workers Compensation Insurance	$17,571	$13,897	$12,434	$4,533	$48,435
Total Direct Labor Related-Costs	$398,639	$319,222	$283,645	$107,668	$1,109,175
Direct Fuel Costs	$25,512	$25,930	$21,739	$3,006	$76,188
Other Direct Costs	$33,598	$34,149	$28,986	$4,808	$101,541
Depreciation - Collection Vehicles	$38,078	$35,535	$35,103	$2,771	$111,487
Depreciation - Containers	$18,838	$19,540	$22,496	$0	$60,874
Depreciation for Collection Equipment	$56,916	$55,075	$57,600	$2,771	$172,361
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$126,873	$132,029	$129,764	$5,175	$393,842
Operations	$22,544	$23,302	$22,924	$1,056	$69,825
Vehicle Maintenance	$43,086	$44,535	$43,813	$2,017	$133,452
Container Maintenance	$17,887	$18,712	$17,513	$744	$54,856
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,391	$218,579	$214,014	$8,992	$651,975
Total Allocated Indirect Depreciation Costs (Form 9)	$1,361	$1,410	$1,422	$65	$4,258
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$726,415**	**$654,365**	**$607,406**	**$127,310**	**$2,115,497**
Profit (insert Operating Ratio below) 90.5%	**$76,254**	**$68,690**	**$63,761**	**$13,364**	**$222,069**
Total Proposed Costs before Pass-Through Cost Allocation	**$802,669**	**$723,055**	**$671,167**	**$140,674**	**$2,337,566**
Contractor Pass-Through Costs					
Interest Expense	$13,958	$13,507	$14,126	$680	$42,271
Total Contractor Pass-Through Costs	**$13,958**	**$13,507**	**$14,126**	**$680**	**$42,271**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$816,627**	**$736,563**	**$685,293**	**$141,354**	**$2,379,837**

BWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

). City of Belmont Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	6,759	6,759	6,759	
2015	6,789	6,789	6,789	
2016	6,765	6,765	6,765	
Prior Year Rolling Three-Year Average	**6,771**	**6,771**	**6,771**	
	Accounts	Accounts	Accounts	
2014	6,759	6,759	6,759	
2015	6,789	6,789	6,789	
2016	6,765	6,765	6,765	
Current Year Rolling Three-Year Average	**6,771**	**6,771**	**6,771**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$246,615	$195,052	$174,528	$63,622	$679,818
Benefits for CBAs	$113,935	$94,045	$82,162	$34,220	$324,362
Payroll Taxes	$20,518	$16,228	$14,521	$5,293	$56,561
Workers Compensation Insurance	$17,571	$13,897	$12,434	$4,533	$48,435
Total Direct Labor Related-Costs	$398,639	$319,222	$283,645	$107,668	$1,109,175
Direct Fuel Costs	$25,512	$25,930	$21,739	$3,006	$76,188
Other Direct Costs	$33,598	$34,149	$28,986	$4,808	$101,541
Depreciation - Collection Vehicles	$38,078	$35,535	$35,103	$2,771	$111,487
Depreciation - Containers	$18,838	$19,540	$22,496	$0	$60,874
Depreciation for Collection Equipment	$56,916	$55,075	$57,600	$2,771	$172,361
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$126,873	$132,029	$129,764	$5,175	$393,842
Operations	$22,544	$23,302	$22,924	$1,056	$69,825
Vehicle Maintenance	$43,086	$44,535	$43,813	$2,017	$133,452
Container Maintenance	$17,887	$18,712	$17,513	$744	$54,856
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,391	$218,579	$214,014	$8,992	$651,975
Total Allocated Indirect Depreciation Costs (Form 9)	$1,361	$1,410	$1,422	$65	$4,258
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$726,415**	**$654,365**	**$607,406**	**$127,310**	**$2,115,497**
Profit (insert Operating Ratio below) 90.5%	**$76,254**	**$68,690**	**$63,761**	**$13,364**	**$222,069**
Total Proposed Costs before Pass-Through Cost Allocation	**$802,669**	**$723,055**	**$671,167**	**$140,674**	**$2,337,566**
Contractor Pass-Through Costs					
Interest Expense	$13,958	$13,507	$14,126	$680	$42,271
Total Contractor Pass-Through Costs	**$13,958**	**$13,507**	**$14,126**	**$680**	**$42,271**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$816,627**	**$736,563**	**$685,293**	**$141,354**	**$2,379,837**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Belmont Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	441	454	86	8	2,092	989
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*4.3%*	*4.4%*	*5.0%*	*4.1%*	*7.1%*	*4.4%*
City Total Route Labor hours year	3,048.77	2,204.05	428.63	267.13	925.16	5,949
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*6.4%*	*8.1%*	*6.7%*	*4.3%*	*7.1%*	*6.8%*
City # of route hours/year	1,838.44	2,126.44	401.91	267.13	925.16	4,634
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*5.9%*	*8.4%*	*6.6%*	*4.3%*	*7.1%*	*6.7%*
City Total Containers in Service	781	1,081	132	8	2,092	2,002
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*4.5%*	*5.5%*	*6.4%*	*2.4%*	*7.1%*	*5.1%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	**MFD & Commercial Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$323,670	$164,305	$47,355	$21,271	$10,255	$566,857
Benefits for CBAs	$154,332	$73,594	$14,904	$7,541	$5,044	$255,415
Payroll Taxes	$26,929	$13,670	$3,940	$1,770	$853	$47,162
Workers Compensation Insurance	$23,060	$11,706	$3,374	$1,515	$731	$40,387
Total Direct Labor Related-Costs	$527,993	$263,275	$69,572	$32,098	$16,883	$909,821
Direct Fuel Costs	$28,476	$17,217	$6,278	$2,048	$1,115	$55,134
Other Direct Costs	$39,191	$27,715	$7,617	$3,886	$1,535	$79,943
Depreciation - Collection Vehicles	$35,090	$25,843	$11,204	$3,270	$1,062	$76,468
Depreciation - Containers	$5,466	$4,996	$5,489	$0	$265	$16,216
Depreciation for Collection Equipment	$40,556	$30,839	$16,692	$3,270	$1,327	$92,684
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$40,163	$44,271	$58,952	$23,708	$2,128	$169,222
Operations	$11,268	$17,104	$15,908	$5,104	$434	$49,819
Vehicle Maintenance	$21,536	$32,690	$30,405	$9,756	$829	$95,215
Container Maintenance	$6,120	$7,850	$10,812	$1,995	$306	$27,082
Total Allocated Indirect Costs excluding Depreciation and Interest	$79,087	$101,914	$116,077	$40,563	$3,697	$341,338
Total Allocated Indirect Depreciation Costs (Form 9)	$710	$1,050	$829	$367	$26	$2,983
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$716,012**	**$442,010**	**$217,065**	**$82,233**	**$24,583**	**$1,481,903**
Profit (insert Operating Ratio below)	**$75,161.51**	**$46,399**	**$22,786**	**$8,632**	**$2,581**	**$155,559**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$791,174**	**$488,409**	**$239,851**	**$90,865**	**$27,163**	**$1,637,462**
Contractor Pass-Through Costs						
Interest Expense	$12,851	$9,772	$5,289	$1,036	$420	$29,368
Total Contractor Pass-Through Costs	**$12,851**	**$9,772**	**$5,289**	**$1,036**	**$420**	**$29,368**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$804,025**	**$498,181**	**$245,140**	**$91,901**	**$27,584**	**$1,666,830**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	65,793	74,958	5,902	155	
2015	61,243	79,612	8,385	160	
2016	60,359	81,965	10,192	146	
Rolling Three-Year Average	**62,465**	**78,845**	**8,160**	**154**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Belmont Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$323,670	$164,305	$47,355	$21,271	$10,255	$566,857
Benefits for CBAs	$154,332	$73,594	$14,904	$7,541	$5,044	$255,415
Payroll Taxes	$26,929	$13,670	$3,940	$1,770	$853	$47,162
Workers Compensation Insurance	$23,060	$11,706	$3,374	$1,515	$731	$40,387
Total Direct Labor Related-Costs	$527,993	$263,275	$69,572	$32,098	$16,883	$909,821
Direct Fuel Costs	$28,476	$17,217	$6,278	$2,048	$1,115	$55,134
Other Direct Costs	$39,191	$27,715	$7,617	$3,886	$1,535	$79,943
Depreciation - Collection Vehicles	$35,090	$25,843	$11,204	$3,270	$1,062	$76,468
Depreciation - Containers	$5,466	$4,996	$5,489	$0	$265	$16,216
Depreciation for Collection Equipment	$40,556	$30,839	$16,692	$3,270	$1,327	$92,684
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$40,163	$44,271	$58,952	$23,708	$2,128	$169,222
Operations	$11,268	$17,104	$15,908	$5,104	$434	$49,819
Vehicle Maintenance	$21,536	$32,690	$30,405	$9,756	$829	$95,215
Container Maintenance	$6,120	$7,850	$10,812	$1,995	$306	$27,082
Total Allocated Indirect Costs excluding Depreciation and Interest	$79,087	$101,914	$116,077	$40,563	$3,697	$341,338
Total Allocated Indirect Depreciation Costs (Form 9)	$710	$1,050	$829	$367	$26	$2,983
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$716,012	$442,010	$217,065	$82,233	$24,583	$1,481,903
Profit (insert Operating Ratio below) 90.5%	$75,162	$46,399	$22,786	$8,632	$2,581	$155,559
Total Proposed Costs before Pass-Through Cost Allocation	$791,174	$488,409	$239,851	$90,865	$27,163	$1,637,462
Contractor Pass-Through Costs						
Interest Expense	$12,851	$9,772	$5,289	$1,036	$420	$29,368
Total Contractor Pass-Through Costs	$12,851	$9,772	$5,289	$1,036	$420	$29,368
TOTAL BASE CONTRACTOR'S COMPENSATION	$804,025	$498,181	$245,140	$91,901	$27,584	$1,666,830

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Belmont Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	65,793	74,958	5,902	155	
2015	61,243	79,612	8,385	160	
2016	60,359	81,965	10,192	146	
Prior Year Rolling Three-Year Average	**62,465**	**78,845**	**8,160**	**154**	
	Lifts	Lifts	Lifts	Hauls	
2014	65,793	74,958	5,902	155	
2015	61,243	79,612	8,385	160	
2016	60,359	81,965	10,192	146	
Current Year Rolling Three-Year Average	**62,465**	**78,845**	**8,160**	**154**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$323,670	$164,305	$47,355	$21,271	$10,255	$566,857
Benefits for CBAs	$154,332	$73,594	$14,904	$7,541	$5,044	$255,415
Payroll Taxes	$26,929	$13,670	$3,940	$1,770	$853	$47,162
Workers Compensation Insurance	$23,060	$11,706	$3,374	$1,515	$731	$40,387
Total Direct Labor Related-Costs	$527,993	$263,275	$69,572	$32,098	$16,883	$909,821
Direct Fuel Costs	$28,476	$17,217	$6,278	$2,048	$1,115	$55,134
Other Direct Costs	$39,191	$27,715	$7,617	$3,886	$1,535	$79,943
Depreciation - Collection Vehicles	$35,090	$25,843	$11,204	$3,270	$1,062	$76,468
Depreciation - Containers	$5,466	$4,996	$5,489	$0	$265	$16,216
Depreciation for Collection Equipment	$40,556	$30,839	$16,692	$3,270	$1,327	$92,684
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$40,163	$44,271	$58,952	$23,708	$2,128	$169,222
Operations	$11,268	$17,104	$15,908	$5,104	$434	$49,819
Vehicle Maintenance	$21,536	$32,690	$30,405	$9,756	$829	$95,215
Container Maintenance	$6,120	$7,850	$10,812	$1,995	$306	$27,082
Total Allocated Indirect Costs excluding Depreciation and Interest	$79,087	$101,914	$116,077	$40,563	$3,697	$341,338
Total Allocated Indirect Depreciation Costs (Form 9)	$710	$1,050	$829	$367	$26	$2,983
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$716,012**	**$442,010**	**$217,065**	**$82,233**	**$24,583**	**$1,481,903**
Profit (insert Operating Ratio below)	**$75,162**	**$46,399**	**$22,786**	**$8,632**	**$2,581**	**$155,559**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	$791,174	$488,409	$239,851	$90,865	$27,163	$1,637,462
Contractor Pass-Through Costs						
Interest Expense	$12,851	$9,772	$5,289	$1,036	$420	$29,368
Total Contractor Pass-Through Costs	$12,851	$9,772	$5,289	$1,036	$420	$29,368
TOTAL BASE CONTRACTOR'S COMPENSATION	$804,025	$498,181	$245,140	$91,901	$27,584	$1,666,830

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Belmont Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	6,604	4,004	5,148		6,765	15,756.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*2.7%*	*23.9%*	*7.9%*		*7.2%*	
City Total Route Labor hours year	123.51	23.52	71.02	73.10	291.15	218.05
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*2.6%*	*10.0%*	*7.2%*		*4.9%*	
City # of route hours/year	72.30	22.93	64.95		291.15	160.18
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*2.8%*	*10.2%*	*6.9%*		*4.9%*	
City # of Containers	82	57	100		6,793	239.00
SBWMA # of Conainers	842	256	528		96,806	
City # of Containers %	*9.7%*	*22.3%*	*18.9%*		*7.0%*	
	42%	8%	24%	25%		

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$3,987	$759	$2,293	$2,360	$479	$9,878
Benefits for CBAs	$1,864	$355	$1,072	$1,103	$224	$4,618
Payroll Taxes	$332	$63	$191	$196	$40	$822
Workers Compensation Insurance	$284	$54	$163	$168	$34	$704
Total Direct Labor Related-Costs	$6,467	$1,231	$3,718	$3,827	$777	$16,021
Direct Fuel Costs	$514	$98	$296	$304	$61	$1,273
Other Direct Costs	$970	$185	$558	$574	$115	$2,402
Depreciation - Collection Vehicles	$2,102	$400	$1,209	$1,244	$198	$5,153
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$2,102	$400	$1,209	$1,244	$198	$5,153
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$6,941	$1,322	$3,991	$4,108	$1,020	$17,382
Operations	$979	$186	$563	$579	$107	$2,414
Vehicle Maintenance	$1,871	$356	$1,076	$1,107	$204	$4,614
Container Maintenance (using lifts for Agency Costs)	$998	$190	$574	$590	$147	$2,498
Total Allocated Indirect Costs excluding Depreciation and Interest	$10,788	$2,054	$6,203	$6,385	$1,477	$26,909
Total Allocated Indirect Depreciation Costs (Form 9)	$69	$13	$39	$41	$6	$168
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$20,910**	**$3,982**	**$12,024**	**$12,376**	**$2,635**	**$51,926**
Profit (insert Operating Ratio below)	$2,195	$418	$1,262	$1,299	$277	$5,451
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$23,105**	**$4,400**	**$13,286**	**$13,675**	**$2,911**	**$57,377**
Contractor Pass-Through Costs						
Interest Expense	$446	$85	$256	$264	$42	$1,092
Total Contractor Pass-Through Costs	**$446**	**$85**	**$256**	**$264**	**$42**	**$1,092**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$23,551**	**$4,485**	**$13,542**	**$13,939**	**$2,953**	**$58,469**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	4,784	3,380	3,640	65	
2015	5,408	3,640	4,160	64	
2016	6,604	4,004	5,148	74	
Rolling Three-Year Average	**5,599**	**3,675**	**4,316**	**68**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Belmont Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$3,987	$759	$2,293	$2,360	$479	$9,878
Benefits for CBAs	$1,864	$355	$1,072	$1,103	$224	$4,618
Payroll Taxes	$332	$63	$191	$196	$40	$822
Workers Compensation Insurance	$284	$54	$163	$168	$34	$704
Total Direct Labor Related-Costs	$6,467	$1,231	$3,718	$3,827	$777	$16,021
Direct Fuel Costs	$514	$98	$296	$304	$61	$1,273
Other Direct Costs	$970	$185	$558	$574	$115	$2,402
Depreciation - Collection Vehicles	$2,102	$400	$1,209	$1,244	$198	$5,153
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$2,102	$400	$1,209	$1,244	$198	$5,153
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$6,941	$1,322	$3,991	$4,108	$1,020	$17,382
Operations	$979	$186	$563	$579	$107	$2,414
Vehicle Maintenance	$1,871	$356	$1,076	$1,107	$204	$4,614
Container Maintenance (using lifts for Agency Costs)	$998	$190	$574	$590	$147	$2,498
Total Allocated Indirect Costs excluding Depreciation and Interest	$10,788	$2,054	$6,203	$6,385	$1,477	$26,909
Total Allocated Indirect Depreciation Costs (Form 9)	$69	$13	$39	$41	$6	$168
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$20,910**	**$3,982**	**$12,024**	**$12,376**	**$2,635**	**$51,926**
Profit (insert Operating Ratio below)	**$2,195**	**$418**	**$1,262**	**$1,299**	**$277**	**$5,451**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$23,105**	**$4,400**	**$13,286**	**$13,675**	**$2,911**	**$57,377**
Contractor Pass-Through Costs						
Interest Expense	$446	$85	$256	$264	$42	$1,092
Total Contractor Pass-Through Costs	**$446**	**$85**	**$256**	**$264**	**$42**	**$1,092**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$23,551**	**$4,485**	**$13,542**	**$13,939**	**$2,953**	**$58,469**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Belmont Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	4,784	3,380	3,640	65	
2015	5,408	3,640	4,160	64	
2016	6,604	4,004	5,148	74	
Prior Year Rolling Three-Year Average	**5,599**	**3,675**	**4,316**	**68**	
	Lifts	Lifts	Lifts	Hauls	
2014	4,784	3,380	3,640	65	
2015	5,408	3,640	4,160	64	
2016	6,604	4,004	5,148	74	
Current Year Rolling Three-Year Average	**5,599**	**3,675**	**4,316**	**68**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$3,987	$759	$2,293	$2,360	$479	$9,878
Benefits for CBAs	$1,864	$355	$1,072	$1,103	$224	$4,618
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Direct Fuel Costs	$514	$98	$296	$304	$61	$1,273
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Depreciation - Collection Vehicles	$2,102	$400	$1,209	$1,244	$198	$5,153
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$2,102	$400	$1,209	$1,244	$198	$5,153
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$6,941	$1,322	$3,991	$4,108	$1,020	$17,382
Operations	$979	$186	$563	$579	$107	$2,414
Vehicle Maintenance	$1,871	$356	$1,076	$1,107	$204	$4,614
Container Maintenance (using lifts for Agency Costs)	$998	$190	$574	$590	$147	$2,498
Total Allocated Indirect Costs excluding Depreciation and Interest	$10,788	$2,054	$6,203	$6,385	$1,477	$26,909
Total Allocated Indirect Depreciation Costs (Form 9)	$69	$13	$39	$41	$6	$168
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$20,910**	**$3,982**	**$12,024**	**$12,376**	**$2,635**	**$51,926**
Profit (insert Operating Ratio below)	**$2,195**	**$418**	**$1,262**	**$1,299**	**$277**	**$5,451**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$23,105**	**$4,400**	**$13,286**	**$13,675**	**$2,911**	**$57,377**
Contractor Pass-Through Costs						
Interest Expense	$446	$85	$256	$264	$42	$1,092
Total Contractor Pass-Through Costs	**$446**	**$85**	**$256**	**$264**	**$42**	**$1,092**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$23,551**	**$4,485**	**$13,542**	**$13,939**	**$2,953**	**$58,469**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	6,626	6,612	6,526	2,018	6,626.00
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580.00
City # of accounts %	*7.0%*	*7.0%*	*7.2%*	*6.8%*	*7.0%*
City Total Route Labor hours year	3,016.64	2,425.28	2,694.59	892.31	9,028.82
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248.11
City Total Route Labor hours year %	*6.5%*	*5.7%*	*6.9%*	*6.8%*	*6.4%*
City # of route hours/year	2,798.65	2,166.28	2,233.00	892.31	8,090.24
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222.33
City Total Route Labor hours year %	*6.5%*	*5.6%*	*6.4%*	*6.8%*	*6.3%*
City Total Containers in Service	6,697	6,719	6,699	2,018	22,133.00
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535.00
City Total Containers in Service %	*6.9%*	*7.0%*	*6.7%*	*6.8%*	*6.9%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$253,062	$180,733	$187,346	$61,363	$682,504
Benefits for CBAs	$116,913	$87,141	$88,196	$33,005	$325,255
Payroll Taxes	$21,055	$15,037	$15,587	$5,105	$56,784
Workers Compensation Insurance	$18,030	$12,876	$13,348	$4,372	$48,626
Total Direct Labor Related-Costs	$409,060	$295,787	$304,477	$103,845	$1,113,170
Direct Fuel Costs	$26,736	$23,608	$22,215	$2,900	$75,459
Other Direct Costs	$35,210	$31,091	$29,620	$4,637	$100,559
Depreciation - Collection Vehicles	$39,905	$32,353	$35,872	$2,672	$110,802
Depreciation - Containers	$18,572	$19,301	$22,247	$0	$60,120
Depreciation for Collection Equipment	$58,477	$51,654	$58,119	$2,672	$170,923
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$124,266	$129,139	$129,328	$4,992	$387,726
Operations	$23,626	$21,215	$23,426	$1,018	$69,284
Vehicle Maintenance	$45,154	$40,547	$44,772	$1,946	$132,419
Container Maintenance	$17,634	$18,484	$17,319	$717	$54,155
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,681	$209,385	$214,844	$8,674	$643,583
Total Allocated Indirect Depreciation Costs (Form 9)	$1,426	$1,284	$1,453	$62	$4,226
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$741,590**	**$612,809**	**$630,729**	**$122,791**	**$2,107,919**
Profit (insert Operating Ratio below) 90.5%	**$77,846**	**$64,328**	**$66,209**	**$12,890**	**$221,273**
Total Proposed Costs before Pass-Through Cost Allocation	**$819,437**	**$677,137**	**$696,938**	**$135,680**	**$2,329,192**
Contractor Pass-Through Costs					
Interest Expense	$14,341	$12,668	$14,254	$655	$41,919
Total Contractor Pass-Through Costs	**$14,341**	**$12,668**	**$14,254**	**$655**	**$41,919**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$833,778**	**$689,805**	**$711,192**	**$136,336**	**$2,371,111**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	6,604	6,604	6,604	
2015	6,608	6,608	6,608	
2016	6,626	6,626	6,626	
Rolling Three-Year Average	**6,613**	**6,613**	**6,613**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - SFD

Step 1: Index Based Adjustments				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$253,062	$180,733	$187,346	$61,363	$682,504
Benefits for CBAs	$116,913	$87,141	$88,196	$33,005	$325,255
Payroll Taxes	$21,055	$15,037	$15,587	$5,105	$56,784
Workers Compensation Insurance	$18,030	$12,876	$13,348	$4,372	$48,626
Total Direct Labor Related-Costs	$409,060	$295,787	$304,477	$103,845	$1,113,170
Direct Fuel Costs	$26,736	$23,608	$22,215	$2,900	$75,459
Other Direct Costs	$35,210	$31,091	$29,620	$4,637	$100,559
Depreciation - Collection Vehicles	$39,905	$32,353	$35,872	$2,672	$110,802
Depreciation - Containers	$18,572	$19,301	$22,247	$0	$60,120
Depreciation for Collection Equipment	$58,477	$51,654	$58,119	$2,672	$170,923
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$124,266	$129,139	$129,328	$4,992	$387,726
Operations	$23,626	$21,215	$23,426	$1,018	$69,284
Vehicle Maintenance	$45,154	$40,547	$44,772	$1,946	$132,419
Container Maintenance	$17,634	$18,484	$17,319	$717	$54,155
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,681	$209,385	$214,844	$8,674	$643,583
Total Allocated Indirect Depreciation Costs (Form 9)	$1,426	$1,284	$1,453	$62	$4,226
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$741,590	$612,809	$638,729	$122,791	$2,107,919
Profit (insert Operating Ratio below) 90.5%	$77,846	$64,328	$66,209	$12,890	$221,273
Total Proposed Costs before Pass-Through Cost Allocation	$819,437	$677,137	$696,938	$135,680	$2,329,192
Contractor Pass-Through Costs					
Interest Expense	$14,341	$12,668	$14,254	$655	$41,919
Total Contractor Pass-Through Costs	$14,341	$12,668	$14,254	$655	$41,919
TOTAL BASE CONTRACTOR'S COMPENSATION	$833,778	$689,805	$711,192	$136,336	$2,371,111

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	6,604	6,604	6,604	
2015	6,608	6,608	6,608	
2016	6,626	6,626	6,626	
Prior Year Rolling Three-Year Average	**6,613**	**6,613**	**6,613**	
	Accounts	Accounts	Accounts	
2014	6,604	6,604	6,604	
2015	6,608	6,608	6,608	
2016	6,626	6,626	6,626	
Current Year Rolling Three-Year Average	**6,613**	**6,613**	**6,613**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$253,062	$180,733	$187,346	$61,363	$682,504
Benefits for CBAs	$116,913	$87,141	$88,196	$33,005	$325,255
Payroll Taxes	$21,055	$15,037	$15,587	$5,105	$56,784
Workers Compensation Insurance	$18,030	$12,876	$13,348	$4,372	$48,626
Total Direct Labor Related-Costs	$409,060	$295,787	$304,477	$103,845	$1,113,170
Direct Fuel Costs	$26,736	$23,608	$22,215	$2,900	$75,459
Other Direct Costs	$35,210	$31,091	$29,620	$4,637	$100,559
Depreciation - Collection Vehicles	$39,905	$32,353	$35,872	$2,672	$110,802
Depreciation - Containers	$18,572	$19,301	$22,247	$0	$60,120
Depreciation for Collection Equipment	$58,477	$51,654	$58,119	$2,672	$170,923
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$124,266	$129,139	$129,328	$4,992	$387,726
Operations	$23,626	$21,215	$23,426	$1,018	$69,284
Vehicle Maintenance	$45,154	$40,547	$44,772	$1,946	$132,419
Container Maintenance	$17,634	$18,484	$17,319	$717	$54,155
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,681	$209,385	$214,844	$8,674	$643,583
Total Allocated Indirect Depreciation Costs (Form 9)	$1,426	$1,284	$1,453	$62	$4,226
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$741,590**	**$612,809**	**$630,729**	**$122,791**	**$2,107,919**
Profit (insert Operating Ratio below) 90.5%	**$77,846**	**$64,328**	**$66,209**	**$12,890**	**$221,273**
Total Proposed Costs before Pass-Through Cost Allocation	**$819,437**	**$677,137**	**$696,938**	**$135,680**	**$2,329,192**
Contractor Pass-Through Costs					
Interest Expense	$14,341	$12,668	$14,254	$655	$41,919
Total Contractor Pass-Through Costs	**$14,341**	**$12,668**	**$14,254**	**$655**	**$41,919**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$833,778**	**$689,805**	**$711,192**	**$136,336**	**$2,371,111**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	1,382	1,388	221	20	2,018	5,011.00
SBWMA # Accounts	10,332.00	10,210.00	1,712.00	195.00	29,504.00	22,449.00
City # of Accounts %	*13.4%*	*13.6%*	*12.9%*	*10.3%*	*6.8%*	*13.4%*
City Total Route Labor hours year	6,865.99	3,795.01	739.45	1,617.92	892.31	13,018.37
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,507.53
City Total Route Labor hours year %	*14.3%*	*14.0%*	*11.6%*	*26.2%*	*6.8%*	*14.9%*
City # of route hours/year	4,061.34	3,411.82	699.76	1,617.92	892.31	9,790.84
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761.37
City # of route hours/year %	*13.0%*	*13.5%*	*11.6%*	*26.2%*	*6.8%*	*14.2%*
City Total Containers in Service	2,494	2,686	296	27	2,018	5,503.00
SBWMA Total Containers in Service	17,258.00	19,703.00	2,059.00	333.00	29,504.00	39,353.00
City Total Containers in Service %	*14.5%*	*13.6%*	*14.4%*	*8.1%*	*6.8%*	*14.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$728,923	$282,906	$81,694	$128,834	$9,891	$1,232,248
Benefits for CBAs	$347,565	$126,717	$25,711	$45,673	$4,865	$550,531
Payroll Taxes	$60,646	$23,538	$6,797	$10,719	$823	$102,523
Workers Compensation Insurance	$51,933	$20,156	$5,821	$9,178	$705	$87,793
Total Direct Labor Related-Costs	$1,189,067	$453,317	$120,023	$194,404	$16,283	$1,973,094
Direct Fuel Costs	$62,907	$27,624	$10,931	$12,405	$1,076	$114,942
Other Direct Costs	$86,577	$44,468	$13,262	$23,537	$1,480	$169,324
Depreciation - Collection Vehicles	$77,518	$41,464	$19,506	$19,806	$1,024	$159,319
Depreciation - Containers	$17,456	$12,413	$12,308	$0	$256	$42,433
Depreciation for Collection Equipment	$94,974	$53,878	$31,814	$19,806	$1,280	$201,752
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$125,863	$135,347	$151,492	$59,270	$2,052	$474,026
Operations	$24,892	$27,443	$27,698	$30,916	$419	$111,367
Vehicle Maintenance	$47,575	$52,450	$52,937	$59,087	$800	$212,849
Container Maintenance	$19,542	$19,505	$24,245	$6,734	$295	$70,320
Total Allocated Indirect Costs excluding Depreciation and Interest	$217,873	$234,745	$256,372	$156,007	$3,566	$868,562
Total Allocated Indirect Depreciation Costs (Form 9)	$1,569	$1,685	$1,443	$2,224	$26	$6,947
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,652,966**	**$815,716**	**$433,845**	**$408,384**	**$23,710**	**$3,334,621**
Profit (insert Operating Ratio below) 90.5%	**$173,515.79**	**$85,628**	**$45,542**	**$42,869**	**$2,489**	**$350,043**
Total Proposed Costs before Pass-Through Cost Allocation	**$1,826,482**	**$901,344**	**$479,386**	**$451,253**	**$26,199**	**$3,684,664**
Contractor Pass-Through Costs						
Interest Expense	$29,577	$16,779	$9,908	$6,168	$399	$62,830
Total Contractor Pass-Through Costs	**$29,577**	**$16,779**	**$9,908**	**$6,168**	**$399**	**$62,830**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,856,059**	**$918,122**	**$489,294**	**$457,421**	**$26,598**	**$3,747,494**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Lifts	Lifts	Lifts	Hauls
2014	200,356	201,591	29,575	1,486
2015	200,746	212,459	31,772	1,420
2016	195,507	212,953	35,698	1,590
Rolling Three-Year Average	**198,870**	**209,001**	**32,348**	**1,499**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$728,923	$282,906	$81,694	$128,834	$9,891	$1,232,248
Benefits for CBAs	$347,565	$126,717	$25,711	$45,673	$4,865	$550,531
Payroll Taxes	$60,646	$23,538	$6,797	$10,719	$823	$102,523
Workers Compensation Insurance	$51,933	$20,156	$5,821	$9,178	$705	$87,793
Total Direct Labor Related-Costs	$1,189,067	$453,317	$120,023	$194,404	$16,283	$1,973,094
Direct Fuel Costs	$62,907	$27,624	$10,931	$12,405	$1,076	$114,942
Other Direct Costs	$86,577	$44,468	$13,262	$23,537	$1,480	$169,324
Depreciation - Collection Vehicles	$77,518	$41,464	$19,506	$19,806	$1,024	$159,319
Depreciation - Containers	$17,456	$12,413	$12,308	$0	$256	$42,433
Depreciation for Collection Equipment	$94,974	$53,878	$31,814	$19,806	$1,280	$201,752
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$125,863	$135,347	$151,492	$59,270	$2,052	$474,026
Operations	$24,892	$27,443	$27,698	$30,916	$419	$111,367
Vehicle Maintenance	$47,575	$52,450	$52,937	$59,087	$800	$212,849
Container Maintenance	$19,542	$19,505	$24,245	$6,734	$295	$70,320
Total Allocated Indirect Costs excluding Depreciation and Interest	$217,873	$234,745	$256,372	$156,007	$3,566	$868,562
Total Allocated Indirect Depreciation Costs (Form 9)	$1,569	$1,685	$1,443	$2,224	$26	$6,947
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,652,966**	**$815,716**	**$433,845**	**$408,384**	**$23,710**	**$3,334,621**
Profit (insert Operating Ratio below)	$173,516	$85,628	$45,542	$42,869	$2,489	$350,043
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$1,826,482**	**$901,344**	**$479,386**	**$451,253**	**$26,199**	**$3,684,664**
Contractor Pass-Through Costs						
Interest Expense	$29,577	$16,779	$9,908	$6,168	$399	$62,830
Total Contractor Pass-Through Costs	**$29,577**	**$16,779**	**$9,908**	**$6,168**	**$399**	**$62,830**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,856,059**	**$918,122**	**$489,294**	**$457,421**	**$26,598**	**$3,747,494**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	200,356	201,591	29,575	1,486	
2015	200,746	212,459	31,772	1,420	
2016	195,507	212,953	35,698	1,590	
Prior Year Rolling Three-Year Average	**198,870**	**209,001**	**32,348**	**1,499**	
	Lifts	Lifts	Lifts	Hauls	
2014	200,356	201,591	29,575	1,486	
2015	200,746	212,459	31,772	1,420	
2016	195,507	212,953	35,698	1,590	
Current Year Rolling Three-Year Average	**198,870**	**209,001**	**32,348**	**1,499**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$728,923	$282,906	$81,694	$128,834	$9,891	$1,232,248
Benefits for CBAs	$347,565	$126,717	$25,711	$45,673	$4,865	$550,531
Payroll Taxes	$60,646	$23,538	$6,797	$10,719	$823	$102,523
Workers Compensation Insurance	$51,933	$20,156	$5,821	$9,178	$705	$87,793
Total Direct Labor Related-Costs	$1,189,067	$453,317	$120,023	$194,404	$16,283	$1,973,094
Direct Fuel Costs	$62,907	$27,624	$10,931	$12,405	$1,076	$114,942
Other Direct Costs	$86,577	$44,468	$13,262	$23,537	$1,480	$169,324
Depreciation - Collection Vehicles	$77,518	$41,464	$19,506	$19,806	$1,024	$159,319
Depreciation - Containers	$17,456	$12,413	$12,308	$0	$256	$42,433
Depreciation for Collection Equipment	$94,974	$53,878	$31,814	$19,806	$1,280	$201,752
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$125,863	$135,347	$151,492	$59,270	$2,052	$474,026
Operations	$24,892	$27,443	$27,698	$30,916	$419	$111,367
Vehicle Maintenance	$47,575	$52,450	$52,937	$59,087	$800	$212,849
Container Maintenance	$19,542	$19,505	$24,245	$6,734	$295	$70,320
Total Allocated Indirect Costs excluding Depreciation and Interest	$217,873	$234,745	$256,372	$156,007	$3,566	$868,562
Total Allocated Indirect Depreciation Costs (Form 9)	$1,569	$1,685	$1,443	$2,224	$26	$6,947
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,652,966**	**$815,716**	**$433,845**	**$408,384**	**$23,710**	**$3,334,621**
Profit (insert Operating Ratio below)	**$173,516**	**$85,628**	**$45,542**	**$42,869**	**$2,489**	**$350,043**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$1,826,482**	**$901,344**	**$479,386**	**$451,253**	**$26,199**	**$3,684,664**
Contractor Pass-Through Costs						
Interest Expense	$29,577	$16,779	$9,908	$6,168	$399	$62,830
Total Contractor Pass-Through Costs	**$29,577**	**$16,779**	**$9,908**	**$6,168**	**$399**	**$62,830**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,856,059**	**$918,122**	**$489,294**	**$457,421**	**$26,598**	**$3,747,494**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	37,284	1,144	4,680		6,626	43,108.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*15.4%*	*6.8%*	*7.2%*		*7.0%*	
City Total Route Labor hours year	1,121.36	21.82	66.42	395.39	1,604.99	1,209.60
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*23.8%*	*9.2%*	*6.7%*		*27.0%*	
City # of route hours/year	504.88	20.69	62.05		1,604.99	587.62
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*19.4%*	*9.2%*	*6.6%*		*27.0%*	
City # of Containers	17	13	22		6,697	52.00
SBWMA # of Containers	842	256	528		96,806	
City # of Containers %	*2.0%*	*5.1%*	*4.2%*		*6.9%*	
	70%	1%	4%	25%		

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,878	$484	$1,474	$8,772	$2,657	$38,265
Benefits for CBAs	$11,630	$226	$689	$4,101	$1,242	$17,888
Payroll Taxes	$2,070	$40	$123	$730	$221	$3,184
Workers Compensation Insurance	$1,772	$34	$105	$625	$189	$2,726
Total Direct Labor Related-Costs	$40,351	$785	$2,390	$14,228	$4,310	$62,063
Direct Fuel Costs	$2,664	$52	$158	$939	$337	$4,151
Other Direct Costs	$5,025	$98	$298	$1,772	$636	$7,829
Depreciation - Collection Vehicles	$10,839	$211	$642	$3,822	$1,101	$16,615
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$10,839	$211	$642	$3,822	$1,101	$16,615
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$20,310	$395	$1,203	$7,161	$999	$30,069
Operations	$5,065	$99	$300	$1,786	$592	$7,842
Vehicle Maintenance	$9,681	$188	$573	$3,413	$1,132	$14,988
Container Maintenance (using lifts for Agency Costs)	$2,919	$57	$173	$1,029	$144	$4,321
Total Allocated Indirect Costs excluding Depreciation and Interest	$37,975	$739	$2,249	$13,390	$2,867	$57,220
Total Allocated Indirect Depreciation Costs (Form 9)	$354	$7	$21	$125	$36	$542
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$97,208**	**$1,892**	**$5,758**	**$34,276**	**$9,288**	**$148,421**
Profit (insert Operating Ratio below) 90.5%	**$10,204**	**$199**	**$604**	**$3,598**	**$975**	**$15,580**
Total Operating Costs before Pass-Through Cost Allocation	**$107,412**	**$2,090**	**$6,362**	**$37,874**	**$10,263**	**$164,001**
Contractor Pass-Through Costs						
Interest Expense	$2,298	$45	$136	$810	$233	$3,522
Total Contractor Pass-Through Costs	**$2,298**	**$45**	**$136**	**$810**	**$233**	**$3,522**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$109,710**	**$2,135**	**$6,498**	**$38,684**	**$10,496**	**$167,523**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	33,488	884	1,976	297	
2015	37,258	988	2,210	400	
2016	37,284	1,144	4,680	401	
Rolling Three-Year Average	**36,010**	**1,005**	**2,955**	**366**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,878	$484	$1,474	$8,772	$2,657	$38,265
Benefits for CBAs	$11,630	$226	$689	$4,101	$1,242	$17,888
Payroll Taxes	$2,070	$40	$123	$730	$221	$3,184
Workers Compensation Insurance	$1,772	$34	$105	$625	$189	$2,726
Total Direct Labor Related-Costs	$40,351	$785	$2,390	$14,228	$4,310	$62,063
Direct Fuel Costs	$2,664	$52	$158	$939	$337	$4,151
Other Direct Costs	$5,025	$98	$298	$1,772	$636	$7,829
Depreciation - Collection Vehicles	$10,839	$211	$642	$3,822	$1,101	$16,615
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$10,839	$211	$642	$3,822	$1,101	$16,615
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$20,310	$395	$1,203	$7,161	$999	$30,069
Operations	$5,065	$99	$300	$1,786	$592	$7,842
Vehicle Maintenance	$9,681	$188	$573	$3,413	$1,132	$14,988
Container Maintenance (using lifts for Agency Costs)	$2,919	$57	$173	$1,029	$144	$4,321
Total Allocated Indirect Costs excluding Depreciation and Interest	$37,975	$739	$2,249	$13,390	$2,867	$57,220
Total Allocated Indirect Depreciation Costs (Form 9)	$354	$7	$21	$125	$36	$542
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$97,208**	**$1,892**	**$5,758**	**$34,276**	**$9,288**	**$148,421**
Profit (insert Operating Ratio below)	**$10,204**	**$199**	**$604**	**$3,598**	**$975**	**$15,580**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$107,412**	**$2,090**	**$6,362**	**$37,874**	**$10,263**	**$164,001**
Contractor Pass-Through Costs						
Interest Expense	$2,298	$45	$136	$810	$233	$3,522
Total Contractor Pass-Through Costs	**$2,298**	**$45**	**$136**	**$810**	**$233**	**$3,522**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$109,710**	**$2,135**	**$6,498**	**$38,684**	**$10,496**	**$167,523**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Burlingame Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	33,488	884	1,976	297	
2015	37,258	988	2,210	400	
2016	37,284	1,144	4,680	401	
Prior Year Rolling Three-Year Average	**36,010**	**1,005**	**2,955**	**366**	
	Lifts	Lifts	Lifts	Hauls	
2014	33,488	884	1,976	297	
2015	37,258	988	2,210	400	
2016	37,284	1,144	4,680	401	
Current Year Rolling Three-Year Average	**36,010**	**1,005**	**2,955**	**366**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,878	$484	$1,474	$8,772	$2,657	$38,265
Benefits for CBAs	$11,630	$226	$689	$4,101	$1,242	$17,888
Payroll Taxes	$2,070	$40	$123	$730	$221	$3,184
Workers Compensation Insurance	$1,772	$34	$105	$625	$189	$2,726
Total Direct Labor Related-Costs	$40,351	$785	$2,390	$14,228	$4,310	$62,063
Direct Fuel Costs	$2,664	$52	$158	$939	$337	$4,151
Other Direct Costs	$5,025	$98	$298	$1,772	$636	$7,829
Depreciation - Collection Vehicles	$10,839	$211	$642	$3,822	$1,101	$16,615
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$10,839	$211	$642	$3,822	$1,101	$16,615
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$20,310	$395	$1,203	$7,161	$999	$30,069
Operations	$5,065	$99	$300	$1,786	$592	$7,842
Vehicle Maintenance	$9,681	$188	$573	$3,413	$1,132	$14,988
Container Maintenance (using lifts for Agency Costs)	$2,919	$57	$173	$1,029	$144	$4,321
Total Allocated Indirect Costs excluding Depreciation and Interest	$37,975	$739	$2,249	$13,390	$2,867	$57,220
Total Allocated Indirect Depreciation Costs (Form 9)	$354	$7	$21	$125	$36	$542
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$97,208**	**$1,892**	**$5,758**	**$34,276**	**$9,288**	**$148,421**
Profit (insert Operating Ratio below)	**$10,204**	**$199**	**$604**	**$3,598**	**$975**	**$15,580**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	$107,412	$2,090	$6,362	$37,874	$10,263	$164,001
Contractor Pass-Through Costs						
Interest Expense	$2,298	$45	$136	$810	$233	$3,522
Total Contractor Pass-Through Costs	$2,298	$45	$136	$810	$233	$3,522
TOTAL BASE CONTRACTOR'S COMPENSATION	$109,710	$2,135	$6,498	$38,684	$10,496	$167,523

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of East Palo Alto Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	4,186	4,164	4,151	1,647	4,186
SBWMA # of accounts	94,580	94,572	90,725	29,504	94,580
City # of accounts %	*4.4%*	*4.4%*	*4.6%*	*5.6%*	*4.4%*
City Total Route Labor hours year	2,436.39	1,872.18	1,956.01	728.08	6,993
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	*5.3%*	*4.4%*	*5.0%*	*5.6%*	*5.0%*
City # of route hours/year	2,180.18	1,655.79	1,842.89	728.08	6,407
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	*5.1%*	*4.3%*	*5.3%*	*5.6%*	*5.0%*
City Total Containers in Service	4,222	4,176	4,207	1,647	14,252
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	*4.4%*	*4.3%*	*4.2%*	*5.6%*	*4.4%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$204,385	$139,515	$135,995	$50,069	$529,965
Benefits for CBAs	$94,425	$67,268	$64,022	$26,930	$252,645
Payroll Taxes	$17,005	$11,608	$11,315	$4,166	$44,093
Workers Compensation Insurance	$14,562	$9,940	$9,689	$3,567	$37,758
Total Direct Labor Related-Costs	$330,377	$228,331	$221,021	$84,732	$864,461
Direct Fuel Costs	$20,828	$18,045	$18,334	$2,366	$59,573
Other Direct Costs	$27,429	$23,764	$24,446	$3,784	$79,423
Depreciation - Collection Vehicles	$31,087	$24,729	$29,605	$2,181	$87,601
Depreciation - Containers	$11,708	$11,996	$13,971	$0	$37,676
Depreciation for Collection Equipment	$42,795	$36,725	$43,576	$2,181	$125,277
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$78,506	$81,327	$82,262	$4,075	$246,169
Operations	$18,405	$16,216	$19,333	$831	$54,784
Vehicle Maintenance	$35,176	$30,992	$36,950	$1,588	$104,705
Container Maintenance	$11,117	$11,488	$10,876	$586	$34,067
Total Allocated Indirect Costs excluding Depreciation and Interest	$143,203	$140,023	$149,421	$7,079	$439,726
Total Allocated Indirect Depreciation Costs (Form 9)	$1,111	$981	$1,199	$51	$3,343
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$565,744**	**$447,869**	**$457,997**	**$100,192**	**$1,571,802**
Profit (insert Operating Ratio below) 90.5%	**$59,387**	**$47,014**	**$48,077**	**$10,517**	**$164,996**
Total Proposed Costs before Pass-Through Cost Allocation	**$625,131**	**$494,883**	**$506,074**	**$110,710**	**$1,736,798**
Contractor Pass-Through Costs					
Interest Expense	$10,495	$9,007	$10,687	$535	$30,724
Total Contractor Pass-Through Costs	**$10,495**	**$9,007**	**$10,687**	**$535**	**$30,724**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$635,626**	**$503,890**	**$516,761**	**$111,244**	**$1,767,522**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	4,155	4,155	4,155	
2015	4,164	4,164	4,164	
2016	4,186	4,186	4,186	
Rolling Three-Year Average	**4,168**	**4,168**	**4,168**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of East Palo Alto Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$204,385	$139,515	$135,995	$50,069	$529,965
Benefits for CBAs	$94,425	$67,268	$64,022	$26,930	$252,645
Payroll Taxes	$17,005	$11,608	$11,315	$4,166	$44,093
Workers Compensation Insurance	$14,562	$9,940	$9,689	$3,567	$37,758
Total Direct Labor Related-Costs	$330,377	$228,331	$221,021	$84,732	$864,461
Direct Fuel Costs	$20,828	$18,045	$18,334	$2,366	$59,573
Other Direct Costs	$27,429	$23,764	$24,446	$3,784	$79,423
Depreciation - Collection Vehicles	$31,087	$24,729	$29,605	$2,181	$87,601
Depreciation - Containers	$11,708	$11,996	$13,971	$0	$37,676
Depreciation for Collection Equipment	$42,795	$36,725	$43,576	$2,181	$125,277
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$78,506	$81,327	$82,262	$4,075	$246,169
Operations	$18,405	$16,216	$19,333	$831	$54,784
Vehicle Maintenance	$35,176	$30,992	$36,950	$1,588	$104,705
Container Maintenance	$11,117	$11,488	$10,876	$586	$34,067
Total Allocated Indirect Costs excluding Depreciation and Interest	$143,203	$140,023	$149,421	$7,079	$439,726
Total Allocated Indirect Depreciation Costs (Form 9)	$1,111	$981	$1,199	$51	$3,343
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$565,744	$447,869	$457,997	$100,192	$1,571,802
Profit (insert Operating Ratio below)	$59,387	$47,014	$48,077	$10,517	$164,996
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	$625,131	$494,883	$506,074	$110,710	$1,736,798
Contractor Pass-Through Costs					
Interest Expense	$10,495	$9,007	$10,687	$535	$30,724
Total Contractor Pass-Through Costs	$10,495	$9,007	$10,687	$535	$30,724
TOTAL BASE CONTRACTOR'S COMPENSATION	$635,626	$503,890	$516,761	$111,244	$1,767,522

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of East Palo Alto Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	4,155	4,155	4,155	
2015	4,164	4,164	4,164	
2016	4,186	4,186	4,186	
Prior Year Rolling Three-Year Average	**4,168**	**4,168**	**4,168**	
	Accounts	Accounts	Accounts	
2014	4,155	4,155	4,155	
2015	4,164	4,164	4,164	
2016	4,186	4,186	4,186	
Current Year Rolling Three-Year Average	**4,168**	**4,168**	**4,168**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$204,385	$139,515	$135,995	$50,069	$529,965
Benefits for CBAs	$94,425	$67,268	$64,022	$26,930	$252,645
Payroll Taxes	$17,005	$11,608	$11,315	$4,166	$44,093
Workers Compensation Insurance	$14,562	$9,940	$9,689	$3,567	$37,758
Total Direct Labor Related-Costs	$330,377	$228,331	$221,021	$84,732	$864,461
Direct Fuel Costs	$20,828	$18,045	$18,334	$2,366	$59,573
Other Direct Costs	$27,429	$23,764	$24,446	$3,784	$79,423
Depreciation - Collection Vehicles	$31,087	$24,729	$29,605	$2,181	$87,601
Depreciation - Containers	$11,708	$11,996	$13,971	$0	$37,676
Depreciation for Collection Equipment	$42,795	$36,725	$43,576	$2,181	$125,277
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$78,506	$81,327	$82,262	$4,075	$246,169
Operations	$18,405	$16,216	$19,333	$831	$54,784
Vehicle Maintenance	$35,176	$30,992	$36,950	$1,588	$104,705
Container Maintenance	$11,117	$11,488	$10,876	$586	$34,067
Total Allocated Indirect Costs excluding Depreciation and Interest	$143,203	$140,023	$149,421	$7,079	$439,726
Total Allocated Indirect Depreciation Costs (Form 9)	$1,111	$981	$1,199	$51	$3,343
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$565,744**	**$447,869**	**$457,997**	**$100,192**	**$1,571,802**
Profit (insert Operating Ratio below) 90.5%	**$59,387**	**$47,014**	**$48,077**	**$10,517**	**$164,996**
Total Proposed Costs before Pass-Through Cost Allocation	**$625,131**	**$494,883**	**$506,074**	**$110,710**	**$1,736,798**
Contractor Pass-Through Costs					
Interest Expense	$10,495	$9,007	$10,687	$535	$30,724
Total Contractor Pass-Through Costs	**$10,495**	**$9,007**	**$10,687**	**$535**	**$30,724**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$635,626**	**$503,890**	**$516,761**	**$111,244**	**$1,767,522**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of East Palo Alto Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	354	359	164	12	1,647	889
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*3.4%*	*3.5%*	*9.6%*	*6.2%*	*5.6%*	*4.0%*
City Total Route Labor hours year	1,493.05	592.90	146.11	295.96	728.08	2,528
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*3.1%*	*2.2%*	*2.3%*	*4.8%*	*5.6%*	*2.9%*
City # of route hours/year	1,234.06	573.29	140.97	295.96	728.08	2,244
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*3.9%*	*2.3%*	*2.3%*	*4.8%*	*5.6%*	*3.3%*
City Total Containers in Service	578	715	178	20	1,647	1,491
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*3.3%*	*3.6%*	*8.6%*	*6.0%*	*5.6%*	*3.8%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclables Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$158,509	$44,199	$16,142	$23,567	$8,071	$250,487
Benefits for CBAs	$75,580	$19,797	$5,080	$8,355	$3,969	$112,782
Payroll Taxes	$13,188	$3,677	$1,343	$1,961	$671	$20,841
Workers Compensation Insurance	$11,293	$3,149	$1,150	$1,679	$575	$17,846
Total Direct Labor Related-Costs	$258,570	$70,822	$23,716	$35,562	$13,286	$401,956
Direct Fuel Costs	$19,115	$4,642	$2,202	$2,269	$878	$29,105
Other Direct Costs	$26,307	$7,472	$2,672	$4,306	$1,208	$41,964
Depreciation - Collection Vehicles	$23,554	$6,967	$3,930	$3,623	$836	$38,910
Depreciation - Containers	$4,046	$3,304	$7,401	$0	$209	$14,960
Depreciation for Collection Equipment	$27,600	$10,272	$11,331	$3,623	$1,044	$53,870
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$32,240	$35,007	$112,420	$35,562	$1,675	$216,904
Operations	$7,564	$4,611	$5,580	$5,655	$342	$23,752
Vehicle Maintenance	$14,456	$8,813	$10,664	$10,809	$653	$45,395
Container Maintenance	$4,529	$5,192	$14,580	$4,988	$241	$29,529
Total Allocated Indirect Costs excluding Depreciation and Interest	$58,789	$53,623	$143,244	$57,014	$2,910	$315,580
Total Allocated Indirect Depreciation Costs (Form 9)	$477	$283	$291	$407	$21	$1,478
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$390,856**	**$147,114**	**$183,455**	**$103,180**	**$19,347**	**$843,952**
Profit (insert Operating Ratio below)	**$41,029.09**	**$15,443**	**$19,258**	**$10,831**	**$2,031**	**$88,592**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$431,885**	**$162,557**	**$202,712**	**$114,011**	**$21,378**	**$932,544**
Contractor Pass-Through Costs						
Interest Expense	$9,013	$3,354	$3,700	$1,183	$341	$17,592
Total Contractor Pass-Through Costs	**$9,013**	**$3,354**	**$3,700**	**$1,183**	**$341**	**$17,592**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$440,898**	**$165,912**	**$206,413**	**$115,194**	**$21,719**	**$950,136**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	45,032	43,511	9,412	197	
2015	43,784	47,593	9,464	179	
2016	44,382	47,853	10,010	197	
Rolling Three-Year Average	**44,399**	**46,319**	**9,629**	**191**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of East Palo Alto Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$158,509	$44,199	$16,142	$23,567	$8,071	$250,487
Benefits for CBAs	$75,580	$19,797	$5,080	$8,355	$3,969	$112,782
Payroll Taxes	$13,188	$3,677	$1,343	$1,961	$671	$20,841
Workers Compensation Insurance	$11,293	$3,149	$1,150	$1,679	$575	$17,846
Total Direct Labor Related-Costs	$258,570	$70,822	$23,716	$35,562	$13,286	$401,956
Direct Fuel Costs	$19,115	$4,642	$2,202	$2,269	$878	$29,105
Other Direct Costs	$26,307	$7,472	$2,672	$4,306	$1,208	$41,964
Depreciation - Collection Vehicles	$23,554	$6,967	$3,930	$3,623	$836	$38,910
Depreciation - Containers	$4,046	$3,304	$7,401	$0	$209	$14,960
Depreciation for Collection Equipment	$27,600	$10,272	$11,331	$3,623	$1,044	$53,870
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$32,240	$35,007	$112,420	$35,562	$1,675	$216,904
Operations	$7,564	$4,611	$5,580	$5,655	$342	$23,752
Vehicle Maintenance	$14,456	$8,813	$10,664	$10,809	$653	$45,395
Container Maintenance	$4,529	$5,192	$14,580	$4,988	$241	$29,529
Total Allocated Indirect Costs excluding Depreciation and Interest	$58,789	$53,623	$143,244	$57,014	$2,910	$315,580
Total Allocated Indirect Depreciation Costs (Form 9)	$477	$283	$291	$407	$21	$1,478
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$390,856**	**$147,114**	**$183,455**	**$103,180**	**$19,347**	**$843,952**
Profit (insert Operating Ratio below)	**$41,029**	**$15,443**	**$19,258**	**$10,831**	**$2,031**	**$88,592**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$431,885**	**$162,557**	**$202,712**	**$114,011**	**$21,378**	**$932,544**
Contractor Pass-Through Costs						
Interest Expense	$9,013	$3,354	$3,700	$1,183	$341	$17,592
Total Contractor Pass-Through Costs	**$9,013**	**$3,354**	**$3,700**	**$1,183**	**$341**	**$17,592**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$440,898**	**$165,912**	**$206,413**	**$115,194**	**$21,719**	**$950,136**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of East Palo Alto Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	45,032	43,511	9,412	197	
2015	43,784	47,593	9,464	179	
2016	44,382	47,853	10,010	197	
Prior Year Rolling Three-Year Average	**44,399**	**46,319**	**9,629**	**191**	
	Lifts	Lifts	Lifts	Hauls	
2014	45,032	43,511	9,412	197	
2015	43,784	47,593	9,464	179	
2016	44,382	47,853	10,010	197	
Current Year Rolling Three-Year Average	**44,399**	**46,319**	**9,629**	**191**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$158,509	$44,199	$16,142	$23,567	$8,071	$250,487
Benefits for CBAs	$75,580	$19,797	$5,080	$8,355	$3,969	$112,782
Payroll Taxes	$13,188	$3,677	$1,343	$1,961	$671	$20,841
Workers Compensation Insurance	$11,293	$3,149	$1,150	$1,679	$575	$17,846
Total Direct Labor Related-Costs	$258,570	$70,822	$23,716	$35,562	$13,286	$401,956
Direct Fuel Costs	$19,115	$4,642	$2,202	$2,269	$878	$29,105
Other Direct Costs	$26,307	$7,472	$2,672	$4,306	$1,208	$41,964
Depreciation - Collection Vehicles	$23,554	$6,967	$3,930	$3,623	$836	$38,910
Depreciation - Containers	$4,046	$3,304	$7,401	$0	$209	$14,960
Depreciation for Collection Equipment	$27,600	$10,272	$11,331	$3,623	$1,044	$53,870
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$32,240	$35,007	$112,420	$35,562	$1,675	$216,904
Operations	$7,564	$4,611	$5,580	$5,655	$342	$23,752
Vehicle Maintenance	$14,456	$8,813	$10,664	$10,809	$653	$45,395
Container Maintenance	$4,529	$5,192	$14,580	$4,988	$241	$29,529
Total Allocated Indirect Costs excluding Depreciation and Interest	$58,789	$53,623	$143,244	$57,014	$2,910	$315,580
Total Allocated Indirect Depreciation Costs (Form 9)	$477	$283	$291	$407	$21	$1,478
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$390,856**	**$147,114**	**$183,455**	**$103,180**	**$19,347**	**$843,952**
Profit (Insert Operating Ratio below) 90.5%	**$41,029**	**$15,443**	**$19,258**	**$10,831**	**$2,031**	**$88,592**
Total Proposed Costs before Pass-Through Cost Allocation	**$431,885**	**$162,557**	**$202,712**	**$114,011**	**$21,378**	**$932,544**
Contractor Pass-Through Costs						
Interest Expense	$9,013	$3,354	$3,700	$1,183	$341	$17,592
Total Contractor Pass-Through Costs	**$9,013**	**$3,354**	**$3,700**	**$1,183**	**$341**	**$17,592**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$440,898**	**$165,912**	**$206,413**	**$115,194**	**$21,719**	**$950,136**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of East Palo Alto Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	2,548	0	676		4,186	3,224.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*1.1%*	*0.0%*	*1.0%*		*4.4%*	
City Total Route Labor hours year	32.83	0.00	3.76	110.91	147.50	36.59
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*0.7%*	*0.0%*	*0.4%*		*2.5%*	
City # of route hours/year	31.77	0.00	3.61		147.50	35.38
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*1.2%*	*0.0%*	*0.4%*		*2.5%*	
City # of Containers	7	0	10		4,222	17.00
SBWMA # of Containers	842	256	528		96,806	
City # of Containers %	*0.8%*	*0.0%*	*1.9%*		*4.4%*	
	22%	0%	3%	75%		

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$236	$0	$27	$796	$80	$1,139
Benefits for CBAs	$110	$0	$13	$372	$38	$533
Payroll Taxes	$20	$0	$2	$66	$7	$95
Workers Compensation Insurance	$17	$0	$2	$57	$6	$81
Total Direct Labor Related-Costs	$382	$0	$44	$1,291	$130	$1,848
Direct Fuel Costs	$49	$0	$6	$164	$10	$229
Other Direct Costs	$92	$0	$11	$310	$19	$431
Depreciation - Collection Vehicles	$195	$0	$22	$658	$33	$909
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$195	$0	$22	$658	$33	$909
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$473	$0	$54	$1,600	$631	$2,758
Operations	$92	$0	$11	$311	$18	$431
Vehicle Maintenance	$176	$0	$20	$594	$34	$824
Container Maintenance (using lifts for Agency Costs)	$68	$0	$8	$230	$91	$396
Total Allocated Indirect Costs excluding Depreciation and Interest	$809	$0	$93	$2,734	$774	$4,409
Total Allocated Indirect Depreciation Costs (Form 9)	$6	$0	$1	$21	$1	$30
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$1,533	$0	$176	$5,179	$968	$7,855
Profit (insert Operating Ratio below) 90.5%	$161	$0	$18	$544	$102	$825
Total Operating Costs before Pass-Through Cost Allocation	$1,694	$0	$194	$5,722	$1,070	$8,680
Contractor Pass-Through Costs						
Interest Expense	$41	$0	$5	$140	$7	$193
Total Contractor Pass-Through Costs	$41	$0	$5	$140	$7	$193
TOTAL BASE CONTRACTOR'S COMPENSATION	$1,735	$0	$199	$5,862	$1,077	$8,872

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	2,392	52	572	80	
2015	2,496	0	520	103	
2016	2,548	0	676	125	
Rolling Three-Year Average	**2,479**	**17**	**589**	**103**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of East Palo Alto Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$236	$0	$27	$796	$80	$1,139
Benefits for CBAs	$110	$0	$13	$372	$38	$533
Payroll Taxes	$20	$0	$2	$66	$7	$95
Workers Compensation Insurance	$17	$0	$2	$57	$6	$81
Total Direct Labor Related-Costs	$382	$0	$44	$1,291	$130	$1,848
Direct Fuel Costs	$49	$0	$6	$164	$10	$229
Other Direct Costs	$92	$0	$11	$310	$19	$431
Depreciation - Collection Vehicles	$195	$0	$22	$658	$33	$909
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$195	$0	$22	$658	$33	$909
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$473	$0	$54	$1,600	$631	$2,758
Operations	$92	$0	$11	$311	$18	$431
Vehicle Maintenance	$176	$0	$20	$594	$34	$824
Container Maintenance (using lifts for Agency Costs)	$68	$0	$8	$230	$91	$396
Total Allocated Indirect Costs excluding Depreciation and Interest	$809	$0	$93	$2,734	$774	$4,409
Total Allocated Indirect Depreciation Costs (Form 9)	$6	$0	$1	$21	$1	$30
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,533**	**$0**	**$176**	**$5,179**	**$968**	**$7,855**
Profit (insert Operating Ratio below)	**$161**	**$0**	**$18**	**$544**	**$102**	**$825**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	$1,694	$0	$194	$5,722	$1,070	$8,680
Contractor Pass-Through Costs						
Interest Expense	$41	$0	$5	$140	$7	$193
Total Contractor Pass-Through Costs	$41	$0	$5	$140	$7	$193
TOTAL BASE CONTRACTOR'S COMPENSATION	$1,735	$0	$199	$5,862	$1,077	$8,872

D. City of East Palo Alto Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	2,392	52	572	80	
2015	2,496	0	520	103	
2016	2,548	0	676	125	
Prior Year Rolling Three-Year Average	**2,479**	**17**	**589**	**103**	
	Lifts	Lifts	Lifts	Hauls	
2014	2,392	52	572	80	
2015	2,496	0	520	103	
2016	2,548	0	676	125	
Current Year Rolling Three-Year Average	**2,479**	**17**	**589**	**103**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$236	$0	$27	$796	$80	$1,139
Benefits for CBAs	$110	$0	$13	$372	$38	$533
Payroll Taxes	$20	$0	$2	$66	$7	$95
Workers Compensation Insurance	$17	$0	$2	$57	$6	$81
Total Direct Labor Related-Costs	$382	$0	$44	$1,291	$130	$1,848
Direct Fuel Costs	$49	$0	$6	$164	$10	$229
Other Direct Costs	$92	$0	$11	$310	$19	$431
Depreciation - Collection Vehicles	$195	$0	$22	$658	$33	$909
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$195	$0	$22	$658	$33	$909
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$473	$0	$54	$1,600	$631	$2,758
Operations	$92	$0	$11	$311	$18	$431
Vehicle Maintenance	$176	$0	$20	$594	$34	$824
Container Maintenance (using lifts for Agency Costs)	$68	$0	$8	$230	$91	$396
Total Allocated Indirect Costs excluding Depreciation and Interest	$809	$0	$93	$2,734	$774	$4,409
Total Allocated Indirect Depreciation Costs (Form 9)	$6	$0	$1	$21	$1	$30
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,533**	**$0**	**$176**	**$5,179**	**$968**	**$7,855**
Profit (insert Operating Ratio below)	**$161**	**$0**	**$18**	**$544**	**$102**	**$825**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$1,694**	**$0**	**$194**	**$5,722**	**$1,070**	**$8,680**
Contractor Pass-Through Costs						
Interest Expense	$41	$0	$5	$140	$7	$193
Total Contractor Pass-Through Costs	**$41**	**$0**	**$5**	**$140**	**$7**	**$193**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,735**	**$0**	**$199**	**$5,862**	**$1,077**	**$8,872**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	6,760	6,738	5,618	1,907	6,760.00
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580.00
City # of accounts %	*7.1%*	*7.1%*	*6.2%*	*6.5%*	*7.1%*
City Total Route Labor hours year	2,949.75	3,073.43	2,149.07	843.04	9,015.29
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248.11
City Total Route Labor hours year %	*6.4%*	*7.2%*	*5.5%*	*6.5%*	*6.4%*
City # of route hours/year	2,695.82	2,547.04	1,858.94	843.04	7,944.84
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222.33
City Total Route Labor hours year %	*6.3%*	*6.6%*	*5.3%*	*6.5%*	*6.1%*
City Total Containers in Service	6,774	6,749	5,640	1,907	21,070.00
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535.00
City Total Containers in Service %	*7.0%*	*7.0%*	*5.6%*	*6.5%*	*6.5%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$247,450	$229,033	$149,418	$57,975	$683,876
Benefits for CBAs	$114,321	$110,429	$70,341	$31,182	$326,273
Payroll Taxes	$20,588	$19,056	$12,432	$4,824	$56,899
Workers Compensation Insurance	$17,630	$16,318	$10,645	$4,131	$48,724
Total Direct Labor Related-Costs	$399,990	$374,835	$242,836	$98,111	$1,115,772
Direct Fuel Costs	$25,754	$27,758	$18,494	$2,740	$74,745
Other Direct Costs	$33,917	$36,556	$24,659	$4,381	$99,512
Depreciation - Collection Vehicles	$38,439	$38,040	$29,863	$2,525	$108,866
Depreciation - Containers	$18,785	$19,388	$18,730	$0	$56,903
Depreciation for Collection Equipment	$57,224	$57,427	$48,593	$2,525	$165,769
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$126,779	$131,600	$111,334	$4,718	$374,431
Operations	$22,758	$24,944	$19,501	$962	$68,165
Vehicle Maintenance	$43,495	$47,673	$37,272	$1,838	$130,279
Container Maintenance	$17,837	$18,567	$14,581	$678	$51,663
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,869	$222,784	$182,688	$8,196	$624,537
Total Allocated Indirect Depreciation Costs (Form 9)	$1,374	$1,509	$1,210	$59	$4,152
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$729,127**	**$720,869**	**$518,479**	**$116,012**	**$2,084,487**
Profit (insert Operating Ratio below)	**$76,538**	**$75,671**	**$54,426**	**$12,178**	**$218,814**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$805,666**	**$796,540**	**$572,905**	**$128,190**	**$2,303,301**
Contractor Pass-Through Costs					
Interest Expense	$14,034	$14,084	$11,917	$619	$40,655
Total Contractor Pass-Through Costs	**$14,034**	**$14,084**	**$11,917**	**$619**	**$40,655**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$819,700**	**$810,624**	**$584,822**	**$128,809**	**$2,343,955**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	6,747	6,747	6,747	
2015	6,787	6,787	6,787	
2016	6,760	6,760	6,760	
Rolling Three-Year Average	**6,765**	**6,765**	**6,765**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$247,450	$229,033	$149,418	$57,975	$683,876
Benefits for CBAs	$114,321	$110,429	$70,341	$31,182	$326,273
Payroll Taxes	$20,588	$19,056	$12,432	$4,824	$56,899
Workers Compensation Insurance	$17,630	$16,318	$10,645	$4,131	$48,724
Total Direct Labor Related-Costs	$399,990	$374,835	$242,836	$98,111	$1,115,772
Direct Fuel Costs	$25,754	$27,758	$18,494	$2,740	$74,745
Other Direct Costs	$33,917	$36,556	$24,659	$4,381	$99,512
Depreciation - Collection Vehicles	$38,439	$38,040	$29,863	$2,525	$108,866
Depreciation - Containers	$18,785	$19,388	$18,730	$0	$56,903
Depreciation for Collection Equipment	$57,224	$57,427	$48,593	$2,525	$165,769
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$126,779	$131,600	$111,334	$4,718	$374,431
Operations	$22,758	$24,944	$19,501	$962	$68,165
Vehicle Maintenance	$43,495	$47,673	$37,272	$1,838	$130,279
Container Maintenance	$17,837	$18,567	$14,581	$678	$51,663
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,869	$222,784	$182,688	$8,196	$624,537
Total Allocated Indirect Depreciation Costs (Form 9)	$1,374	$1,509	$1,210	$59	$4,152
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$729,127**	**$720,869**	**$518,479**	**$116,012**	**$2,084,487**
Profit (insert Operating Ratio below)	**$76,538**	**$75,671**	**$54,426**	**$12,178**	**$218,814**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$805,666**	**$796,540**	**$572,905**	**$128,190**	**$2,303,301**
Contractor Pass-Through Costs					
Interest Expense	$14,034	$14,084	$11,917	$619	$40,655
Total Contractor Pass-Through Costs	**$14,034**	**$14,084**	**$11,917**	**$619**	**$40,655**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$819,700**	**$810,624**	**$584,822**	**$128,809**	**$2,343,955**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	6,747	6,747	6,747	
2015	6,787	6,787	6,787	
2016	6,760	6,760	6,760	
Prior Year Rolling Three-Year Average	**6,765**	**6,765**	**6,765**	
	Accounts	Accounts	Accounts	
2014	6,747	6,747	6,747	
2015	6,787	6,787	6,787	
2016	6,760	6,760	6,760	
Current Year Rolling Three-Year Average	**6,765**	**6,765**	**6,765**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$247,450	$229,033	$149,418	$57,975	$683,876
Benefits for CBAs	$114,321	$110,429	$70,341	$31,182	$326,273
Payroll Taxes	$20,588	$19,056	$12,432	$4,824	$56,899
Workers Compensation Insurance	$17,630	$16,318	$10,645	$4,131	$48,724
Total Direct Labor Related-Costs	$399,990	$374,835	$242,836	$98,111	$1,115,772
Direct Fuel Costs	$25,754	$27,758	$18,494	$2,740	$74,745
Other Direct Costs	$33,917	$36,556	$24,659	$4,381	$99,512
Depreciation - Collection Vehicles	$38,439	$38,040	$29,863	$2,525	$108,866
Depreciation - Containers	$18,785	$19,388	$18,730	$0	$56,903
Depreciation for Collection Equipment	$57,224	$57,427	$48,593	$2,525	$165,769
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$126,779	$131,600	$111,334	$4,718	$374,431
Operations	$22,758	$24,944	$19,501	$962	$68,165
Vehicle Maintenance	$43,495	$47,673	$37,272	$1,838	$130,279
Container Maintenance	$17,837	$18,567	$14,581	$678	$51,663
Total Allocated Indirect Costs excluding Depreciation and Interest	$210,869	$222,784	$182,688	$8,196	$624,537
Total Allocated Indirect Depreciation Costs (Form 9)	$1,374	$1,509	$1,210	$59	$4,152
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$729,127**	**$720,869**	**$518,479**	**$116,012**	**$2,084,487**
Profit (insert Operating Ratio below)	**$76,538**	**$75,671**	**$54,426**	**$12,178**	**$218,814**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$805,666**	**$796,540**	**$572,905**	**$128,190**	**$2,303,301**
Contractor Pass-Through Costs					
Interest Expense	$14,034	$14,084	$11,917	$619	$40,655
Total Contractor Pass-Through Costs	**$14,034**	**$14,084**	**$11,917**	**$619**	**$40,655**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$819,700**	**$810,624**	**$584,822**	**$128,809**	**$2,343,955**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	524	533	76	18	1,907	1,151.00
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449.00
City # of Accounts %	*5.1%*	*5.2%*	*4.4%*	*9.2%*	*6.5%*	*5.1%*
City Total Route Labor hours year	2,408.95	1,680.39	480.82	389.21	843.04	4,959.37
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,507.53
City Total Route Labor hours year %	*5.0%*	*6.2%*	*7.6%*	*6.3%*	*6.5%*	*5.7%*
City # of route hours/year	1,760.52	1,577.64	456.69	389.21	843.04	4,184.06
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761.37
City # of route hours/year %	*5.6%*	*6.3%*	*7.6%*	*6.3%*	*6.5%*	*6.1%*
City Total Containers in Service	767	1,235	126	40	1,907	2,168.00
SBWMA Total Containers in Service	17,258.00	19,703.00	2,059.00	333.00	29,504.00	39,353.00
City Total Containers in Service %	*4.4%*	*6.3%*	*6.1%*	*12.0%*	*6.5%*	*5.5%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$255,744	$125,268	$53,121	$30,992	$9,345	$474,470
Benefits for CBAs	$121,944	$56,109	$16,718	$10,987	$4,596	$210,355
Payroll Taxes	$21,278	$10,422	$4,420	$2,579	$777	$39,476
Workers Compensation Insurance	$18,221	$8,925	$3,785	$2,208	$666	$33,805
Total Direct Labor Related-Costs	$417,187	$200,724	$78,044	$46,766	$15,384	$758,105
Direct Fuel Costs	$27,269	$12,773	$7,134	$2,984	$1,016	$51,177
Other Direct Costs	$37,530	$20,562	$8,655	$5,662	$1,399	$73,807
Depreciation - Collection Vehicles	$33,603	$19,173	$12,731	$4,765	$968	$71,239
Depreciation - Containers	$5,368	$5,708	$5,239	$0	$241	$16,557
Depreciation for Collection Equipment	$38,971	$24,881	$17,970	$4,765	$1,209	$87,795
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$47,722	$51,974	$52,097	$53,343	$1,940	$207,076
Operations	$10,790	$12,690	$18,077	$7,437	$395	$49,389
Vehicle Maintenance	$20,623	$24,253	$34,549	$14,214	$756	$94,395
Container Maintenance	$6,010	$8,968	$10,320	$9,976	$279	$35,553
Total Allocated Indirect Costs excluding Depreciation and Interest	$85,146	$97,885	$115,043	$84,970	$3,370	$386,413
Total Allocated Indirect Depreciation Costs (Form 9)	$680	$779	$942	$535	$24	$2,960
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$606,783**	**$357,604**	**$227,787**	**$145,682**	**$22,402**	**$1,360,258**
Profit (insert Operating Ratio below) 90.5%	**$63,695.41**	**$37,539**	**$23,911**	**$15,293**	**$2,352**	**$142,789**
Total Proposed Costs before Pass-Through Cost Allocation	**$670,478**	**$395,143**	**$251,698**	**$160,975**	**$24,753**	**$1,503,047**
Contractor Pass-Through Costs						
Interest Expense	$12,888	$8,228	$5,943	$1,576	$400	$29,034
Total Contractor Pass-Through Costs	**$12,888**	**$8,228**	**$5,943**	**$1,576**	**$400**	**$29,034**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$683,366**	**$403,371**	**$257,641**	**$162,551**	**$25,153**	**$1,532,081**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Lifts	Lifts	Lifts	Hauls
2014	79,404	93,925	12,428	395
2015	78,533	98,761	14,833	431
2016	77,493	101,881	17,030	318
Rolling Three-Year Average	**78,477**	**98,189**	**14,764**	**381**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$255,744	$125,268	$53,121	$30,992	$9,345	$474,470
Benefits for CBAs	$121,944	$56,109	$16,718	$10,987	$4,596	$210,355
Payroll Taxes	$21,278	$10,422	$4,420	$2,579	$777	$39,476
Workers Compensation Insurance	$18,221	$8,925	$3,785	$2,208	$666	$33,805
Total Direct Labor Related-Costs	$417,187	$200,724	$78,044	$46,766	$15,384	$758,105
Direct Fuel Costs	$27,269	$12,773	$7,134	$2,984	$1,016	$51,177
Other Direct Costs	$37,530	$20,562	$8,655	$5,662	$1,399	$73,807
Depreciation - Collection Vehicles	$33,603	$19,173	$12,731	$4,765	$968	$71,239
Depreciation - Containers	$5,368	$5,708	$5,239	$0	$241	$16,557
Depreciation for Collection Equipment	$38,971	$24,881	$17,970	$4,765	$1,209	$87,795
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$47,722	$51,974	$52,097	$53,343	$1,940	$207,076
Operations	$10,790	$12,690	$18,077	$7,437	$395	$49,389
Vehicle Maintenance	$20,623	$24,253	$34,549	$14,214	$756	$94,395
Container Maintenance	$6,010	$8,968	$10,320	$9,976	$279	$35,553
Total Allocated Indirect Costs excluding Depreciation and Interest	$85,146	$97,885	$115,043	$84,970	$3,370	$386,413
Total Allocated Indirect Depreciation Costs (Form 9)	$680	$779	$942	$535	$24	$2,960
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$606,783**	**$357,604**	**$227,787**	**$145,682**	**$22,402**	**$1,360,258**
Profit (insert Operating Ratio below) 90.5%	**$63,695**	**$37,539**	**$23,911**	**$15,293**	**$2,352**	**$142,789**
Total Proposed Costs before Pass-Through Cost Allocation	**$670,478**	**$395,143**	**$251,698**	**$160,975**	**$24,753**	**$1,503,047**
Contractor Pass-Through Costs						
Interest Expense	$12,888	$8,228	$5,943	$1,576	$400	$29,034
Total Contractor Pass-Through Costs	**$12,888**	**$8,228**	**$5,943**	**$1,576**	**$400**	**$29,034**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$683,366**	**$403,371**	**$257,641**	**$162,551**	**$25,153**	**$1,532,081**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	79,404	93,925	12,428	395	
2015	78,533	98,761	14,833	431	
2016	77,493	101,881	17,030	318	
Prior Year Rolling Three-Year Average	**78,477**	**98,189**	**14,764**	**381**	
	Lifts	Lifts	Lifts	Hauls	
2014	79,404	93,925	12,428	395	
2015	78,533	98,761	14,833	431	
2016	77,493	101,881	17,030	318	
Current Year Rolling Three-Year Average	**78,477**	**98,189**	**14,764**	**381**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$255,744	$125,268	$53,121	$30,992	$9,345	$474,470
Benefits for CBAs	$121,944	$56,109	$16,718	$10,987	$4,596	$210,355
Payroll Taxes	$21,278	$10,422	$4,420	$2,579	$777	$39,476
Workers Compensation Insurance	$18,221	$8,925	$3,785	$2,208	$666	$33,805
Total Direct Labor Related-Costs	$417,187	$200,724	$78,044	$46,766	$15,384	$758,105
Direct Fuel Costs	$27,269	$12,773	$7,134	$2,984	$1,016	$51,177
Other Direct Costs	$37,530	$20,562	$8,655	$5,662	$1,399	$73,807
Depreciation - Collection Vehicles	$33,603	$19,173	$12,731	$4,765	$968	$71,239
Depreciation - Containers	$5,368	$5,708	$5,239	$0	$241	$16,557
Depreciation for Collection Equipment	$38,971	$24,881	$17,970	$4,765	$1,209	$87,795
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$47,722	$51,974	$52,097	$53,343	$1,940	$207,076
Operations	$10,790	$12,690	$18,077	$7,437	$395	$49,389
Vehicle Maintenance	$20,623	$24,253	$34,549	$14,214	$756	$94,395
Container Maintenance	$6,010	$8,968	$10,320	$9,976	$279	$35,553
Total Allocated Indirect Costs excluding Depreciation and Interest	$85,146	$97,885	$115,043	$84,970	$3,370	$386,413
Total Allocated Indirect Depreciation Costs (Form 9)	$680	$779	$942	$535	$24	$2,960
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$606,783**	**$357,604**	**$227,787**	**$145,682**	**$22,402**	**$1,360,258**
Profit (insert Operating Ratio below)	**$63,695**	**$37,539**	**$23,911**	**$15,293**	**$2,352**	**$142,789**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$670,478**	**$395,143**	**$251,698**	**$160,975**	**$24,753**	**$1,503,047**
Contractor Pass-Through Costs						
Interest Expense	$12,888	$8,228	$5,943	$1,576	$400	$29,034
Total Contractor Pass-Through Costs	**$12,888**	**$8,228**	**$5,943**	**$1,576**	**$400**	**$29,034**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$683,366**	**$403,371**	**$257,641**	**$162,551**	**$25,153**	**$1,532,081**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	1,924	416	936		6,760	3,276.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*0.8%*	*2.5%*	*1.4%*		*7.1%*	
City Total Route Labor hours year	87.13	9.91	56.15	131.80	284.99	153.19
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*1.9%*	*4.2%*	*5.7%*		*4.8%*	
City # of route hours/year	82.28	9.32	53.42		284.99	145.02
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*3.2%*	*4.2%*	*5.7%*		*4.8%*	
City # of Containers	12	6	14		6,774	32.00
SBWMA # of Conainers	842	256	528		96,806	
City # of Containers %	*1.4%*	*2.3%*	*2.7%*		*7.0%*	
	31%	3%	20%	46%		

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,887	$215	$1,216	$2,854	$337	$6,509
Benefits for CBAs	$882	$100	$568	$1,334	$157	$3,043
Payroll Taxes	$157	$18	$101	$237	$28	$542
Workers Compensation Insurance	$134	$15	$87	$203	$24	$464
Total Direct Labor Related-Costs	$3,061	$348	$1,972	$4,630	$546	$10,557
Direct Fuel Costs	$304	$35	$196	$460	$43	$1,036
Other Direct Costs	$573	$65	$369	$867	$81	$1,955
Depreciation - Collection Vehicles	$1,209	$138	$779	$1,829	$139	$4,094
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$1,209	$138	$779	$1,829	$139	$4,094
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$854	$97	$551	$1,292	$1,019	$3,813
Operations	$573	$65	$369	$866	$75	$1,948
Vehicle Maintenance	$1,094	$124	$705	$1,655	$143	$3,723
Container Maintenance (using lifts for Agency Costs)	$123	$14	$79	$186	$146	$548
Total Allocated Indirect Costs excluding Depreciation and Interest	$2,644	$301	$1,704	$4,000	$1,384	$10,032
Total Allocated Indirect Depreciation Costs (Form 9)	$39	$4	$25	$60	$5	$134
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$7,830**	**$891**	**$5,046**	**$11,844**	**$2,197**	**$27,808**
Profit (insert Operating Ratio below)	**$822**	**$93**	**$530**	**$1,243**	**$231**	**$2,919**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$8,652**	**$984**	**$5,576**	**$13,087**	**$2,428**	**$30,727**
Contractor Pass-Through Costs						
Interest Expense	$256	$29	$165	$388	$30	$868
Total Contractor Pass-Through Costs	**$256**	**$29**	**$165**	**$388**	**$30**	**$868**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$8,908**	**$1,013**	**$5,741**	**$13,475**	**$2,457**	**$31,595**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	1,807	403	923	124	
2015	2,067	455	1,079	122	
2016	1,924	416	936	120	
Rolling Three-Year Average	**1,933**	**425**	**979**	**122**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,887	$215	$1,216	$2,854	$337	$6,509
Benefits for CBAs	$882	$100	$568	$1,334	$157	$3,043
Payroll Taxes	$157	$18	$101	$237	$28	$542
Workers Compensation Insurance	$134	$15	$87	$203	$24	$464
Total Direct Labor Related-Costs	$3,061	$348	$1,972	$4,630	$546	$10,557
Direct Fuel Costs	$304	$35	$196	$460	$43	$1,036
Other Direct Costs	$573	$65	$369	$867	$81	$1,955
Depreciation - Collection Vehicles	$1,209	$138	$779	$1,829	$139	$4,094
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$1,209	$138	$779	$1,829	$139	$4,094
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$854	$97	$551	$1,292	$1,019	$3,813
Operations	$573	$65	$369	$866	$75	$1,948
Vehicle Maintenance	$1,094	$124	$705	$1,655	$143	$3,723
Container Maintenance (using lifts for Agency Costs)	$123	$14	$79	$186	$146	$548
Total Allocated Indirect Costs excluding Depreciation and Interest	$2,644	$301	$1,704	$4,000	$1,384	$10,032
Total Allocated Indirect Depreciation Costs (Form 9)	$39	$4	$25	$60	$5	$134
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$7,830**	**$891**	**$5,046**	**$11,844**	**$2,197**	**$27,808**
Profit (insert Operating Ratio below) 90.5%	**$822**	**$93**	**$530**	**$1,243**	**$231**	**$2,919**
Total Operating Costs before Pass-Through Cost Allocation	**$8,652**	**$984**	**$5,576**	**$13,087**	**$2,428**	**$30,727**
Contractor Pass-Through Costs						
Interest Expense	$256	$29	$165	$388	$30	$868
Total Contractor Pass-Through Costs	$256	$29	$165	$388	$30	$868
TOTAL BASE CONTRACTOR'S COMPENSATION	$8,908	$1,013	$5,741	$13,475	$2,457	$31,595

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Foster City Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	1,807	403	923	124	
2015	2,067	455	1,079	122	
2016	1,924	416	936	120	
Prior Year Rolling Three-Year Average	**1,933**	**425**	**979**	**122**	
	Lifts	Lifts	Lifts	Hauls	
2014	1,807	403	923	124	
2015	2,067	455	1,079	122	
2016	1,924	416	936	120	
Current Year Rolling Three-Year Average	**1,933**	**425**	**979**	**122**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,887	$215	$1,216	$2,854	$337	$6,509
Benefits for CBAs	$882	$100	$568	$1,334	$157	$3,043
Payroll Taxes	$157	$18	$101	$237	$28	$542
Workers Compensation Insurance	$134	$15	$87	$203	$24	$464
Total Direct Labor Related-Costs	$3,061	$348	$1,972	$4,630	$546	$10,557
Direct Fuel Costs	$304	$35	$196	$460	$43	$1,036
Other Direct Costs	$573	$65	$369	$867	$81	$1,955
Depreciation - Collection Vehicles	$1,209	$138	$779	$1,829	$139	$4,094
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$1,209	$138	$779	$1,829	$139	$4,094
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$854	$97	$551	$1,292	$1,019	$3,813
Operations	$573	$65	$369	$866	$75	$1,948
Vehicle Maintenance	$1,094	$124	$705	$1,655	$143	$3,723
Container Maintenance (using lifts for Agency Costs)	$123	$14	$79	$186	$146	$548
Total Allocated Indirect Costs excluding Depreciation and Interest	$2,644	$301	$1,704	$4,000	$1,384	$10,032
Total Allocated Indirect Depreciation Costs (Form 9)	$39	$4	$25	$60	$5	$134
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$7,830**	**$891**	**$5,046**	**$11,844**	**$2,197**	**$27,808**
Profit (insert Operating Ratio below)	**$822**	**$93**	**$530**	**$1,243**	**$231**	**$2,919**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$8,652**	**$984**	**$5,576**	**$13,087**	**$2,428**	**$30,727**
Contractor Pass-Through Costs						
Interest Expense	$256	$29	$165	$388	$30	$868
Total Contractor Pass-Through Costs	**$256**	**$29**	**$165**	**$388**	**$30**	**$868**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$8,908**	**$1,013**	**$5,741**	**$13,475**	**$2,457**	**$31,595**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Hillsborough Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	3,671	3,631	3,588	792	3,671.00
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580.00
City # of accounts %	*3.9%*	*3.8%*	*4.0%*	*2.7%*	*3.9%*
City Total Route Labor hours year	2,511.18	2,485.23	2,607.63	350.35	7,954.39
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248.11
City Total Route Labor hours year %	*5.4%*	*5.8%*	*6.7%*	*2.7%*	*5.6%*
City # of route hours/year	2,368.54	2,187.72	2,402.41	350.35	7,309.02
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222.33
City Total Route Labor hours year %	*5.5%*	*5.7%*	*6.9%*	*2.7%*	*5.7%*
City Total Containers in Service	3,809	3,763	4,519	792	12,883.00
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535.00
City Total Containers in Service %	*3.9%*	*3.9%*	*4.5%*	*2.7%*	*4.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$210,659	$185,200	$181,300	$24,093	$601,253
Benefits for CBAs	$97,324	$89,295	$85,350	$12,959	$284,927
Payroll Taxes	$17,527	$15,409	$15,084	$2,005	$50,024
Workers Compensation Insurance	$15,009	$13,195	$12,917	$1,717	$42,837
Total Direct Labor Related-Costs	$340,519	$303,098	$294,651	$40,773	$979,041
Direct Fuel Costs	$22,627	$23,842	$23,900	$1,138	$71,508
Other Direct Costs	$29,799	$31,399	$31,868	$1,821	$94,886
Depreciation - Collection Vehicles	$33,772	$32,673	$38,593	$1,049	$106,088
Depreciation - Containers	$10,563	$10,810	$15,008	$0	$36,380
Depreciation for Collection Equipment	$44,335	$43,483	$53,601	$1,049	$142,468
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$68,847	$70,917	$71,105	$1,959	$212,828
Operations	$19,995	$21,425	$25,203	$400	$67,022
Vehicle Maintenance	$38,215	$40,948	$48,168	$764	$128,095
Container Maintenance	$10,030	$10,352	$11,683	$282	$32,346
Total Allocated Indirect Costs excluding Depreciation and Interest	$137,087	$143,642	$156,159	$3,405	$440,292
Total Allocated Indirect Depreciation Costs (Form 9)	$1,207	$1,297	$1,564	$24	$4,092
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$575,574**	**$546,760**	**$561,742**	**$48,211**	**$1,732,287**
Profit (insert Operating Ratio below) 90.5%	**$60,419**	**$57,395**	**$58,967**	**$5,061**	**$181,842**
Total Proposed Costs before Pass-Through Cost Allocation	**$635,993**	**$604,155**	**$620,709**	**$53,272**	**$1,914,129**
Contractor Pass-Through Costs					
Interest Expense	$10,873	$10,664	$13,145	$257	$34,940
Total Contractor Pass-Through Costs	**$10,873**	**$10,664**	**$13,145**	**$257**	**$34,940**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$646,867**	**$614,819**	**$633,855**	**$53,529**	**$1,949,069**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	3,646	3,646	3,646	
2015	3,664	3,664	3,664	
2016	3,671	3,671	3,671	
Rolling Three-Year Average	**3,660**	**3,660**	**3,660**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Hillsborough Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$210,659	$185,200	$181,300	$24,093	$601,253
Benefits for CBAs	$97,324	$89,295	$85,350	$12,959	$284,927
Payroll Taxes	$17,527	$15,409	$15,084	$2,005	$50,024
Workers Compensation Insurance	$15,009	$13,195	$12,917	$1,717	$42,837
Total Direct Labor Related-Costs	$340,519	$303,098	$294,651	$40,773	$979,041
Direct Fuel Costs	$22,627	$23,842	$23,900	$1,138	$71,508
Other Direct Costs	$29,799	$31,399	$31,868	$1,821	$94,886
Depreciation - Collection Vehicles	$33,772	$32,673	$38,593	$1,049	$106,088
Depreciation - Containers	$10,563	$10,810	$15,008	$0	$36,380
Depreciation for Collection Equipment	$44,335	$43,483	$53,601	$1,049	$142,468
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$68,847	$70,917	$71,105	$1,959	$212,828
Operations	$19,995	$21,425	$25,203	$400	$67,022
Vehicle Maintenance	$38,215	$40,948	$48,168	$764	$128,095
Container Maintenance	$10,030	$10,352	$11,683	$282	$32,346
Total Allocated Indirect Costs excluding Depreciation and Interest	$137,087	$143,642	$156,159	$3,405	$440,292
Total Allocated Indirect Depreciation Costs (Form 9)	$1,207	$1,297	$1,564	$24	$4,092
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$575,574**	**$546,760**	**$561,742**	**$48,211**	**$1,732,287**
Profit (insert Operating Ratio below) 90.5%	**$60,419**	**$57,395**	**$58,967**	**$5,061**	**$181,842**
Total Proposed Costs before Pass-Through Cost Allocation	**$635,993**	**$604,155**	**$620,709**	**$53,272**	**$1,914,129**
Contractor Pass-Through Costs					
Interest Expense	$10,873	$10,664	$13,145	$257	$34,940
Total Contractor Pass-Through Costs	**$10,873**	**$10,664**	**$13,145**	**$257**	**$34,940**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$646,867**	**$614,819**	**$633,855**	**$53,529**	**$1,949,069**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Hillsborough Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	3,646	3,646	3,646	
2015	3,664	3,664	3,664	
2016	3,671	3,671	3,671	
Prior Year Rolling Three-Year Average	**3,660**	**3,660**	**3,660**	
	Accounts	Accounts	Accounts	
2014	3,646	3,646	3,646	
2015	3,664	3,664	3,664	
2016	3,671	3,671	3,671	
Current Year Rolling Three-Year Average	**3,660**	**3,660**	**3,660**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$210,659	$185,200	$181,300	$24,093	$601,253
Benefits for CBAs	$97,324	$89,295	$85,350	$12,959	$284,927
Payroll Taxes	$17,527	$15,409	$15,084	$2,005	$50,024
Workers Compensation Insurance	$15,009	$13,195	$12,917	$1,717	$42,837
Total Direct Labor Related-Costs	$340,519	$303,098	$294,651	$40,773	$979,041
Direct Fuel Costs	$22,627	$23,842	$23,900	$1,138	$71,508
Other Direct Costs	$29,799	$31,399	$31,868	$1,821	$94,886
Depreciation - Collection Vehicles	$33,772	$32,673	$38,593	$1,049	$106,088
Depreciation - Containers	$10,563	$10,810	$15,008	$0	$36,380
Depreciation for Collection Equipment	$44,335	$43,483	$53,601	$1,049	$142,468
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$68,847	$70,917	$71,105	$1,959	$212,828
Operations	$19,995	$21,425	$25,203	$400	$67,022
Vehicle Maintenance	$38,215	$40,948	$48,168	$764	$128,095
Container Maintenance	$10,030	$10,352	$11,683	$282	$32,346
Total Allocated Indirect Costs excluding Depreciation and Interest	$137,087	$143,642	$156,159	$3,405	$440,292
Total Allocated Indirect Depreciation Costs (Form 9)	$1,207	$1,297	$1,564	$24	$4,092
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$575,574**	**$546,760**	**$561,742**	**$48,211**	**$1,732,287**
Profit (insert Operating Ratio below) 90.5%	**$60,419**	**$57,395**	**$58,967**	**$5,061**	**$181,842**
Total Proposed Costs before Pass-Through Cost Allocation	**$635,993**	**$604,155**	**$620,709**	**$53,272**	**$1,914,129**
Contractor Pass-Through Costs					
Interest Expense	$10,873	$10,664	$13,145	$257	$34,940
Total Contractor Pass-Through Costs	**$10,873**	**$10,664**	**$13,145**	**$257**	**$34,940**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$646,867**	**$614,819**	**$633,855**	**$53,529**	**$1,949,069**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Hillsborough Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	6	9	6	0	792	21.00
SBWMA # Accounts	10,332.00	10,210.00	1,712.00	195.00	29,504.00	22,449.00
City # of Accounts %	*0.1%*	*0.1%*	*0.4%*	*0.0%*	*2.7%*	*0.1%*
City Total Route Labor hours year	50.25	13.56	69.74	-	350.35	133.55
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,507.53
City Total Route Labor hours year %	*0.1%*	*0.1%*	*1.1%*	*0.0%*	*2.7%*	*0.2%*
City # of route hours/year	40.79	13.20	67.21	-	350.35	121.20
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761.37
City # of route hours/year %	*0.1%*	*0.1%*	*1.1%*	*0.0%*	*2.7%*	*0.2%*
City Total Containers in Service	9	27	9	0	792	45.00
SBWMA Total Containers in Service	17,258.00	19,703.00	2,059.00	333.00	29,504.00	39,353.00
City Total Containers in Service %	*0.1%*	*0.1%*	*0.4%*	*0.0%*	*2.7%*	*0.1%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$5,335	$1,011	$7,705	$0	$3,884	$17,934
Benefits for CBAs	$2,544	$453	$2,425	$0	$1,910	$7,331
Payroll Taxes	$444	$84	$641	$0	$323	$1,492
Workers Compensation Insurance	$380	$72	$549	$0	$277	$1,278
Total Direct Labor Related-Costs	$8,702	$1,620	$11,320	$0	$6,393	$28,035
Direct Fuel Costs	$632	$107	$1,050	$0	$422	$2,211
Other Direct Costs	$870	$172	$1,274	$0	$581	$2,897
Depreciation - Collection Vehicles	$779	$160	$1,874	$0	$402	$3,215
Depreciation - Containers	$63	$125	$374	$0	$100	$662
Depreciation for Collection Equipment	$842	$285	$2,248	$0	$502	$3,877
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$546	$878	$4,113	$0	$806	$6,342
Operations	$250	$106	$2,660	$0	$164	$3,181
Vehicle Maintenance	$478	$203	$5,084	$0	$314	$6,079
Container Maintenance	$71	$196	$737	$0	$116	$1,120
Total Allocated Indirect Costs excluding Depreciation and Interest	$1,345	$1,383	$12,595	$0	$1,400	$16,722
Total Allocated Indirect Depreciation Costs (Form 9)	$16	$7	$139	$0	$10	$171
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$12,406**	**$3,573**	**$28,625**	**$0**	**$9,309**	**$53,913**
Profit (insert Operating Ratio below) 90.5%	**$1,302.27**	**$375**	**$3,005**	**$0**	**$977**	**$5,659**
Total Proposed Costs before Pass-Through Cost Allocation	**$13,708**	**$3,948**	**$31,629**	**$0**	**$10,286**	**$59,572**
Contractor Pass-Through Costs						
Interest Expense	$270	$91	$721	$0	$161	$1,243
Total Contractor Pass-Through Costs	**$270**	**$91**	**$721**	**$0**	**$161**	**$1,243**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$13,978**	**$4,040**	**$32,350**	**$0**	**$10,447**	**$60,815**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	988	2,028	988	0	
2015	988	1,820	884	0	
2016	988	1,820	884	6	
Rolling Three-Year Average	**988**	**1,889**	**919**	**2**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Hillsborough Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$5,335	$1,011	$7,705	$0	$3,884	$17,934
Benefits for CBAs	$2,544	$453	$2,425	$0	$1,910	$7,331
Payroll Taxes	$444	$84	$641	$0	$323	$1,492
Workers Compensation Insurance	$380	$72	$549	$0	$277	$1,278
Total Direct Labor Related-Costs	$8,702	$1,620	$11,320	$0	$6,393	$28,035
Direct Fuel Costs	$632	$107	$1,050	$0	$422	$2,211
Other Direct Costs	$870	$172	$1,274	$0	$581	$2,897
Depreciation - Collection Vehicles	$779	$160	$1,874	$0	$402	$3,215
Depreciation - Containers	$63	$125	$374	$0	$100	$662
Depreciation for Collection Equipment	$842	$285	$2,248	$0	$502	$3,877
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$546	$878	$4,113	$0	$806	$6,342
Operations	$250	$106	$2,660	$0	$164	$3,181
Vehicle Maintenance	$478	$203	$5,084	$0	$314	$6,079
Container Maintenance	$71	$196	$737	$0	$116	$1,120
Total Allocated Indirect Costs excluding Depreciation and Interest	$1,345	$1,383	$12,595	$0	$1,400	$16,722
Total Allocated Indirect Depreciation Costs (Form 9)	$16	$7	$139	$0	$10	$171
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$12,406**	**$3,573**	**$28,625**	**$0**	**$9,309**	**$53,913**
Profit (insert Operating Ratio below) 90.5%	**$1,302**	**$375**	**$3,005**	**$0**	**$977**	**$5,659**
Total Proposed Costs before Pass-Through Cost Allocation	**$13,708**	**$3,948**	**$31,629**	**$0**	**$10,286**	**$59,572**
Contractor Pass-Through Costs						
Interest Expense	$270	$91	$721	$0	$161	$1,243
Total Contractor Pass-Through Costs	**$270**	**$91**	**$721**	**$0**	**$161**	**$1,243**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$13,978**	**$4,040**	**$32,350**	**$0**	**$10,447**	**$60,815**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Hillsborough Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	988	2,028	988	0	
2015	988	1,820	884	0	
2016	988	1,820	884	6	
Prior Year Rolling Three-Year Average	**988**	**1,889**	**919**	**2**	
	Lifts	Lifts	Lifts	Hauls	
2014	988	2,028	988	0	
2015	988	1,820	884	0	
2016	988	1,820	884	6	
Current Year Rolling Three-Year Average	**988**	**1,889**	**919**	**2**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$5,335	$1,011	$7,705	$0	$3,884	$17,934
Benefits for CBAs	$2,544	$453	$2,425	$0	$1,910	$7,331
Payroll Taxes	$444	$84	$641	$0	$323	$1,492
Workers Compensation Insurance	$380	$72	$549	$0	$277	$1,278
Total Direct Labor Related-Costs	$8,702	$1,620	$11,320	$0	$6,393	$28,035
Direct Fuel Costs	$632	$107	$1,050	$0	$422	$2,211
Other Direct Costs	$870	$172	$1,274	$0	$581	$2,897
Depreciation - Collection Vehicles	$779	$160	$1,874	$0	$402	$3,215
Depreciation - Containers	$63	$125	$374	$0	$100	$662
Depreciation for Collection Equipment	$842	$285	$2,248	$0	$502	$3,877
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$546	$878	$4,113	$0	$806	$6,342
Operations	$250	$106	$2,660	$0	$164	$3,181
Vehicle Maintenance	$478	$203	$5,084	$0	$314	$6,079
Container Maintenance	$71	$196	$737	$0	$116	$1,120
Total Allocated Indirect Costs excluding Depreciation and Interest	$1,345	$1,383	$12,595	$0	$1,400	$16,722
Total Allocated Indirect Depreciation Costs (Form 9)	$16	$7	$139	$0	$10	$171
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$12,406**	**$3,573**	**$28,625**	**$0**	**$9,309**	**$53,913**
Profit (insert Operating Ratio below)	**$1,302**	**$375**	**$3,005**	**$0**	**$977**	**$5,659**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$13,708**	**$3,948**	**$31,629**	**$0**	**$10,286**	**$59,572**
Contractor Pass-Through Costs						
Interest Expense	$270	$91	$721	$0	$161	$1,243
Total Contractor Pass-Through Costs	**$270**	**$91**	**$721**	**$0**	**$161**	**$1,243**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$13,978**	**$4,040**	**$32,350**	**$0**	**$10,447**	**$60,815**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Hillsborough Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	416	468	728		3,671	1,612.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*0.2%*	*2.8%*	*1.1%*		*3.9%*	
City Total Route Labor hours year	2.02	10.05	21.78	101.19	135.04	33.85
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*0.0%*	*4.3%*	*2.2%*		*2.3%*	
City # of route hours/year	0.91	9.35	19.11		135.04	29.37
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*0.0%*	*4.2%*	*2.0%*		*2.3%*	
City # of Containers	5	9	14		3,809	28.00
SBWMA # of Conainers	842	256	528		96,806	
City # of Containers %	*0.6%*	*3.5%*	*2.7%*		*3.9%*	
	1%	7%	16%	75%		

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$34	$167	$362	$1,682	$74	$2,319
Benefits for CBAs	$16	$78	$169	$786	$35	$1,084
Payroll Taxes	$3	$14	$30	$140	$6	$193
Workers Compensation Insurance	$2	$12	$26	$120	$5	$165
Total Direct Labor Related-Costs	$54	$271	$587	$2,728	$121	$3,762
Direct Fuel Costs	$4	$20	$44	$203	$9	$281
Other Direct Costs	$8	$38	$82	$383	$18	$529
Depreciation - Collection Vehicles	$17	$85	$184	$853	$31	$1,169
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$17	$85	$184	$853	$31	$1,169
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$27	$134	$290	$1,348	$553	$2,353
Operations	$8	$39	$84	$390	$17	$537
Vehicle Maintenance	$15	$74	$161	$746	$32	$1,027
Container Maintenance (using lifts for Agency Costs)	$4	$19	$42	$194	$80	$338
Total Allocated Indirect Costs excluding Depreciation and Interest	$53	$266	$576	$2,678	$681	$4,255
Total Allocated Indirect Depreciation Costs (Form 9)	$1	$3	$6	$28	$1	$38
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$137**	**$683**	**$1,480**	**$6,874**	**$861**	**$10,034**
Profit (insert Operating Ratio below)	$14	$72	$155	$722	$90	$1,053
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$152**	**$754**	**$1,635**	**$7,595**	**$951**	**$11,087**
Contractor Pass-Through Costs						
Interest Expense	$4	$18	$39	$181	$7	$248
Total Contractor Pass-Through Costs	**$4**	**$18**	**$39**	**$181**	**$7**	**$248**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$155**	**$772**	**$1,674**	**$7,776**	**$958**	**$11,335**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	312	312	832	76	
2015	312	416	832	129	
2016	416	468	728	76	
Rolling Three-Year Average	**347**	**399**	**797**	**94**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Town of Hillsborough Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Vennes and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$34	$167	$362	$1,682	$74	$2,319
Benefits for CBAs	$16	$78	$169	$786	$35	$1,084
Payroll Taxes	$3	$14	$30	$140	$6	$193
Workers Compensation Insurance	$2	$12	$26	$120	$5	$165
Total Direct Labor Related-Costs	$54	$271	$587	$2,728	$121	$3,762
Direct Fuel Costs	$4	$20	$44	$203	$9	$281
Other Direct Costs	$8	$38	$82	$383	$18	$529
Depreciation - Collection Vehicles	$17	$85	$184	$853	$31	$1,169
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$17	$85	$184	$853	$31	$1,169
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$27	$134	$290	$1,348	$553	$2,353
Operations	$8	$39	$84	$390	$17	$537
Vehicle Maintenance	$15	$74	$161	$746	$32	$1,027
Container Maintenance (using lifts for Agency Costs)	$4	$19	$42	$194	$80	$338
Total Allocated Indirect Costs excluding Depreciation and Interest	$53	$266	$576	$2,678	$681	$4,255
Total Allocated Indirect Depreciation Costs (Form 9)	$1	$3	$6	$28	$1	$38
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$137**	**$683**	**$1,480**	**$6,874**	**$861**	**$10,034**
Profit (insert Operating Ratio below) 90.5%	$14	$72	$155	$722	$90	$1,053
Total Operating Costs before Pass-Through Cost Allocation	$152	$754	$1,635	$7,595	$951	$11,087
Contractor Pass-Through Costs						
Interest Expense	$4	$18	$39	$181	$7	$248
Total Contractor Pass-Through Costs	$4	$18	$39	$181	$7	$248
TOTAL BASE CONTRACTOR'S COMPENSATION	$155	$772	$1,674	$7,776	$958	$11,335

D. Town of Hillsborough Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	312	312	832	76	
2015	312	416	832	129	
2016	416	468	728	76	
Prior Year Rolling Three-Year Average	**347**	**399**	**797**	**94**	
	Lifts	Lifts	Lifts	Hauls	
2014	312	312	832	76	
2015	312	416	832	129	
2016	416	468	728	76	
Current Year Rolling Three-Year Average	**347**	**399**	**797**	**94**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$34	$167	$362	$1,682	$74	$2,319
Benefits for CBAs	$16	$78	$169	$786	$35	$1,084
Payroll Taxes	$3	$14	$30	$140	$6	$193
Workers Compensation Insurance	$2	$12	$26	$120	$5	$165
Total Direct Labor Related-Costs	$54	$271	$587	$2,728	$121	$3,762
Direct Fuel Costs	$4	$20	$44	$203	$9	$281
Other Direct Costs	$8	$38	$82	$383	$18	$529
Depreciation - Collection Vehicles	$17	$85	$184	$853	$31	$1,169
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$17	$85	$184	$853	$31	$1,169
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$27	$134	$290	$1,348	$553	$2,353
Operations	$8	$39	$84	$390	$17	$537
Vehicle Maintenance	$15	$74	$161	$746	$32	$1,027
Container Maintenance (using lifts for Agency Costs)	$4	$19	$42	$194	$80	$338
Total Allocated Indirect Costs excluding Depreciation and Interest	$53	$266	$576	$2,678	$681	$4,255
Total Allocated Indirect Depreciation Costs (Form 9)	$1	$3	$6	$28	$1	$38
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$137**	**$683**	**$1,480**	**$6,874**	**$861**	**$10,034**
Profit (insert Operating Ratio below)	$14	$72	$155	$722	$90	$1,053
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$152**	**$754**	**$1,635**	**$7,595**	**$951**	**$11,087**
Contractor Pass-Through Costs						
Interest Expense	$4	$18	$39	$181	$7	$248
Total Contractor Pass-Through Costs	**$4**	**$18**	**$39**	**$181**	**$7**	**$248**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$155**	**$772**	**$1,674**	**$7,776**	**$958**	**$11,335**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	7,890	7,878	7,561	2,105	7,890
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	*8.3%*	*8.3%*	*8.3%*	*7.1%*	*8.3%*
City Total Route Labor hours year	4,236.33	4,041.22	3,742.01	930.63	12,950
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	*9.2%*	*9.4%*	*9.6%*	*7.1%*	*9.2%*
City # of route hours/year	3,976.98	3,677.19	3,334.46	930.63	11,919
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	*9.3%*	*9.6%*	*9.5%*	*7.1%*	*9.2%*
City Total Containers in Service	8,119	8,114	8,834	2,105	27,172
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	*8.4%*	*8.4%*	*8.8%*	*7.1%*	*8.4%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$355,380	$301,153	$260,170	$63,998	$980,702
Benefits for CBAs	$164,184	$145,202	$122,479	$34,422	$466,287
Payroll Taxes	$29,568	$25,056	$21,646	$5,325	$81,594
Workers Compensation Insurance	$25,320	$21,456	$18,536	$4,560	$69,872
Total Direct Labor Related-Costs	$574,451	$492,867	$422,831	$108,305	$1,598,455
Direct Fuel Costs	$37,993	$40,074	$33,173	$3,024	$114,264
Other Direct Costs	$50,035	$52,776	$44,231	$4,837	$151,878
Depreciation - Collection Vehicles	$56,707	$54,918	$53,566	$2,787	$167,978
Depreciation - Containers	$22,515	$23,309	$29,338	$0	$75,162
Depreciation for Collection Equipment	$79,222	$78,227	$82,903	$2,787	$243,139
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$147,972	$153,865	$149,839	$5,208	$456,883
Operations	$33,573	$36,012	$34,981	$1,062	$105,627
Vehicle Maintenance	$64,166	$68,827	$66,856	$2,029	$201,878
Container Maintenance	$21,379	$22,322	$22,838	$748	$67,287
Total Allocated Indirect Costs excluding Depreciation and Interest	$267,090	$281,025	$274,514	$9,047	$831,676
Total Allocated Indirect Depreciation Costs (Form 9)	$2,027	$2,179	$2,170	$65	$6,441
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,010,817**	**$947,148**	**$859,823**	**$128,065**	**$2,945,853**
Profit (insert Operating Ratio below)	**$106,108**	**$99,424**	**$90,258**	**$13,443**	**$309,233**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$1,116,925**	**$1,046,573**	**$950,081**	**$141,508**	**$3,255,087**
Contractor Pass-Through Costs					
Interest Expense	$19,429	$19,185	$20,332	$684	$59,630
Total Contractor Pass-Through Costs	**$19,429**	**$19,185**	**$20,332**	**$684**	**$59,630**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,136,354**	**$1,065,758**	**$970,412**	**$142,192**	**$3,314,716**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	7,829	7,829	7,829	
2015	7,874	7,874	7,874	
2016	7,890	7,890	7,890	
Rolling Three-Year Average	**7,864**	**7,864**	**7,864**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$355,380	$301,153	$260,170	$63,998	$980,702
Benefits for CBAs	$164,184	$145,202	$122,479	$34,422	$466,287
Payroll Taxes	$29,568	$25,056	$21,646	$5,325	$81,594
Workers Compensation Insurance	$25,320	$21,456	$18,536	$4,560	$69,872
Total Direct Labor Related-Costs	$574,451	$492,867	$422,831	$108,305	$1,598,455
Direct Fuel Costs	$37,993	$40,074	$33,173	$3,024	$114,264
Other Direct Costs	$50,035	$52,776	$44,231	$4,837	$151,878
Depreciation - Collection Vehicles	$56,707	$54,918	$53,566	$2,787	$167,978
Depreciation - Containers	$22,515	$23,309	$29,338	$0	$75,162
Depreciation for Collection Equipment	$79,222	$78,227	$82,903	$2,787	$243,139
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$147,972	$153,865	$149,839	$5,208	$456,883
Operations	$33,573	$36,012	$34,981	$1,062	$105,627
Vehicle Maintenance	$64,166	$68,827	$66,856	$2,029	$201,878
Container Maintenance	$21,379	$22,322	$22,838	$748	$67,287
Total Allocated Indirect Costs excluding Depreciation and Interest	$267,090	$281,025	$274,514	$9,047	$831,676
Total Allocated Indirect Depreciation Costs (Form 9)	$2,027	$2,179	$2,170	$65	$6,441
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,010,817**	**$947,148**	**$859,823**	**$128,065**	**$2,945,853**
Profit (insert Operating Ratio below) 90.5%	**$106,108**	**$99,424**	**$90,258**	**$13,443**	**$309,233**
Total Proposed Costs before Pass-Through Cost Allocation	**$1,116,925**	**$1,046,573**	**$950,081**	**$141,508**	**$3,255,087**
Contractor Pass-Through Costs					
Interest Expense	$19,429	$19,185	$20,332	$684	$59,630
Total Contractor Pass-Through Costs	**$19,429**	**$19,185**	**$20,332**	**$684**	**$59,630**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,136,354**	**$1,065,758**	**$970,412**	**$142,192**	**$3,314,716**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	7,829	7,829	7,829	
2015	7,874	7,874	7,874	
2016	7,890	7,890	7,890	
Prior Year Rolling Three-Year Average	**7,864**	**7,864**	**7,864**	
	Accounts	Accounts	Accounts	
2014	7,829	7,829	7,829	
2015	7,874	7,874	7,874	
2016	7,890	7,890	7,890	
Current Year Rolling Three-Year Average	**7,864**	**7,864**	**7,864**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$355,380	$301,153	$260,170	$63,998	$980,702
Benefits for CBAs	$164,184	$145,202	$122,479	$34,422	$466,287
Payroll Taxes	$29,568	$25,056	$21,646	$5,325	$81,594
Workers Compensation Insurance	$25,320	$21,456	$18,536	$4,560	$69,872
Total Direct Labor Related-Costs	$574,451	$492,867	$422,831	$108,305	$1,598,455
Direct Fuel Costs	$37,993	$40,074	$33,173	$3,024	$114,264
Other Direct Costs	$50,035	$52,776	$44,231	$4,837	$151,878
Depreciation - Collection Vehicles	$56,707	$54,918	$53,566	$2,787	$167,978
Depreciation - Containers	$22,515	$23,309	$29,338	$0	$75,162
Depreciation for Collection Equipment	$79,222	$78,227	$82,903	$2,787	$243,139
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$147,972	$153,865	$149,839	$5,208	$456,883
Operations	$33,573	$36,012	$34,981	$1,062	$105,627
Vehicle Maintenance	$64,166	$68,827	$66,856	$2,029	$201,878
Container Maintenance	$21,379	$22,322	$22,838	$748	$67,287
Total Allocated Indirect Costs excluding Depreciation and Interest	$267,090	$281,025	$274,514	$9,047	$831,676
Total Allocated Indirect Depreciation Costs (Form 9)	$2,027	$2,179	$2,170	$65	$6,441
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,010,817**	**$947,148**	**$859,823**	**$128,065**	**$2,945,853**
Profit (insert Operating Ratio below) 90.5%	**$106,108**	**$99,424**	**$90,258**	**$13,443**	**$309,233**
Total Proposed Costs before Pass-Through Cost Allocation	**$1,116,925**	**$1,046,573**	**$950,081**	**$141,508**	**$3,255,087**
Contractor Pass-Through Costs					
Interest Expense	$19,429	$19,185	$20,332	$684	$59,630
Total Contractor Pass-Through Costs	**$19,429**	**$19,185**	**$20,332**	**$684**	**$59,630**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,136,354**	**$1,065,758**	**$970,412**	**$142,192**	**$3,314,716**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	1,136	1,120	292	20	2,105	2,568
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*11.0%*	*11.0%*	*17.1%*	*10.3%*	*7.1%*	*11.4%*
City Total Route Labor hours year	4,992.11	2,972.32	877.66	710.14	930.63	9,552
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*10.4%*	*11.0%*	*13.8%*	*11.5%*	*7.1%*	*10.9%*
City # of route hours/year	3,760.29	2,871.19	849.20	710.14	930.63	8,191
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*12.0%*	*11.4%*	*14.0%*	*11.5%*	*7.1%*	*11.9%*
City Total Containers in Service	2,011	2,122	346	56	2,105	4,535
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*11.7%*	*10.8%*	*16.8%*	*16.8%*	*7.1%*	*11.5%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$529,984	$221,577	$96,963	$56,548	$10,316	$915,388
Benefits for CBAs	$252,707	$99,247	$30,517	$20,047	$5,074	$407,591
Payroll Taxes	$44,095	$18,435	$8,067	$4,705	$858	$76,160
Workers Compensation Insurance	$37,760	$15,787	$6,909	$4,029	$735	$65,219
Total Direct Labor Related-Costs	$864,545	$355,046	$142,456	$85,328	$16,983	$1,464,357
Direct Fuel Costs	$58,244	$23,246	$13,266	$5,445	$1,122	$101,322
Other Direct Costs	$80,160	$37,421	$16,094	$10,331	$1,544	$145,549
Depreciation - Collection Vehicles	$71,772	$34,894	$23,672	$8,693	$1,068	$140,099
Depreciation - Containers	$14,075	$9,807	$14,387	$0	$267	$38,536
Depreciation for Collection Equipment	$85,847	$44,701	$38,059	$8,693	$1,335	$178,635
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$103,459	$109,214	$200,162	$59,270	$2,141	$474,246
Operations	$23,047	$23,094	$33,613	$13,570	$437	$93,761
Vehicle Maintenance	$44,049	$44,139	$64,242	$25,935	$834	$179,199
Container Maintenance	$15,757	$15,409	$28,340	$13,966	$308	$73,780
Total Allocated Indirect Costs excluding Depreciation and Interest	$186,312	$191,856	$326,357	$112,740	$3,720	$820,986
Total Allocated Indirect Depreciation Costs (Form 9)	$1,453	$1,418	$1,751	$976	$27	$5,625
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,276,560**	**$653,689**	**$537,983**	**$223,514**	**$24,729**	**$2,716,475**
Profit (insert Operating Ratio below)	**$134,003.51**	**$68,619**	**$56,473**	**$23,463**	**$2,596**	**$285,155**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$1,410,563**	**$722,308**	**$594,456**	**$246,977**	**$27,325**	**$3,001,629**
Contractor Pass-Through Costs						
Interest Expense	$28,142	$14,654	$12,476	$2,850	$438	$58,559
Total Contractor Pass-Through Costs	**$28,142**	**$14,654**	**$12,476**	**$2,850**	**$438**	**$58,559**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,438,705**	**$736,962**	**$606,932**	**$249,827**	**$27,762**	**$3,060,189**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	146,575	143,065	24,596	740	
2015	144,404	145,509	27,131	735	
2016	143,546	149,305	29,926	750	
Rolling Three-Year Average	**144,842**	**145,960**	**27,218**	**742**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$529,984	$221,577	$96,963	$56,548	$10,316	$915,388
Benefits for CBAs	$252,707	$99,247	$30,517	$20,047	$5,074	$407,591
Payroll Taxes	$44,095	$18,435	$8,067	$4,705	$858	$76,160
Workers Compensation Insurance	$37,760	$15,787	$6,909	$4,029	$735	$65,219
Total Direct Labor Related-Costs	$864,545	$355,046	$142,456	$85,328	$16,983	$1,464,357
Direct Fuel Costs	$58,244	$23,246	$13,266	$5,445	$1,122	$101,322
Other Direct Costs	$80,160	$37,421	$16,094	$10,331	$1,544	$145,549
Depreciation - Collection Vehicles	$71,772	$34,894	$23,672	$8,693	$1,068	$140,099
Depreciation - Containers	$14,075	$9,807	$14,387	$0	$267	$38,536
Depreciation for Collection Equipment	$85,847	$44,701	$38,059	$8,693	$1,335	$178,635
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$103,459	$109,214	$200,162	$59,270	$2,141	$474,246
Operations	$23,047	$23,094	$33,613	$13,570	$437	$93,761
Vehicle Maintenance	$44,049	$44,139	$64,242	$25,935	$834	$179,199
Container Maintenance	$15,757	$15,409	$28,340	$13,966	$308	$73,780
Total Allocated Indirect Costs excluding Depreciation and Interest	$186,312	$191,856	$326,357	$112,740	$3,720	$820,986
Total Allocated Indirect Depreciation Costs (Form 9)	$1,453	$1,418	$1,751	$976	$27	$5,625
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,276,560**	**$653,689**	**$537,983**	**$223,514**	**$24,729**	**$2,716,475**
Profit (insert Operating Ratio below)	**$134,004**	**$68,619**	**$56,473**	**$23,463**	**$2,596**	**$285,155**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$1,410,563**	**$722,308**	**$594,456**	**$246,977**	**$27,325**	**$3,001,629**
Contractor Pass-Through Costs						
Interest Expense	$28,142	$14,654	$12,476	$2,850	$438	$58,559
Total Contractor Pass-Through Costs	**$28,142**	**$14,654**	**$12,476**	**$2,850**	**$438**	**$58,559**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,438,705**	**$736,962**	**$606,932**	**$249,827**	**$27,762**	**$3,060,189**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	146,575	143,065	24,596	740	
2015	144,404	145,509	27,131	735	
2016	143,546	149,305	29,926	750	
Prior Year Rolling Three-Year Average	**144,842**	**145,960**	**27,218**	**742**	
	Lifts	Lifts	Lifts	Hauls	
2014	146,575	143,065	24,596	740	
2015	144,404	145,509	27,131	735	
2016	143,546	149,305	29,926	750	
Current Year Rolling Three-Year Average	**144,842**	**145,960**	**27,218**	**742**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$529,984	$221,577	$96,963	$56,548	$10,316	$915,388
Benefits for CBAs	$252,707	$99,247	$30,517	$20,047	$5,074	$407,591
Payroll Taxes	$44,095	$18,435	$8,067	$4,705	$858	$76,160
Workers Compensation Insurance	$37,760	$15,787	$6,909	$4,029	$735	$65,219
Total Direct Labor Related-Costs	$864,545	$355,046	$142,456	$85,328	$16,983	$1,464,357
Direct Fuel Costs	$58,244	$23,246	$13,266	$5,445	$1,122	$101,322
Other Direct Costs	$80,160	$37,421	$16,094	$10,331	$1,544	$145,549
Depreciation - Collection Vehicles	$71,772	$34,894	$23,672	$8,693	$1,068	$140,099
Depreciation - Containers	$14,075	$9,807	$14,387	$0	$267	$38,536
Depreciation for Collection Equipment	$85,847	$44,701	$38,059	$8,693	$1,335	$178,635
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$103,459	$109,214	$200,162	$59,270	$2,141	$474,246
Operations	$23,047	$23,094	$33,613	$13,570	$437	$93,761
Vehicle Maintenance	$44,049	$44,139	$64,242	$25,935	$834	$179,199
Container Maintenance	$15,757	$15,409	$28,340	$13,966	$308	$73,780
Total Allocated Indirect Costs excluding Depreciation and Interest	$186,312	$191,856	$326,357	$112,740	$3,720	$820,986
Total Allocated Indirect Depreciation Costs (Form 9)	$1,453	$1,418	$1,751	$976	$27	$5,625
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,276,560**	**$653,689**	**$537,983**	**$223,514**	**$24,729**	**$2,716,475**
Profit (insert Operating Ratio below) 90.5%	**$134,004**	**$68,619**	**$56,473**	**$23,463**	**$2,596**	**$285,155**
Total Proposed Costs before Pass-Through Cost Allocation	**$1,410,563**	**$722,308**	**$594,456**	**$246,977**	**$27,325**	**$3,001,629**
Contractor Pass-Through Costs						
Interest Expense	$28,142	$14,654	$12,476	$2,850	$438	$58,559
Total Contractor Pass-Through Costs	**$28,142**	**$14,654**	**$12,476**	**$2,850**	**$438**	**$58,559**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,438,705**	**$736,962**	**$606,932**	**$249,827**	**$27,762**	**$3,060,189**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	59,475	1,131	17,784		7,890	78,390.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*24.5%*	*6.8%*	*27.3%*		*8.3%*	
City Total Route Labor hours year	829.10	22.75	303.55	194.82	1,350.22	1,155.40
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*17.6%*	*9.6%*	*30.6%*		*22.7%*	
City # of route hours/year	583.95	22.60	290.76		1,350.22	897.31
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*22.5%*	*10.1%*	*30.9%*		*22.7%*	
City # of Containers	266	20	105		8,119	391.00
SBWMA # of Containers	842	256	528		96,806	
City # of Containers (Lifts for example) %	*31.6%*	*7.8%*	*19.9%*		*8.4%*	
	61%	2%	22%	14%		

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,225	$665	$8,869	$5,692	$2,538	$41,989
Benefits for CBAs	$11,325	$311	$4,146	$2,661	$1,187	$19,629
Payroll Taxes	$2,016	$55	$738	$474	$211	$3,494
Workers Compensation Insurance	$1,726	$47	$632	$406	$181	$2,991
Total Direct Labor Related-Costs	$39,291	$1,078	$14,385	$9,232	$4,117	$68,104
Direct Fuel Costs	$3,574	$98	$1,308	$840	$322	$6,142
Other Direct Costs	$6,741	$185	$2,468	$1,584	$608	$11,586
Depreciation - Collection Vehicles	$14,052	$386	$5,145	$3,302	$1,052	$23,936
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$14,052	$386	$5,145	$3,302	$1,052	$23,936
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$32,909	$903	$12,048	$7,733	$1,189	$54,782
Operations	$6,708	$184	$2,456	$1,576	$566	$11,490
Vehicle Maintenance	$12,820	$352	$4,694	$3,012	$1,082	$21,959
Container Maintenance (using lifts for Agency Costs)	$4,729	$130	$1,731	$1,111	$171	$7,873
Total Allocated Indirect Costs excluding Depreciation and Interest	$57,166	$1,569	$20,929	$13,432	$3,008	$96,104
Total Allocated Indirect Depreciation Costs (Form 9)	$459	$13	$168	$108	$34	$782
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$121,283**	**$3,328**	**$44,404**	**$28,498**	**$9,141**	**$206,653**
Profit (insert Operating Ratio below) 90.5%	**$12,731**	**$349**	**$4,661**	**$2,992**	**$960**	**$21,693**
Total Operating Costs before Pass-Through Cost Allocation	**$134,014**	**$3,677**	**$49,065**	**$31,490**	**$10,100**	**$228,346**
Contractor Pass-Through Costs						
Interest Expense	$2,979	$82	$1,091	$700	$223	$5,074
Total Contractor Pass-Through Costs	**$2,979**	**$82**	**$1,091**	**$700**	**$223**	**$5,074**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$136,993**	**$3,759**	**$50,156**	**$32,189**	**$10,323**	**$233,420**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Lifts	Lifts	Lifts	Hauls
2014	58,487	1,443	15,561	166
2015	57,486	1,196	14,196	179
2016	59,475	1,131	17,784	196
Rolling Three-Year Average	**58,483**	**1,257**	**15,847**	**180**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,225	$665	$8,869	$5,692	$2,538	$41,989
Benefits for CBAs	$11,325	$311	$4,146	$2,661	$1,187	$19,629
Payroll Taxes	$2,016	$55	$738	$474	$211	$3,494
Workers Compensation Insurance	$1,726	$47	$632	$406	$181	$2,991
Total Direct Labor Related-Costs	$39,291	$1,078	$14,385	$9,232	$4,117	$68,104
Direct Fuel Costs	$3,574	$98	$1,308	$840	$322	$6,142
Other Direct Costs	$6,741	$185	$2,468	$1,584	$608	$11,586
Depreciation - Collection Vehicles	$14,052	$386	$5,145	$3,302	$1,052	$23,936
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$14,052	$386	$5,145	$3,302	$1,052	$23,936
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$32,909	$903	$12,048	$7,733	$1,189	$54,782
Operations	$6,708	$184	$2,456	$1,576	$566	$11,490
Vehicle Maintenance	$12,820	$352	$4,694	$3,012	$1,082	$21,959
Container Maintenance (using lifts for Agency Costs)	$4,729	$130	$1,731	$1,111	$171	$7,873
Total Allocated Indirect Costs excluding Depreciation and Interest	$57,166	$1,569	$20,929	$13,432	$3,008	$96,104
Total Allocated Indirect Depreciation Costs (Form 9)	$459	$13	$168	$108	$34	$782
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$121,283**	**$3,328**	**$44,404**	**$28,498**	**$9,141**	**$206,653**
Profit (insert Operating Ratio below)	**$12,731**	**$349**	**$4,661**	**$2,992**	**$960**	**$21,693**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	$134,014	$3,677	$49,065	$31,490	$10,100	$228,346
Contractor Pass-Through Costs						
Interest Expense	$2,979	$82	$1,091	$700	$223	$5,074
Total Contractor Pass-Through Costs	$2,979	$82	$1,091	$700	$223	$5,074
TOTAL BASE CONTRACTOR'S COMPENSATION	$136,993	$3,759	$50,156	$32,189	$10,323	$233,420

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

City of Menlo Park Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	58,487	1,443	15,561	166	
2015	57,486	1,196	14,196	179	
2016	59,475	1,131	17,784	196	
Prior Year Rolling Three-Year Average	**58,483**	**1,257**	**15,847**	**180**	
	Lifts	Lifts	Lifts	Hauls	
2014	58,487	1,443	15,561	166	
2015	57,486	1,196	14,196	179	
2016	59,475	1,131	17,784	196	
Current Year Rolling Three-Year Average	**58,483**	**1,257**	**15,847**	**180**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,225	$665	$8,869	$5,692	$2,538	$41,989
Benefits for CBAs	$11,325	$311	$4,146	$2,661	$1,187	$19,629
Payroll Taxes	$2,016	$55	$738	$474	$211	$3,494
Workers Compensation Insurance	$1,726	$47	$632	$406	$181	$2,991
Total Direct Labor Related-Costs	$39,291	$1,078	$14,385	$9,232	$4,117	$68,104
Direct Fuel Costs	$3,574	$98	$1,308	$840	$322	$6,142
Other Direct Costs	$6,741	$185	$2,468	$1,584	$608	$11,586
Depreciation - Collection Vehicles	$14,052	$386	$5,145	$3,302	$1,052	$23,936
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$14,052	$386	$5,145	$3,302	$1,052	$23,936
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$32,909	$903	$12,048	$7,733	$1,189	$54,782
Operations	$6,708	$184	$2,456	$1,576	$566	$11,490
Vehicle Maintenance	$12,820	$352	$4,694	$3,012	$1,082	$21,959
Container Maintenance (using lifts for Agency Costs)	$4,729	$130	$1,731	$1,111	$171	$7,873
Total Allocated Indirect Costs excluding Depreciation and Interest	$57,166	$1,569	$20,929	$13,432	$3,008	$96,104
Total Allocated Indirect Depreciation Costs (Form 9)	$459	$13	$168	$108	$34	$782
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$121,283**	**$3,328**	**$44,404**	**$28,498**	**$9,141**	**$206,653**
Profit (insert Operating Ratio below)	$12,731	$349	$4,661	$2,992	$960	$21,693
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	$134,014	$3,677	$49,065	$31,490	$10,100	$228,346
Contractor Pass-Through Costs						
Interest Expense	$2,979	$82	$1,091	$700	$223	$5,074
Total Contractor Pass-Through Costs	$2,979	$82	$1,091	$700	$223	$5,074
TOTAL BASE CONTRACTOR'S COMPENSATION	$136,993	$3,759	$50,156	$32,189	$10,323	$233,420

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Redwood City Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	17,405	17,380	16,465	5,448	17,405
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	*18.4%*	*18.4%*	*18.1%*	*18.5%*	*18.4%*
City Total Route Labor hours year	7,858.44	7,813.61	5,854.88	2,408.69	23,936
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	*17.0%*	*18.2%*	*15.0%*	*18.5%*	*16.9%*
City # of route hours/year	7,260.70	6,759.85	5,342.45	2,408.69	21,772
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	*16.9%*	*17.6%*	*15.3%*	*18.5%*	*16.8%*
City Total Containers in Service	18,158	17,919	17,372	5,448	58,897
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	*18.8%*	*18.6%*	*17.4%*	*18.5%*	*18.3%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$659,234	$582,273	$407,071	$165,643	$1,814,221
Benefits for CBAs	$304,563	$280,745	$191,635	$89,093	$866,035
Payroll Taxes	$54,848	$48,445	$33,868	$13,781	$150,943
Workers Compensation Insurance	$46,969	$41,484	$29,002	$11,801	$129,257
Total Direct Labor Related-Costs	$1,065,614	$952,948	$661,577	$280,318	$2,960,456
Direct Fuel Costs	$69,363	$73,669	$53,150	$7,827	$204,009
Other Direct Costs	$91,348	$97,019	$70,867	$12,518	$271,752
Depreciation - Collection Vehicles	$103,528	$100,957	$85,823	$7,214	$297,522
Depreciation - Containers	$50,355	$51,475	$57,692	$0	$159,522
Depreciation for Collection Equipment	$153,883	$152,432	$143,515	$7,214	$457,044
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$326,419	$339,448	$326,293	$13,478	$1,005,638
Operations	$61,294	$66,201	$56,046	$2,748	$186,288
Vehicle Maintenance	$117,147	$126,526	$107,116	$5,253	$356,041
Container Maintenance	$47,813	$49,296	$44,912	$1,937	$143,957
Total Allocated Indirect Costs excluding Depreciation and Interest	$552,673	$581,471	$534,366	$23,416	$1,691,925
Total Allocated Indirect Depreciation Costs (Form 9)	$3,700	$4,006	$3,477	$168	$11,352
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,936,581**	**$1,861,544**	**$1,466,951**	**$331,462**	**$5,596,538**
Profit (insert Operating Ratio below)	**$203,287**	**$195,411**	**$153,989**	**$34,794**	**$587,482**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$2,139,868**	**$2,056,955**	**$1,620,940**	**$366,256**	**$6,184,019**
Contractor Pass-Through Costs					
Interest Expense	$37,740	$37,384	$35,197	$1,769	$112,089
Total Contractor Pass-Through Costs	**$37,740**	**$37,384**	**$35,197**	**$1,769**	**$112,089**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$2,177,608**	**$2,094,339**	**$1,656,137**	**$368,025**	**$6,296,109**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	17,316	17,316	17,316	
2015	17,406	17,406	17,406	
2016	17,405	17,405	17,405	
Rolling Three-Year Average	**17,376**	**17,376**	**17,376**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Redwood City Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$659,234	$582,273	$407,071	$165,643	$1,814,221
Benefits for CBAs	$304,563	$280,745	$191,635	$89,093	$866,035
Payroll Taxes	$54,848	$48,445	$33,868	$13,781	$150,943
Workers Compensation Insurance	$46,969	$41,484	$29,002	$11,801	$129,257
Total Direct Labor Related-Costs	$1,065,614	$952,948	$661,577	$280,318	$2,960,456
Direct Fuel Costs	$69,363	$73,669	$53,150	$7,827	$204,009
Other Direct Costs	$91,348	$97,019	$70,867	$12,518	$271,752
Depreciation - Collection Vehicles	$103,528	$100,957	$85,823	$7,214	$297,522
Depreciation - Containers	$50,355	$51,475	$57,692	$0	$159,522
Depreciation for Collection Equipment	$153,883	$152,432	$143,515	$7,214	$457,044
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$326,419	$339,448	$326,293	$13,478	$1,005,638
Operations	$61,294	$66,201	$56,046	$2,748	$186,288
Vehicle Maintenance	$117,147	$126,526	$107,116	$5,253	$356,041
Container Maintenance	$47,813	$49,296	$44,912	$1,937	$143,957
Total Allocated Indirect Costs excluding Depreciation and Interest	$552,673	$581,471	$534,366	$23,416	$1,691,925
Total Allocated Indirect Depreciation Costs (Form 9)	$3,700	$4,006	$3,477	$168	$11,352
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,936,581**	**$1,861,544**	**$1,466,951**	**$331,462**	**$5,596,538**
Profit (insert Operating Ratio below) 90.5%	**$203,287**	**$195,411**	**$153,989**	**$34,794**	**$587,482**
Total Proposed Costs before Pass-Through Cost Allocation	**$2,139,868**	**$2,056,955**	**$1,620,940**	**$366,256**	**$6,184,019**
Contractor Pass-Through Costs					
Interest Expense	$37,740	$37,384	$35,197	$1,769	$112,089
Total Contractor Pass-Through Costs	**$37,740**	**$37,384**	**$35,197**	**$1,769**	**$112,089**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$2,177,608**	**$2,094,339**	**$1,656,137**	**$368,025**	**$6,296,109**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Redwood City Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	17,316	17,316	17,316	
2015	17,406	17,406	17,406	
2016	17,405	17,405	17,405	
Prior Year Rolling Three-Year Average	**17,376**	**17,376**	**17,376**	
	Accounts	Accounts	Accounts	
2014	17,316	17,316	17,316	
2015	17,406	17,406	17,406	
2016	17,405	17,405	17,405	
Current Year Rolling Three-Year Average	**17,376**	**17,376**	**17,376**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$659,234	$582,273	$407,071	$165,643	$1,814,221
Benefits for CBAs	$304,563	$280,745	$191,635	$89,093	$866,035
Payroll Taxes	$54,848	$48,445	$33,868	$13,781	$150,943
Workers Compensation Insurance	$46,969	$41,484	$29,002	$11,801	$129,257
Total Direct Labor Related-Costs	$1,065,614	$952,948	$661,577	$280,318	$2,960,456
Direct Fuel Costs	$69,363	$73,669	$53,150	$7,827	$204,009
Other Direct Costs	$91,348	$97,019	$70,867	$12,518	$271,752
Depreciation - Collection Vehicles	$103,528	$100,957	$85,823	$7,214	$297,522
Depreciation - Containers	$50,355	$51,475	$57,692	$0	$159,522
Depreciation for Collection Equipment	$153,883	$152,432	$143,515	$7,214	$457,044
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$326,419	$339,448	$326,293	$13,478	$1,005,638
Operations	$61,294	$66,201	$56,046	$2,748	$186,288
Vehicle Maintenance	$117,147	$126,526	$107,116	$5,253	$356,041
Container Maintenance	$47,813	$49,296	$44,912	$1,937	$143,957
Total Allocated Indirect Costs excluding Depreciation and Interest	$552,673	$581,471	$534,366	$23,416	$1,691,925
Total Allocated Indirect Depreciation Costs (Form 9)	$3,700	$4,006	$3,477	$168	$11,352
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,936,581**	**$1,861,544**	**$1,466,951**	**$331,462**	**$5,596,538**
Profit (insert Operating Ratio below) 90.5%	**$203,287**	**$195,411**	**$153,989**	**$34,794**	**$587,482**
Total Proposed Costs before Pass-Through Cost Allocation	**$2,139,868**	**$2,056,955**	**$1,620,940**	**$366,256**	**$6,184,019**
Contractor Pass-Through Costs					
Interest Expense	$37,740	$37,384	$35,197	$1,769	$112,089
Total Contractor Pass-Through Costs	**$37,740**	**$37,384**	**$35,197**	**$1,769**	**$112,089**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$2,177,608**	**$2,094,339**	**$1,656,137**	**$368,025**	**$6,296,109**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Redwood City Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	1,999	1,914	288	45	5,448	4,246
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*19.3%*	*18.7%*	*16.8%*	*23.1%*	*18.5%*	*18.9%*
City Total Route Labor hours year	9,569.52	4,464.74	1,014.19	1,203.30	2,408.69	16,252
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*20.0%*	*16.5%*	*16.0%*	*19.5%*	*18.5%*	*18.6%*
City # of route hours/year	6,478.20	3,993.07	967.39	1,203.30	2,408.69	12,642
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*20.7%*	*15.8%*	*16.0%*	*19.5%*	*18.5%*	*18.4%*
City Total Containers in Service	3,298	3,358	262	71	5,448	6,989
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*19.1%*	*17.0%*	*12.7%*	*21.3%*	*18.5%*	*17.8%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,015,941	$332,832	$112,047	$95,818	$26,700	$1,583,338
Benefits for CBAs	$484,421	$149,079	$35,264	$33,969	$13,132	$715,864
Payroll Taxes	$84,526	$27,692	$9,322	$7,972	$2,221	$131,734
Workers Compensation Insurance	$72,382	$23,713	$7,984	$6,826	$1,902	$112,808
Total Direct Labor Related-Costs	$1,657,271	$533,317	$164,617	$144,585	$43,955	$2,543,744
Direct Fuel Costs	$100,342	$32,330	$15,112	$9,226	$2,903	$159,913
Other Direct Costs	$138,098	$52,043	$18,334	$17,505	$3,996	$229,976
Depreciation - Collection Vehicles	$123,648	$48,529	$26,967	$14,731	$2,764	$216,638
Depreciation - Containers	$23,083	$15,519	$10,894	$0	$690	$50,186
Depreciation for Collection Equipment	$146,731	$64,048	$37,861	$14,731	$3,454	$266,824
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$182,055	$186,639	$197,420	$133,358	$5,541	$705,013
Operations	$39,706	$32,118	$38,291	$22,993	$1,130	$134,238
Vehicle Maintenance	$75,887	$61,385	$73,183	$43,945	$2,159	$256,560
Container Maintenance	$25,841	$24,385	$21,460	$17,707	$796	$90,189
Total Allocated Indirect Costs excluding Depreciation and Interest	$323,489	$304,527	$330,354	$218,003	$9,627	$1,186,000
Total Allocated Indirect Depreciation Costs (Form 9)	$2,503	$1,973	$1,995	$1,654	$69	$8,193
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$2,368,433**	**$988,236**	**$568,272**	**$405,704**	**$64,004**	**$4,394,650**
Profit (Insert Operating Ratio below)	**$248,620.07**	**$103,738**	**$59,653**	**$42,588**	**$6,719**	**$461,317**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$2,617,053**	**$1,091,974**	**$627,925**	**$448,292**	**$70,723**	**$4,855,967**
Contractor Pass-Through Costs						
Interest Expense	$47,307	$20,649	$12,206	$4,749	$1,114	$86,025
Total Contractor Pass-Through Costs	**$47,307**	**$20,649**	**$12,206**	**$4,749**	**$1,114**	**$86,025**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$2,664,360**	**$1,112,623**	**$640,132**	**$453,041**	**$71,836**	**$4,941,992**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Lifts	Lifts	Lifts	Hauls
2014	247,013	217,659	24,856	1,041
2015	247,143	223,327	31,239	1,031
2016	249,392	238,927	32,435	1,102
Rolling Three-Year Average	**247,849**	**226,638**	**29,510**	**1,058**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Redwood City Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,015,941	$332,832	$112,047	$95,818	$26,700	$1,583,338
Benefits for CBAs	$484,421	$149,079	$35,264	$33,969	$13,132	$715,864
Payroll Taxes	$84,526	$27,692	$9,322	$7,972	$2,221	$131,734
Workers Compensation Insurance	$72,382	$23,713	$7,984	$6,826	$1,902	$112,808
Total Direct Labor Related-Costs	$1,657,271	$533,317	$164,617	$144,585	$43,955	$2,543,744
Direct Fuel Costs	$100,342	$32,330	$15,112	$9,226	$2,903	$159,913
Other Direct Costs	$138,098	$52,043	$18,334	$17,505	$3,996	$229,976
Depreciation - Collection Vehicles	$123,648	$48,529	$26,967	$14,731	$2,764	$216,638
Depreciation - Containers	$23,083	$15,519	$10,894	$0	$690	$50,186
Depreciation for Collection Equipment	$146,731	$64,048	$37,861	$14,731	$3,454	$266,824
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$182,055	$186,639	$197,420	$133,358	$5,541	$705,013
Operations	$39,706	$32,118	$38,291	$22,993	$1,130	$134,238
Vehicle Maintenance	$75,887	$61,385	$73,183	$43,945	$2,159	$256,560
Container Maintenance	$25,841	$24,385	$21,460	$17,707	$796	$90,189
Total Allocated Indirect Costs excluding Depreciation and Interest	$323,489	$304,527	$330,354	$218,003	$9,627	$1,186,000
Total Allocated Indirect Depreciation Costs (Form 9)	$2,503	$1,973	$1,995	$1,654	$69	$8,193
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$2,368,433**	**$988,236**	**$568,272**	**$405,704**	**$64,004**	**$4,394,650**
Profit (insert Operating Ratio below)	**$248,620**	**$103,738**	**$59,653**	**$42,588**	**$6,719**	**$461,317**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$2,617,053**	**$1,091,974**	**$627,925**	**$448,292**	**$70,723**	**$4,855,967**
Contractor Pass-Through Costs						
Interest Expense	$47,307	$20,649	$12,206	$4,749	$1,114	$86,025
Total Contractor Pass-Through Costs	**$47,307**	**$20,649**	**$12,206**	**$4,749**	**$1,114**	**$86,025**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$2,664,360**	**$1,112,623**	**$640,132**	**$453,041**	**$71,836**	**$4,941,992**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Redwood City Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	247,013	217,659	24,856	1,041	
2015	247,143	223,327	31,239	1,031	
2016	249,392	238,927	32,435	1,102	
Prior Year Rolling Three-Year Average	**247,849**	**226,638**	**29,510**	**1,058**	
	Lifts	Lifts	Lifts	Hauls	
2014	247,013	217,659	24,856	1,041	
2015	247,143	223,327	31,239	1,031	
2016	249,392	238,927	32,435	1,102	
Current Year Rolling Three-Year Average	**247,849**	**226,638**	**29,510**	**1,058**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,015,941	$332,832	$112,047	$95,818	$26,700	$1,583,338
Benefits for CBAs	$484,421	$149,079	$35,264	$33,969	$13,132	$715,864
Payroll Taxes	$84,526	$27,692	$9,322	$7,972	$2,221	$131,734
Workers Compensation Insurance	$72,382	$23,713	$7,984	$6,826	$1,902	$112,808
Total Direct Labor Related-Costs	$1,657,271	$533,317	$164,617	$144,585	$43,955	$2,543,744
Direct Fuel Costs	$100,342	$32,330	$15,112	$9,226	$2,903	$159,913
Other Direct Costs	$138,098	$52,043	$18,334	$17,505	$3,996	$229,976
Depreciation - Collection Vehicles	$123,648	$48,529	$26,967	$14,731	$2,764	$216,638
Depreciation - Containers	$23,083	$15,519	$10,894	$0	$690	$50,186
Depreciation for Collection Equipment	$146,731	$64,048	$37,861	$14,731	$3,454	$266,824
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$182,055	$186,639	$197,420	$133,358	$5,541	$705,013
Operations	$39,706	$32,118	$38,291	$22,993	$1,130	$134,238
Vehicle Maintenance	$75,887	$61,385	$73,183	$43,945	$2,159	$256,560
Container Maintenance	$25,841	$24,385	$21,460	$17,707	$796	$90,189
Total Allocated Indirect Costs excluding Depreciation and Interest	$323,489	$304,527	$330,354	$218,003	$9,627	$1,186,000
Total Allocated Indirect Depreciation Costs (Form 9)	$2,503	$1,973	$1,995	$1,654	$69	$8,193
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$2,368,433**	**$988,236**	**$568,272**	**$405,704**	**$64,004**	**$4,394,650**
Profit (insert Operating Ratio below)	**$248,620**	**$103,738**	**$59,653**	**$42,588**	**$6,719**	**$461,317**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$2,617,053**	**$1,091,974**	**$627,925**	**$448,292**	**$70,723**	**$4,855,967**
Contractor Pass-Through Costs						
Interest Expense	$47,307	$20,649	$12,206	$4,749	$1,114	$86,025
Total Contractor Pass-Through Costs	**$47,307**	**$20,649**	**$12,206**	**$4,749**	**$1,114**	**$86,025**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$2,664,360**	**$1,112,623**	**$640,132**	**$453,041**	**$71,836**	**$4,941,992**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Redwood City Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	71,006	806	8,957		17,405	80,769.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*29.3%*	*4.8%*	*13.8%*		*18.4%*	
City Total Route Labor hours year	1,147.85	12.62	119.32	436.44	1,716.23	1,279.79
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*24.4%*	*5.3%*	*12.0%*		*28.9%*	
City # of route hours/year	658.71	11.66	109.54		1,716.23	779.91
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*25.3%*	*5.2%*	*11.7%*		*28.9%*	
City # of Containers	270	11	37		18,158	318.00
SBWMA # of Containers	842	256	528		96,806	
City # of Containers %	*32.1%*	*4.3%*	*7.0%*		*18.8%*	
	67%	1%	7%	25%		

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$25,317	$278	$2,632	$9,626	$2,812	$40,664
Benefits for CBAs	$11,835	$130	$1,230	$4,500	$1,314	$19,010
Payroll Taxes	$2,106	$23	$219	$801	$234	$3,383
Workers Compensation Insurance	$1,804	$20	$187	$686	$200	$2,897
Total Direct Labor Related-Costs	$41,062	$451	$4,268	$15,613	$4,560	$65,954
Direct Fuel Costs	$3,298	$36	$343	$1,254	$357	$5,288
Other Direct Costs	$6,221	$68	$647	$2,365	$673	$9,974
Depreciation - Collection Vehicles	$13,236	$146	$1,376	$5,033	$1,165	$20,955
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$13,236	$146	$1,376	$5,033	$1,165	$20,955
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$35,214	$387	$3,661	$13,389	$2,623	$55,275
Operations	$6,239	$69	$649	$2,372	$627	$9,955
Vehicle Maintenance	$11,923	$131	$1,239	$4,534	$1,198	$19,025
Container Maintenance (using lifts for Agency Costs)	$5,061	$56	$526	$1,924	$377	$7,944
Total Allocated Indirect Costs excluding Depreciation and Interest	$58,437	$642	$6,075	$22,219	$4,825	$92,198
Total Allocated Indirect Depreciation Costs (Form 9)	$432	$5	$45	$164	$38	$684
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$122,685	$1,349	$12,753	$46,648	$11,619	$195,054
Profit (insert Operating Ratio below) 90.5%	$12,879	$142	$1,339	$4,897	$1,220	$20,475
Total Operating Costs before Pass-Through Cost Allocation	$135,563	$1,490	$14,092	$51,545	$12,838	$215,529
Contractor Pass-Through Costs						
Interest Expense	$2,806	$31	$292	$1,067	$247	$4,442
Total Contractor Pass-Through Costs	$2,806	$31	$292	$1,067	$247	$4,442
TOTAL BASE CONTRACTOR'S COMPENSATION	$138,369	$1,521	$14,384	$52,612	$13,085	$219,971

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Lifts	Lifts	Lifts	Hauls
2014	69,888	1,170	3,471	383
2015	69,550	923	3,133	413
2016	71,006	806	8,957	416
Rolling Three-Year Average	**70,148**	**966**	**5,187**	**404**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of Redwood City Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Melical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$25,317	$278	$2,632	$9,626	$2,812	$40,664
Benefits for CBAs	$11,835	$130	$1,230	$4,500	$1,314	$19,010
Payroll Taxes	$2,106	$23	$219	$801	$234	$3,383
Workers Compensation Insurance	$1,804	$20	$187	$686	$200	$2,897
Total Direct Labor Related-Costs	$41,062	$451	$4,268	$15,613	$4,560	$65,954
Direct Fuel Costs	$3,298	$36	$343	$1,254	$357	$5,288
Other Direct Costs	$6,221	$68	$647	$2,365	$673	$9,974
Depreciation - Collection Vehicles	$13,236	$146	$1,376	$5,033	$1,165	$20,955
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$13,236	$146	$1,376	$5,033	$1,165	$20,955
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$35,214	$387	$3,661	$13,389	$2,623	$55,275
Operations	$6,239	$69	$649	$2,372	$627	$9,955
Vehicle Maintenance	$11,923	$131	$1,239	$4,534	$1,198	$19,025
Container Maintenance (using lifts for Agency Costs)	$5,061	$56	$526	$1,924	$377	$7,944
Total Allocated Indirect Costs excluding Depreciation and Interest	$58,437	$642	$6,075	$22,219	$4,825	$92,198
Total Allocated Indirect Depreciation Costs (Form 9)	$432	$5	$45	$164	$38	$684
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$122,685	$1,349	$12,753	$46,648	$11,619	$195,054
Profit (insert Operating Ratio below) 90.5%	$12,879	$142	$1,339	$4,897	$1,220	$20,475
Total Operating Costs before Pass-Through Cost Allocation	$135,563	$1,490	$14,092	$51,545	$12,838	$215,529
Contractor Pass-Through Costs						
Interest Expense	$2,806	$31	$292	$1,067	$247	$4,442
Total Contractor Pass-Through Costs	$2,806	$31	$292	$1,067	$247	$4,442
TOTAL BASE CONTRACTOR'S COMPENSATION	$138,369	$1,521	$14,384	$52,612	$13,085	$219,971

D. City of Redwood City Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	69,888	1,170	3,471	383	
2015	69,550	923	3,133	413	
2016	71,006	806	8,957	416	
Prior Year Rolling Three-Year Average	**70,148**	**966**	**5,187**	**404**	
	Lifts	Lifts	Lifts	Hauls	
2014	69,888	1,170	3,471	383	
2015	69,550	923	3,133	413	
2016	71,006	806	8,957	416	
Current Year Rolling Three-Year Average	**70,148**	**966**	**5,187**	**404**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$25,317	$278	$2,632	$9,626	$2,812	$40,664
Benefits for CBAs	$11,835	$130	$1,230	$4,500	$1,314	$19,010
Payroll Taxes	$2,106	$23	$219	$801	$234	$3,383
Workers Compensation Insurance	$1,804	$20	$187	$686	$200	$2,897
Total Direct Labor Related-Costs	$41,062	$451	$4,268	$15,613	$4,560	$65,954
Direct Fuel Costs	$3,298	$36	$343	$1,254	$357	$5,288
Other Direct Costs	$6,221	$68	$647	$2,365	$673	$9,974
Depreciation - Collection Vehicles	$13,236	$146	$1,376	$5,033	$1,165	$20,955
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$13,236	$146	$1,376	$5,033	$1,165	$20,955
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
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Total Allocated Indirect Costs excluding Depreciation and Interest	$58,437	$642	$6,075	$22,219	$4,825	$92,198
Total Allocated Indirect Depreciation Costs (Form 9)	$432	$5	$45	$164	$38	$684
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$122,685**	**$1,349**	**$12,753**	**$46,648**	**$11,619**	**$195,054**
Profit (insert Operating Ratio below)	**$12,879**	**$142**	**$1,339**	**$4,897**	**$1,220**	**$20,475**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$135,563**	**$1,490**	**$14,092**	**$51,545**	**$12,838**	**$215,529**
Contractor Pass-Through Costs						
Interest Expense	$2,806	$31	$292	$1,067	$247	$4,442
Total Contractor Pass-Through Costs	**$2,806**	**$31**	**$292**	**$1,067**	**$247**	**$4,442**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$138,369**	**$1,521**	**$14,384**	**$52,612**	**$13,085**	**$219,971**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	8,588	8,576	8,440	2,513	8,588
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	9.1%	9.1%	9.5%	8.5%	9.1%
City Total Route Labor hours year	3,987.29	3,678.62	3,177.89	1,111.28	11,955
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	8.6%	8.6%	8.1%	8.5%	8.5%
City # of route hours/year	3,707.16	3,568.70	2,973.19	1,111.28	11,360
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	8.7%	9.3%	8.5%	8.5%	8.8%
City Total Containers in Service	8,619	8,596	8,687	2,513	28,415
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	8.9%	8.9%	8.7%	8.5%	8.8%

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$334,488	$274,132	$220,948	$76,421	$905,990
Benefits for CBAs	$154,532	$132,174	$104,015	$41,104	$431,825
Payroll Taxes	$27,829	$22,808	$18,383	$6,358	$75,378
Workers Compensation Insurance	$23,832	$19,531	$15,742	$5,445	$64,549
Total Direct Labor Related-Costs	$540,681	$448,645	$359,088	$129,328	$1,477,742
Direct Fuel Costs	$35,415	$38,892	$29,579	$3,611	$107,497
Other Direct Costs	$46,640	$51,219	$39,439	$5,775	$143,073
Depreciation - Collection Vehicles	$52,859	$53,298	$47,762	$3,328	$157,248
Depreciation - Containers	$23,902	$24,693	$28,849	$0	$77,445
Depreciation for Collection Equipment	$76,761	$77,991	$76,612	$3,328	$234,692
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$161,062	$167,498	$167,258	$6,217	$502,035
Operations	$31,295	$34,949	$31,191	$1,268	$98,703
Vehicle Maintenance	$59,813	$66,796	$59,613	$2,423	$188,645
Container Maintenance	$22,695	$23,648	$22,458	$893	$69,695
Total Allocated Indirect Costs excluding Depreciation and Interest	$274,866	$292,891	$280,520	$10,802	$859,078
Total Allocated Indirect Depreciation Costs (Form 9)	$1,889	$2,115	$1,935	$78	$6,017
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$976,253**	**$911,752**	**$787,173**	**$152,923**	**$2,828,100**
Profit (insert Operating Ratio below) 90.5%	**$102,480**	**$95,709**	**$82,631**	**$16,053**	**$296,872**
Total Proposed Costs before Pass-Through Cost Allocation	**$1,078,732**	**$1,007,461**	**$869,804**	**$168,975**	**$3,124,972**
Contractor Pass-Through Costs					
Interest Expense	$18,826	$19,127	$18,789	$816	$57,558
Total Contractor Pass-Through Costs	**$18,826**	**$19,127**	**$18,789**	**$816**	**$57,558**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,097,558**	**$1,026,588**	**$888,593**	**$169,792**	**$3,182,530**

Service Level Statistics Used for Future Service Level Cost Adjustments			
	Accounts	Accounts	Accounts
2014	8,608	8,608	8,608
2015	8,615	8,615	8,615
2016	8,588	8,588	8,588
Rolling Three-Year Average	**8,604**	**8,604**	**8,604**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$334,488	$274,132	$220,948	$76,421	$905,990
Benefits for CBAs	$154,532	$132,174	$104,015	$41,104	$431,825
Payroll Taxes	$27,829	$22,808	$18,383	$6,358	$75,378
Workers Compensation Insurance	$23,832	$19,531	$15,742	$5,445	$64,549
Total Direct Labor Related-Costs	$540,681	$448,645	$359,088	$129,328	$1,477,742
Direct Fuel Costs	$35,415	$38,892	$29,579	$3,611	$107,497
Other Direct Costs	$46,640	$51,219	$39,439	$5,775	$143,073
Depreciation - Collection Vehicles	$52,859	$53,298	$47,762	$3,328	$157,248
Depreciation - Containers	$23,902	$24,693	$28,849	$0	$77,445
Depreciation for Collection Equipment	$76,761	$77,991	$76,612	$3,328	$234,692
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$161,062	$167,498	$167,258	$6,217	$502,035
Operations	$31,295	$34,949	$31,191	$1,268	$98,703
Vehicle Maintenance	$59,813	$66,796	$59,613	$2,423	$188,645
Container Maintenance	$22,695	$23,648	$22,458	$893	$69,695
Total Allocated Indirect Costs excluding Depreciation and Interest	$274,866	$292,891	$280,520	$10,802	$859,078
Total Allocated Indirect Depreciation Costs (Form 9)	$1,889	$2,115	$1,935	$78	$6,017
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$976,253**	**$911,752**	**$787,173**	**$152,923**	**$2,828,100**
Profit (insert Operating Ratio below)	**$102,480**	**$95,709**	**$82,631**	**$16,053**	**$296,872**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$1,078,732**	**$1,007,461**	**$869,804**	**$168,975**	**$3,124,972**
Contractor Pass-Through Costs					
Interest Expense	$18,826	$19,127	$18,789	$816	$57,558
Total Contractor Pass-Through Costs	**$18,826**	**$19,127**	**$18,789**	**$816**	**$57,558**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,097,558**	**$1,026,588**	**$888,593**	**$169,792**	**$3,182,530**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	8,608	8,608	8,608	
2015	8,615	8,615	8,615	
2016	8,588	8,588	8,588	
Prior Year Rolling Three-Year Average	**8,604**	**8,604**	**8,604**	
	Accounts	Accounts	Accounts	
2014	8,608	8,608	8,608	
2015	8,615	8,615	8,615	
2016	8,588	8,588	8,588	
Current Year Rolling Three-Year Average	**8,604**	**8,604**	**8,604**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$334,488	$274,132	$220,948	$76,421	$905,990
Benefits for CBAs	$154,532	$132,174	$104,015	$41,104	$431,825
Payroll Taxes	$27,829	$22,808	$18,383	$6,358	$75,378
Workers Compensation Insurance	$23,832	$19,531	$15,742	$5,445	$64,549
Total Direct Labor Related-Costs	$540,681	$448,645	$359,088	$129,328	$1,477,742
Direct Fuel Costs	$35,415	$38,892	$29,579	$3,611	$107,497
Other Direct Costs	$46,640	$51,219	$39,439	$5,775	$143,073
Depreciation - Collection Vehicles	$52,859	$53,298	$47,762	$3,328	$157,248
Depreciation - Containers	$23,902	$24,693	$28,849	$0	$77,445
Depreciation for Collection Equipment	$76,761	$77,991	$76,612	$3,328	$234,692
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$161,062	$167,498	$167,258	$6,217	$502,035
Operations	$31,295	$34,949	$31,191	$1,268	$98,703
Vehicle Maintenance	$59,813	$66,796	$59,613	$2,423	$188,645
Container Maintenance	$22,695	$23,648	$22,458	$893	$69,695
Total Allocated Indirect Costs excluding Depreciation and Interest	$274,866	$292,891	$280,520	$10,802	$859,078
Total Allocated Indirect Depreciation Costs (Form 9)	$1,889	$2,115	$1,935	$78	$6,017
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$976,253**	**$911,752**	**$787,173**	**$152,923**	**$2,828,100**
Profit (insert Operating Ratio below)	**$102,480**	**$95,709**	**$82,631**	**$16,053**	**$296,872**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$1,078,732**	**$1,007,461**	**$869,804**	**$168,975**	**$3,124,972**
Contractor Pass-Through Costs					
Interest Expense	$18,826	$19,127	$18,789	$816	$57,558
Total Contractor Pass-Through Costs	**$18,826**	**$19,127**	**$18,789**	**$816**	**$57,558**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,097,558**	**$1,026,588**	**$888,593**	**$169,792**	**$3,182,530**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	1,152	1,164	167	12	2,513	2,495
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*11.1%*	*11.4%*	*9.8%*	*6.2%*	*8.5%*	*11.1%*
City Total Route Labor hours year	4,003.38	2,856.61	761.38	315.28	1,111.28	7,937
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*8.4%*	*10.5%*	*12.0%*	*5.1%*	*8.5%*	*9.1%*
City # of route hours/year	2,775.42	2,677.25	713.73	315.28	1,111.28	6,482
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*8.9%*	*10.6%*	*11.8%*	*5.1%*	*8.5%*	*9.4%*
City Total Containers in Service	1,590	1,888	196	31	2,513	3,705
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*9.2%*	*9.6%*	*9.5%*	*9.3%*	*8.5%*	*9.4%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$425,016	$212,951	$84,117	$25,105	$12,318	$759,508
Benefits for CBAs	$202,656	$95,383	$26,474	$8,900	$6,058	$339,472
Payroll Taxes	$35,361	$17,718	$6,999	$2,089	$1,025	$63,191
Workers Compensation Insurance	$30,281	$15,172	$5,994	$1,789	$878	$54,113
Total Direct Labor Related-Costs	$693,314	$341,224	$123,582	$37,883	$20,279	$1,216,283
Direct Fuel Costs	$42,989	$21,676	$11,150	$2,417	$1,340	$79,571
Other Direct Costs	$59,165	$34,894	$13,526	$4,587	$1,844	$114,015
Depreciation - Collection Vehicles	$52,974	$32,537	$19,896	$3,860	$1,275	$110,541
Depreciation - Containers	$11,129	$8,725	$8,150	$0	$318	$28,322
Depreciation for Collection Equipment	$64,102	$41,263	$28,045	$3,860	$1,594	$138,864
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$104,916	$113,505	$114,476	$35,562	$2,556	$371,015
Operations	$17,011	$21,534	$28,251	$6,024	$521	$73,342
Vehicle Maintenance	$32,512	$41,157	$53,994	$11,514	$996	$140,173
Container Maintenance	$12,458	$13,710	$16,054	$7,731	$367	$50,321
Total Allocated Indirect Costs excluding Depreciation and Interest	$166,897	$189,906	$212,775	$60,832	$4,441	$634,851
Total Allocated Indirect Depreciation Costs (Form 9)	$1,072	$1,323	$1,472	$433	$32	$4,332
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,027,540**	**$630,285**	**$390,550**	**$110,012**	**$29,528**	**$2,187,915**
Profit (insert Operating Ratio below)	**$107,863.28**	**$66,163**	**$40,997**	**$11,548**	**$3,100**	**$229,671**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$1,135,403**	**$696,448**	**$431,547**	**$121,560**	**$32,628**	**$2,417,586**
Contractor Pass-Through Costs						
Interest Expense	$20,746	$13,354	$9,076	$1,249	$516	$44,941
Total Contractor Pass-Through Costs	**$20,746**	**$13,354**	**$9,076**	**$1,249**	**$516**	**$44,941**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,156,149**	**$709,802**	**$440,624**	**$122,809**	**$33,144**	**$2,462,527**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	107,900	123,617	11,128	326	
2015	108,615	128,297	14,586	370	
2016	107,419	131,092	18,109	369	
Rolling Three-Year Average	**107,978**	**127,669**	**14,608**	**355**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$425,016	$212,951	$84,117	$25,105	$12,318	$759,508
Benefits for CBAs	$202,656	$95,383	$26,474	$8,900	$6,058	$339,472
Payroll Taxes	$35,361	$17,718	$6,999	$2,089	$1,025	$63,191
Workers Compensation Insurance	$30,281	$15,172	$5,994	$1,789	$878	$54,113
Total Direct Labor Related-Costs	$693,314	$341,224	$123,582	$37,883	$20,279	$1,216,283
Direct Fuel Costs	$42,989	$21,676	$11,150	$2,417	$1,340	$79,571
Other Direct Costs	$59,165	$34,894	$13,526	$4,587	$1,844	$114,015
Depreciation - Collection Vehicles	$52,974	$32,537	$19,896	$3,860	$1,275	$110,541
Depreciation - Containers	$11,129	$8,725	$8,150	$0	$318	$28,322
Depreciation for Collection Equipment	$64,102	$41,263	$28,045	$3,860	$1,594	$138,864
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$104,916	$113,505	$114,476	$35,562	$2,556	$371,015
Operations	$17,011	$21,534	$28,251	$6,024	$521	$73,342
Vehicle Maintenance	$32,512	$41,157	$53,994	$11,514	$996	$140,173
Container Maintenance	$12,458	$13,710	$16,054	$7,731	$367	$50,321
Total Allocated Indirect Costs excluding Depreciation and Interest	$166,897	$189,906	$212,775	$60,832	$4,441	$634,851
Total Allocated Indirect Depreciation Costs (Form 9)	$1,072	$1,323	$1,472	$433	$32	$4,332
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,027,540**	**$630,285**	**$390,550**	**$110,012**	**$29,528**	**$2,187,915**
Profit (insert Operating Ratio below) 90.5%	**$107,863**	**$66,163**	**$40,997**	**$11,548**	**$3,100**	**$229,671**
Total Proposed Costs before Pass-Through Cost Allocation	**$1,135,403**	**$696,448**	**$431,547**	**$121,560**	**$32,628**	**$2,417,586**
Contractor Pass-Through Costs						
Interest Expense	$20,746	$13,354	$9,076	$1,249	$516	$44,941
Total Contractor Pass-Through Costs	**$20,746**	**$13,354**	**$9,076**	**$1,249**	**$516**	**$44,941**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,156,149**	**$709,802**	**$440,624**	**$122,809**	**$33,144**	**$2,462,527**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	107,900	123,617	11,128	326	
2015	108,615	128,297	14,586	370	
2016	107,419	131,092	18,109	369	
Prior Year Rolling Three-Year Average	**107,978**	**127,669**	**14,608**	**355**	
	Lifts	Lifts	Lifts	Hauls	
2014	107,900	123,617	11,128	326	
2015	108,615	128,297	14,586	370	
2016	107,419	131,092	18,109	369	
Current Year Rolling Three-Year Average	**107,978**	**127,669**	**14,608**	**355**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$425,016	$212,951	$84,117	$25,105	$12,318	$759,508
Benefits for CBAs	$202,656	$95,383	$26,474	$8,900	$6,058	$339,472
Payroll Taxes	$35,361	$17,718	$6,999	$2,089	$1,025	$63,191
Workers Compensation Insurance	$30,281	$15,172	$5,994	$1,789	$878	$54,113
Total Direct Labor Related-Costs	$693,314	$341,224	$123,582	$37,883	$20,279	$1,216,283
Direct Fuel Costs	$42,989	$21,676	$11,150	$2,417	$1,340	$79,571
Other Direct Costs	$59,165	$34,894	$13,526	$4,587	$1,844	$114,015
Depreciation - Collection Vehicles	$52,974	$32,537	$19,896	$3,860	$1,275	$110,541
Depreciation - Containers	$11,129	$8,725	$8,150	$0	$318	$28,322
Depreciation for Collection Equipment	$64,102	$41,263	$28,045	$3,860	$1,594	$138,864
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$104,916	$113,505	$114,476	$35,562	$2,556	$371,015
Operations	$17,011	$21,534	$28,251	$6,024	$521	$73,342
Vehicle Maintenance	$32,512	$41,157	$53,994	$11,514	$996	$140,173
Container Maintenance	$12,458	$13,710	$16,054	$7,731	$367	$50,321
Total Allocated Indirect Costs excluding Depreciation and Interest	$166,897	$189,906	$212,775	$60,832	$4,441	$634,851
Total Allocated Indirect Depreciation Costs (Form 9)	$1,072	$1,323	$1,472	$433	$32	$4,332
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$1,027,540**	**$630,285**	**$390,550**	**$110,012**	**$29,528**	**$2,187,915**
Profit (insert Operating Ratio below) 90.5%	**$107,863**	**$66,163**	**$40,997**	**$11,548**	**$3,100**	**$229,671**
Total Proposed Costs before Pass-Through Cost Allocation	**$1,135,403**	**$696,448**	**$431,547**	**$121,560**	**$32,628**	**$2,417,586**
Contractor Pass-Through Costs						
Interest Expense	$20,746	$13,354	$9,076	$1,249	$516	$44,941
Total Contractor Pass-Through Costs	**$20,746**	**$13,354**	**$9,076**	**$1,249**	**$516**	**$44,941**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$1,156,149**	**$709,802**	**$440,624**	**$122,809**	**$33,144**	**$2,462,527**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	14,144	3,120	11,544		8,588	28,808.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*5.8%*	*18.6%*	*17.7%*		*9.1%*	
City Total Route Labor hours year	317.12	63.19	159.80	182.57	722.68	540.11
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*6.7%*	*26.8%*	*16.1%*		*12.2%*	
City # of route hours/year	161.87	59.30	156.03		722.68	877.20
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*6.2%*	*26.5%*	*16.6%*		*12.2%*	
City # of Containers	35	47	73		8,619	155.00
SBWMA # of Containers	842	256	528		96,806	
City # of Containers %	*4.2%*	*18.4%*	*13.8%*		*8.9%*	
	44%	9%	22%	25%		

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$10,246	$2,042	$5,163	$5,899	$1,187	$24,536
Benefits for CBAs	$4,790	$954	$2,414	$2,758	$555	$11,470
Payroll Taxes	$852	$170	$430	$491	$99	$2,041
Workers Compensation Insurance	$730	$145	$368	$420	$85	$1,748
Total Direct Labor Related-Costs	$16,618	$3,311	$8,374	$9,568	$1,925	$39,796
Direct Fuel Costs	$1,274	$254	$642	$734	$151	$3,055
Other Direct Costs	$2,404	$479	$1,211	$1,384	$284	$5,762
Depreciation - Collection Vehicles	$5,228	$1,042	$2,634	$3,010	$492	$12,405
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$5,228	$1,042	$2,634	$3,010	$492	$12,405
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$10,775	$2,147	$5,430	$6,204	$1,294	$25,850
Operations	$2,428	$484	$1,224	$1,398	$265	$5,798
Vehicle Maintenance	$4,641	$925	$2,339	$2,672	$506	$11,082
Container Maintenance (using lifts for Agency Costs)	$1,549	$309	$780	$892	$186	$3,715
Total Allocated Indirect Costs excluding Depreciation and Interest	$19,393	$3,864	$9,772	$11,165	$2,251	$46,445
Total Allocated Indirect Depreciation Costs (Form 9)	$171	$34	$86	$98	$16	$405
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$45,088**	**$8,984**	**$22,720**	**$25,958**	**$5,118**	**$107,867**
Profit (insert Operating Ratio below) 90.5%	**$4,733**	**$943**	**$2,385**	**$2,725**	**$537**	**$11,323**
Total Operating Costs before Pass-Through Cost Allocation	**$49,821**	**$9,927**	**$25,105**	**$28,683**	**$5,655**	**$119,191**
Contractor Pass-Through Costs						
Interest Expense	$1,108	$221	$558	$638	$104	$2,630
Total Contractor Pass-Through Costs	**$1,108**	**$221**	**$558**	**$638**	**$104**	**$2,630**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$50,929**	**$10,148**	**$25,663**	**$29,321**	**$5,759**	**$121,820**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	11,700	1,586	10,868	147	
2015	11,648	1,508	10,764	175	
2016	14,144	3,120	11,544	185	
Rolling Three-Year Average	**12,497**	**2,071**	**11,059**	**169**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$10,246	$2,042	$5,163	$5,899	$1,187	$24,536
Benefits for CBAs	$4,790	$954	$2,414	$2,758	$555	$11,470
Payroll Taxes	$852	$170	$430	$491	$99	$2,041
Workers Compensation Insurance	$730	$145	$368	$420	$85	$1,748
Total Direct Labor Related-Costs	$16,618	$3,311	$8,374	$9,568	$1,925	$39,796
Direct Fuel Costs	$1,274	$254	$642	$734	$151	$3,055
Other Direct Costs	$2,404	$479	$1,211	$1,384	$284	$5,762
Depreciation - Collection Vehicles	$5,228	$1,042	$2,634	$3,010	$492	$12,405
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$5,228	$1,042	$2,634	$3,010	$492	$12,405
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$10,775	$2,147	$5,430	$6,204	$1,294	$25,850
Operations	$2,428	$484	$1,224	$1,398	$265	$5,798
Vehicle Maintenance	$4,641	$925	$2,339	$2,672	$506	$11,082
Container Maintenance (using lifts for Agency Costs)	$1,549	$309	$780	$892	$186	$3,715
Total Allocated Indirect Costs excluding Depreciation and Interest	$19,393	$3,864	$9,772	$11,165	$2,251	$46,445
Total Allocated Indirect Depreciation Costs (Form 9)	$171	$34	$86	$98	$16	$405
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$45,088**	**$8,984**	**$22,720**	**$25,958**	**$5,118**	**$107,867**
Profit (insert Operating Ratio below)	**$4,733**	**$943**	**$2,385**	**$2,725**	**$537**	**$11,323**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$49,821**	**$9,927**	**$25,105**	**$28,683**	**$5,655**	**$119,191**
Contractor Pass-Through Costs						
Interest Expense	$1,108	$221	$558	$638	$104	$2,630
Total Contractor Pass-Through Costs	**$1,108**	**$221**	**$558**	**$638**	**$104**	**$2,630**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$50,929**	**$10,148**	**$25,663**	**$29,321**	**$5,759**	**$121,820**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Carlos Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	11,700	1,586	10,868	147	
2015	11,648	1,508	10,764	175	
2016	14,144	3,120	11,544	185	
Prior Year Rolling Three-Year Average	**12,497**	**2,071**	**11,059**	**169**	
	Lifts	Lifts	Lifts	Hauls	
2014	11,700	1,586	10,868	147	
2015	11,648	1,508	10,764	175	
2016	14,144	3,120	11,544	185	
Current Year Rolling Three-Year Average	**12,497**	**2,071**	**11,059**	**169**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$10,246	$2,042	$5,163	$5,899	$1,187	$24,536
Benefits for CBAs	$4,790	$954	$2,414	$2,758	$555	$11,470
Payroll Taxes	$852	$170	$430	$491	$99	$2,041
Workers Compensation Insurance	$730	$145	$368	$420	$85	$1,748
Total Direct Labor Related-Costs	$16,618	$3,311	$8,374	$9,568	$1,925	$39,796
Direct Fuel Costs	$1,274	$254	$642	$734	$151	$3,055
Other Direct Costs	$2,404	$479	$1,211	$1,384	$284	$5,762
Depreciation - Collection Vehicles	$5,228	$1,042	$2,634	$3,010	$492	$12,405
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$5,228	$1,042	$2,634	$3,010	$492	$12,405
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$10,775	$2,147	$5,430	$6,204	$1,294	$25,850
Operations	$2,428	$484	$1,224	$1,398	$265	$5,798
Vehicle Maintenance	$4,641	$925	$2,339	$2,672	$506	$11,082
Container Maintenance (using lifts for Agency Costs)	$1,549	$309	$780	$892	$186	$3,715
Total Allocated Indirect Costs excluding Depreciation and Interest	$19,393	$3,864	$9,772	$11,165	$2,251	$46,445
Total Allocated Indirect Depreciation Costs (Form 9)	$171	$34	$86	$98	$16	$405
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$45,088**	**$8,984**	**$22,720**	**$25,958**	**$5,118**	**$107,867**
Profit (insert Operating Ratio below)	**$4,733**	**$943**	**$2,385**	**$2,725**	**$537**	**$11,323**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$49,821**	**$9,927**	**$25,105**	**$28,683**	**$5,655**	**$119,191**
Contractor Pass-Through Costs						
Interest Expense	$1,108	$221	$558	$638	$104	$2,630
Total Contractor Pass-Through Costs	**$1,108**	**$221**	**$558**	**$638**	**$104**	**$2,630**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$50,929**	**$10,148**	**$25,663**	**$29,321**	**$5,759**	**$121,820**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	20,438	20,398	19,651	7,614	20,438
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	*21.6%*	*21.6%*	*21.7%*	*25.8%*	*21.6%*
City Total Route Labor hours year	9,823.47	8,126.64	6,986.11	3,366.69	28,303
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	*21.2%*	*19.0%*	*17.9%*	*25.8%*	*20.0%*
City # of route hours/year	9,245.98	7,515.84	6,166.98	3,366.69	26,295
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	*21.6%*	*19.6%*	*17.6%*	*25.8%*	*20.3%*
City Total Containers in Service	20,742	20,627	20,125	7,614	69,108
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	*21.4%*	*21.4%*	*20.1%*	*25.8%*	*21.4%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$824,077	$605,601	$485,722	$231,523	$2,146,923
Benefits for CBAs	$380,719	$291,992	$228,662	$124,527	$1,025,900
Payroll Taxes	$68,563	$50,386	$40,412	$19,263	$178,624
Workers Compensation Insurance	$58,714	$43,146	$34,605	$16,495	$152,961
Total Direct Labor Related-Costs	$1,332,074	$991,125	$789,401	$391,808	$3,504,408
Direct Fuel Costs	$88,329	$81,908	$61,352	$10,940	$242,529
Other Direct Costs	$116,325	$107,869	$81,804	$17,497	$323,495
Depreciation - Collection Vehicles	$131,836	$112,248	$99,068	$10,083	$353,235
Depreciation - Containers	$57,520	$59,254	$66,835	$0	$183,610
Depreciation for Collection Equipment	$189,356	$171,502	$165,903	$10,083	$536,845
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$383,301	$398,393	$389,431	$18,836	$1,189,961
Operations	$78,053	$73,605	$64,695	$3,841	$220,194
Vehicle Maintenance	$149,178	$140,676	$123,648	$7,342	$420,844
Container Maintenance	$54,617	$56,745	$52,029	$2,707	$166,099
Total Allocated Indirect Costs excluding Depreciation and Interest	$665,150	$669,419	$629,803	$32,726	$1,997,098
Total Allocated Indirect Depreciation Costs (Form 9)	$4,712	$4,454	$4,014	$235	$13,415
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$2,395,946**	**$2,026,276**	**$1,732,277**	**$463,290**	**$6,617,790**
Profit (insert Operating Ratio below)	**$251,508**	**$212,703**	**$181,841**	**$48,633**	**$694,685**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$2,647,454**	**$2,238,979**	**$1,914,119**	**$511,923**	**$7,312,475**
Contractor Pass-Through Costs					
Interest Expense	$46,439	$42,061	$40,687	$2,473	$131,660
Total Contractor Pass-Through Costs	**$46,439**	**$42,061**	**$40,687**	**$2,473**	**$131,660**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$2,693,893**	**$2,281,040**	**$1,954,806**	**$514,396**	**$7,444,135**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	20,120	20,120	20,120	
2015	20,306	20,306	20,306	
2016	20,438	20,438	20,438	
Rolling Three-Year Average	**20,288**	**20,288**	**20,288**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$824,077	$605,601	$485,722	$231,523	$2,146,923
Benefits for CBAs	$380,719	$291,992	$228,662	$124,527	$1,025,900
Payroll Taxes	$68,563	$50,386	$40,412	$19,263	$178,624
Workers Compensation Insurance	$58,714	$43,146	$34,605	$16,495	$152,961
Total Direct Labor Related-Costs	$1,332,074	$991,125	$789,401	$391,808	$3,504,408
Direct Fuel Costs	$88,329	$81,908	$61,352	$10,940	$242,529
Other Direct Costs	$116,325	$107,869	$81,804	$17,497	$323,495
Depreciation - Collection Vehicles	$131,836	$112,248	$99,068	$10,083	$353,235
Depreciation - Containers	$57,520	$59,254	$66,835	$0	$183,610
Depreciation for Collection Equipment	$189,356	$171,502	$165,903	$10,083	$536,845
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$383,301	$398,393	$389,431	$18,836	$1,189,961
Operations	$78,053	$73,605	$64,695	$3,841	$220,194
Vehicle Maintenance	$149,178	$140,676	$123,648	$7,342	$420,844
Container Maintenance	$54,617	$56,745	$52,029	$2,707	$166,099
Total Allocated Indirect Costs excluding Depreciation and Interest	$665,150	$669,419	$629,803	$32,726	$1,997,098
Total Allocated Indirect Depreciation Costs (Form 9)	$4,712	$4,454	$4,014	$235	$13,415
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$2,395,946	$2,026,276	$1,732,277	$463,290	$6,617,790
Profit (insert Operating Ratio below)	$251,508	$212,703	$181,841	$48,633	$694,685
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	$2,647,454	$2,238,979	$1,914,119	$511,923	$7,312,475
Contractor Pass-Through Costs					
Interest Expense	$46,439	$42,061	$40,687	$2,473	$131,660
Total Contractor Pass-Through Costs	$46,439	$42,061	$40,687	$2,473	$131,660
TOTAL BASE CONTRACTOR'S COMPENSATION	$2,693,893	$2,281,040	$1,954,806	$514,396	$7,444,135

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	20,120	20,120	20,120	
2015	20,306	20,306	20,306	
2016	20,438	20,438	20,438	
Prior Year Rolling Three-Year Average	**20,288**	**20,288**	**20,288**	
	Accounts	Accounts	Accounts	
2014	20,120	20,120	20,120	
2015	20,306	20,306	20,306	
2016	20,438	20,438	20,438	
Current Year Rolling Three-Year Average	**20,288**	**20,288**	**20,288**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$824,077	$605,601	$485,722	$231,523	$2,146,923
Benefits for CBAs	$380,719	$291,992	$228,662	$124,527	$1,025,900
Payroll Taxes	$68,563	$50,386	$40,412	$19,263	$178,624
Workers Compensation Insurance	$58,714	$43,146	$34,605	$16,495	$152,961
Total Direct Labor Related-Costs	$1,332,074	$991,125	$789,401	$391,808	$3,504,408
Direct Fuel Costs	$88,329	$81,908	$61,352	$10,940	$242,529
Other Direct Costs	$116,325	$107,869	$81,804	$17,497	$323,495
Depreciation - Collection Vehicles	$131,836	$112,248	$99,068	$10,083	$353,235
Depreciation - Containers	$57,520	$59,254	$66,835	$0	$183,610
Depreciation for Collection Equipment	$189,356	$171,502	$165,903	$10,083	$536,845
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$383,301	$398,393	$389,431	$18,836	$1,189,961
Operations	$78,053	$73,605	$64,695	$3,841	$220,194
Vehicle Maintenance	$149,178	$140,676	$123,648	$7,342	$420,844
Container Maintenance	$54,617	$56,745	$52,029	$2,707	$166,099
Total Allocated Indirect Costs excluding Depreciation and Interest	$665,150	$669,419	$629,803	$32,726	$1,997,098
Total Allocated Indirect Depreciation Costs (Form 9)	$4,712	$4,454	$4,014	$235	$13,415
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$2,395,946**	**$2,026,276**	**$1,732,277**	**$463,290**	**$6,617,790**
Profit (insert Operating Ratio below)	**$251,508**	**$212,703**	**$181,841**	**$48,633**	**$694,685**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$2,647,454**	**$2,238,979**	**$1,914,119**	**$511,923**	**$7,312,475**
Contractor Pass-Through Costs					
Interest Expense	$46,439	$42,061	$40,687	$2,473	$131,660
Total Contractor Pass-Through Costs	**$46,439**	**$42,061**	**$40,687**	**$2,473**	**$131,660**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$2,693,893**	**$2,281,040**	**$1,954,806**	**$514,396**	**$7,444,135**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	2,627	2,561	312	60	7,614	5,560
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*25.4%*	*25.1%*	*18.2%*	*30.8%*	*25.8%*	*24.8%*
City Total Route Labor hours year	12,459.55	7,158.14	1,400.53	1,368.17	3,366.69	22,386
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*26.0%*	*26.4%*	*22.0%*	*22.2%*	*25.8%*	*25.6%*
City # of route hours/year	7,443.49	6,696.84	1,322.44	1,368.17	3,366.69	16,831
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*23.8%*	*26.5%*	*21.9%*	*22.2%*	*25.8%*	*24.5%*
City Total Containers in Service	4,681	5,473	386	80	7,614	10,620
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*27.1%*	*27.8%*	*18.7%*	*24.0%*	*25.8%*	*27.0%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,322,759	$533,617	$154,730	$108,946	$37,319	$2,157,371
Benefits for CBAs	$630,717	$239,013	$48,697	$38,623	$18,354	$975,405
Payroll Taxes	$110,054	$44,397	$12,873	$9,064	$3,105	$179,493
Workers Compensation Insurance	$94,242	$38,018	$11,025	$7,761	$2,659	$153,706
Total Direct Labor Related-Costs	$2,157,772	$855,045	$227,325	$164,395	$61,437	$3,465,975
Direct Fuel Costs	$115,293	$54,221	$20,658	$10,490	$4,058	$204,720
Other Direct Costs	$158,676	$87,283	$25,062	$19,904	$5,585	$296,509
Depreciation - Collection Vehicles	$142,072	$81,388	$36,864	$16,749	$3,864	$280,936
Depreciation - Containers	$32,763	$25,293	$16,050	$0	$964	$75,071
Depreciation for Collection Equipment	$174,835	$106,681	$52,914	$16,749	$4,828	$356,007
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$239,249	$249,730	$213,872	$177,810	$7,744	$888,405
Operations	$45,622	$53,866	$52,344	$26,144	$1,579	$179,555
Vehicle Maintenance	$87,194	$102,950	$100,043	$49,966	$3,018	$343,172
Container Maintenance	$36,678	$39,743	$31,617	$19,951	$1,113	$129,102
Total Allocated Indirect Costs excluding Depreciation and Interest	$408,744	$446,288	$397,876	$273,872	$13,455	$1,540,234
Total Allocated Indirect Depreciation Costs (Form 9)	$2,876	$3,308	$2,727	$1,881	$96	$10,888
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$3,018,196**	**$1,552,826**	**$726,562**	**$487,290**	**$89,459**	**$5,874,334**
Profit (Insert Operating Ratio below) 90.5%	**$316,827.15**	**$163,004**	**$76,269**	**$51,152**	**$9,391**	**$616,643**
Total Proposed Costs before Pass-Through Cost Allocation	**$3,335,023**	**$1,715,830**	**$802,831**	**$538,443**	**$98,850**	**$6,490,977**
Contractor Pass-Through Costs						
Interest Expense	$55,463	$33,842	$16,786	$5,313	$1,532	$112,936
Total Contractor Pass-Through Costs	**$55,463**	**$33,842**	**$16,786**	**$5,313**	**$1,532**	**$112,936**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$3,390,485**	**$1,749,673**	**$819,617**	**$543,756**	**$100,382**	**$6,603,913**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	381,576	379,639	33,826	1,536	
2015	372,593	396,747	38,454	1,221	
2016	368,771	407,030	42,445	1,211	
Rolling Three-Year Average	**374,313**	**394,472**	**38,242**	**1,323**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	**MFD & Commercial Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,322,759	$533,617	$154,730	$108,946	$37,319	$2,157,371
Benefits for CBAs	$630,717	$239,013	$48,697	$38,623	$18,354	$975,405
Payroll Taxes	$110,054	$44,397	$12,873	$9,064	$3,105	$179,493
Workers Compensation Insurance	$94,242	$38,018	$11,025	$7,761	$2,659	$153,706
Total Direct Labor Related-Costs	$2,157,772	$855,045	$227,325	$164,395	$61,437	$3,465,975
Direct Fuel Costs	$115,293	$54,221	$20,658	$10,490	$4,058	$204,720
Other Direct Costs	$158,676	$87,283	$25,062	$19,904	$5,585	$296,509
Depreciation - Collection Vehicles	$142,072	$81,388	$36,864	$16,749	$3,864	$280,936
Depreciation - Containers	$32,763	$25,293	$16,050	$0	$964	$75,071
Depreciation for Collection Equipment	$174,835	$106,681	$52,914	$16,749	$4,828	$356,007
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$239,249	$249,730	$213,872	$177,810	$7,744	$888,405
Operations	$45,622	$53,866	$52,344	$26,144	$1,579	$179,555
Vehicle Maintenance	$87,194	$102,950	$100,043	$49,966	$3,018	$343,172
Container Maintenance	$36,678	$39,743	$31,617	$19,951	$1,113	$129,102
Total Allocated Indirect Costs excluding Depreciation and Interest	$408,744	$446,288	$397,876	$273,872	$13,455	$1,540,234
Total Allocated Indirect Depreciation Costs (Form 9)	$2,876	$3,308	$2,727	$1,881	$96	$10,888
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$3,018,196**	**$1,552,826**	**$726,562**	**$487,290**	**$89,459**	**$5,874,334**
Profit (insert Operating Ratio below)	**$316,827**	**$163,004**	**$76,269**	**$51,152**	**$9,391**	**$616,643**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$3,335,023**	**$1,715,830**	**$802,831**	**$538,443**	**$98,850**	**$6,490,977**
Contractor Pass-Through Costs						
Interest Expense	$55,463	$33,842	$16,786	$5,313	$1,532	$112,936
Total Contractor Pass-Through Costs	**$55,463**	**$33,842**	**$16,786**	**$5,313**	**$1,532**	**$112,936**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$3,390,485**	**$1,749,673**	**$819,617**	**$543,756**	**$100,382**	**$6,603,913**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	381,576	379,639	33,826	1,536	
2015	372,593	396,747	38,454	1,221	
2016	368,771	407,030	42,445	1,211	
Prior Year Rolling Three-Year Average	**374,313**	**394,472**	**38,242**	**1,323**	
	Lifts	Lifts	Lifts	Hauls	
2014	381,576	379,639	33,826	1,536	
2015	372,593	396,747	38,454	1,221	
2016	368,771	407,030	42,445	1,211	
Current Year Rolling Three-Year Average	**374,313**	**394,472**	**38,242**	**1,323**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,322,759	$533,617	$154,730	$108,946	$37,319	$2,157,371
Benefits for CBAs	$630,717	$239,013	$48,697	$38,623	$18,354	$975,405
Payroll Taxes	$110,054	$44,397	$12,873	$9,064	$3,105	$179,493
Workers Compensation Insurance	$94,242	$38,018	$11,025	$7,761	$2,659	$153,706
Total Direct Labor Related-Costs	$2,157,772	$855,045	$227,325	$164,395	$61,437	$3,465,975
Direct Fuel Costs	$115,293	$54,221	$20,658	$10,490	$4,058	$204,720
Other Direct Costs	$158,676	$87,283	$25,062	$19,904	$5,585	$296,509
Depreciation - Collection Vehicles	$142,072	$81,388	$36,864	$16,749	$3,864	$280,936
Depreciation - Containers	$32,763	$25,293	$16,050	$0	$964	$75,071
Depreciation for Collection Equipment	$174,835	$106,681	$52,914	$16,749	$4,828	$356,007
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$239,249	$249,730	$213,872	$177,810	$7,744	$888,405
Operations	$45,622	$53,866	$52,344	$26,144	$1,579	$179,555
Vehicle Maintenance	$87,194	$102,950	$100,043	$49,966	$3,018	$343,172
Container Maintenance	$36,678	$39,743	$31,617	$19,951	$1,113	$129,102
Total Allocated Indirect Costs excluding Depreciation and Interest	$408,744	$446,288	$397,876	$273,872	$13,455	$1,540,234
Total Allocated Indirect Depreciation Costs (Form 9)	$2,876	$3,308	$2,727	$1,881	$96	$10,888
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$3,018,196**	**$1,552,826**	**$726,562**	**$487,290**	**$89,459**	**$5,874,334**
Profit (insert Operating Ratio below)	**$316,827**	**$163,004**	**$76,269**	**$51,152**	**$9,391**	**$616,643**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$3,335,023**	**$1,715,830**	**$802,831**	**$538,443**	**$98,850**	**$6,490,977**
Contractor Pass-Through Costs						
Interest Expense	$55,463	$33,842	$16,786	$5,313	$1,532	$112,936
Total Contractor Pass-Through Costs	**$55,463**	**$33,842**	**$16,786**	**$5,313**	**$1,532**	**$112,936**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$3,390,485**	**$1,749,673**	**$819,617**	**$543,756**	**$100,382**	**$6,603,913**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	45,656	4,836	12,974		20,438	63,466.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*18.8%*	*28.9%*	*19.9%*		*21.6%*	
City Total Route Labor hours year	910.77	55.81	160.17	299.97	1,426.72	1,126.75
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*19.4%*	*23.6%*	*16.1%*		*24.0%*	
City # of route hours/year	422.18	52.04	149.93		1,426.72	624.15
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*16.2%*	*23.2%*	*16.0%*		*24.0%*	
City # of Containers	128	79	123		20,742	330.00
SBWMA # of Conainers	842	256	528		96,806	
City # of Containers %	*15.2%*	*30.9%*	*23.3%*		*21.4%*	
	64%	4%	11%	21%		

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,498	$1,501	$4,308	$8,069	$2,475	$40,852
Benefits for CBAs	$11,453	$702	$2,014	$3,772	$1,157	$19,098
Payroll Taxes	$2,038	$125	$358	$671	$206	$3,399
Workers Compensation Insurance	$1,745	$107	$307	$575	$176	$2,910
Total Direct Labor Related-Costs	$39,735	$2,435	$6,988	$13,087	$4,015	$66,259
Direct Fuel Costs	$2,778	$170	$489	$915	$314	$4,666
Other Direct Costs	$5,240	$321	$921	$1,726	$593	$8,801
Depreciation - Collection Vehicles	$11,324	$694	$1,992	$3,730	$1,026	$18,765
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$11,324	$694	$1,992	$3,730	$1,026	$18,765
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$30,972	$1,898	$5,447	$10,201	$3,081	$51,598
Operations	$5,283	$324	$929	$1,740	$552	$8,828
Vehicle Maintenance	$10,098	$619	$1,776	$3,326	$1,055	$16,873
Container Maintenance (using lifts for Agency Costs)	$4,451	$273	$783	$1,466	$443	$7,415
Total Allocated Indirect Costs excluding Depreciation and Interest	$50,804	$3,113	$8,935	$16,733	$5,130	$84,714
Total Allocated Indirect Depreciation Costs (Form 9)	$370	$23	$65	$122	$33	$613
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$110,251**	**$6,756**	**$19,389**	**$36,311**	**$11,111**	**$183,818**
Profit (Insert Operating Ratio below)	$11,573	$709	$2,035	$3,812	$1,166	$19,296
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$121,824**	**$7,465**	**$21,424**	**$40,123**	**$12,277**	**$203,114**
Contractor Pass-Through Costs						
Interest Expense	$2,401	$147	$422	$791	$217	$3,978
Total Contractor Pass-Through Costs	**$2,401**	**$147**	**$422**	**$791**	**$217**	**$3,978**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$124,224**	**$7,612**	**$21,846**	**$40,914**	**$12,495**	**$207,091**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	30,849	4,134	10,829	266	
2015	45,487	5,096	13,013	247	
2016	45,656	4,836	12,974	320	
Rolling Three-Year Average	**40,664**	**4,689**	**12,272**	**278**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,498	$1,501	$4,308	$8,069	$2,475	$40,852
Benefits for CBAs	$11,453	$702	$2,014	$3,772	$1,157	$19,098
Payroll Taxes	$2,038	$125	$358	$671	$206	$3,399
Workers Compensation Insurance	$1,745	$107	$307	$575	$176	$2,910
Total Direct Labor Related-Costs	$39,735	$2,435	$6,988	$13,087	$4,015	$66,259
Direct Fuel Costs	$2,778	$170	$489	$915	$314	$4,666
Other Direct Costs	$5,240	$321	$921	$1,726	$593	$8,801
Depreciation - Collection Vehicles	$11,324	$694	$1,992	$3,730	$1,026	$18,765
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$11,324	$694	$1,992	$3,730	$1,026	$18,765
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$30,972	$1,898	$5,447	$10,201	$3,081	$51,598
Operations	$5,283	$324	$929	$1,740	$552	$8,828
Vehicle Maintenance	$10,098	$619	$1,776	$3,326	$1,055	$16,873
Container Maintenance (using lifts for Agency Costs)	$4,451	$273	$783	$1,466	$443	$7,415
Total Allocated Indirect Costs excluding Depreciation and Interest	$50,804	$3,113	$8,935	$16,733	$5,130	$84,714
Total Allocated Indirect Depreciation Costs (Form 9)	$370	$23	$65	$122	$33	$613
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$110,251**	**$6,756**	**$19,389**	**$36,311**	**$11,111**	**$183,818**
Profit (insert Operating Ratio below)	**$11,573**	**$709**	**$2,035**	**$3,812**	**$1,166**	**$19,296**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$121,824**	**$7,465**	**$21,424**	**$40,123**	**$12,277**	**$203,114**
Contractor Pass-Through Costs						
Interest Expense	$2,401	$147	$422	$791	$217	$3,978
Total Contractor Pass-Through Costs	**$2,401**	**$147**	**$422**	**$791**	**$217**	**$3,978**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$124,224**	**$7,612**	**$21,846**	**$40,914**	**$12,495**	**$207,091**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. City of San Mateo Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	30,849	4,134	10,829	266	
2015	45,487	5,096	13,013	247	
2016	45,656	4,836	12,974	320	
Prior Year Rolling Three-Year Average	**40,664**	**4,689**	**12,272**	**278**	
	Lifts	Lifts	Lifts	Hauls	
2014	30,849	4,134	10,829	266	
2015	45,487	5,096	13,013	247	
2016	45,656	4,836	12,974	320	
Current Year Rolling Three-Year Average	**40,664**	**4,689**	**12,272**	**278**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$24,498	$1,501	$4,308	$8,069	$2,475	$40,852
Benefits for CBAs	$11,453	$702	$2,014	$3,772	$1,157	$19,098
Payroll Taxes	$2,038	$125	$358	$671	$206	$3,399
Workers Compensation Insurance	$1,745	$107	$307	$575	$176	$2,910
Total Direct Labor Related-Costs	$39,735	$2,435	$6,988	$13,087	$4,015	$66,259
Direct Fuel Costs	$2,778	$170	$489	$915	$314	$4,666
Other Direct Costs	$5,240	$321	$921	$1,726	$593	$8,801
Depreciation - Collection Vehicles	$11,324	$694	$1,992	$3,730	$1,026	$18,765
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$11,324	$694	$1,992	$3,730	$1,026	$18,765
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$30,972	$1,898	$5,447	$10,201	$3,081	$51,598
Operations	$5,283	$324	$929	$1,740	$552	$8,828
Vehicle Maintenance	$10,098	$619	$1,776	$3,326	$1,055	$16,873
Container Maintenance (using lifts for Agency Costs)	$4,451	$273	$783	$1,466	$443	$7,415
Total Allocated Indirect Costs excluding Depreciation and Interest	$50,804	$3,113	$8,935	$16,733	$5,130	$84,714
Total Allocated Indirect Depreciation Costs (Form 9)	$370	$23	$65	$122	$33	$613
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$110,251**	**$6,756**	**$19,389**	**$36,311**	**$11,111**	**$183,818**
Profit (insert Operating Ratio below)	**$11,573**	**$709**	**$2,035**	**$3,812**	**$1,166**	**$19,296**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	$121,824	$7,465	$21,424	$40,123	$12,277	$203,114
Contractor Pass-Through Costs						
Interest Expense	$2,401	$147	$422	$791	$217	$3,978
Total Contractor Pass-Through Costs	**$2,401**	**$147**	**$422**	**$791**	**$217**	**$3,978**
TOTAL BASE CONTRACTOR'S COMPENSATION	$124,224	$7,612	$21,846	$40,914	$12,495	$207,091

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. County of San Mateo, North Fair Oaks Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	2,618	2,614	2,602	929	2,618.00
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580.00
City # of accounts %	*2.8%*	*2.8%*	*2.9%*	*3.1%*	*2.8%*
City Total Route Labor hours year	1,283.35	1,346.50	1,091.36	410.57	4,131.78
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248.11
City Total Route Labor hours year %	*2.8%*	*3.1%*	*2.8%*	*3.1%*	*2.9%*
City # of route hours/year	1,199.58	1,272.78	1,003.05	410.57	3,885.98
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222.33
City Total Route Labor hours year %	*2.8%*	*3.3%*	*2.9%*	*3.1%*	*3.0%*
City Total Containers in Service	2,991	2,827	2,831	929	9,578.00
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535.00
City Total Containers in Service %	*3.1%*	*2.9%*	*2.8%*	*3.1%*	*3.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	**B**	**C**	**D**	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$107,658	$100,342	$75,879	$28,234	$312,113
Benefits for CBAs	$49,738	$48,380	$35,721	$15,186	$149,025
Payroll Taxes	$8,957	$8,348	$6,313	$2,349	$25,968
Workers Compensation Insurance	$7,671	$7,149	$5,406	$2,012	$22,237
Total Direct Labor Related-Costs	$174,024	$164,219	$123,319	$47,781	$509,343
Direct Fuel Costs	$11,460	$13,871	$9,979	$1,334	$36,644
Other Direct Costs	$15,092	$18,267	$13,305	$2,134	$48,798
Depreciation - Collection Vehicles	$17,104	$19,009	$16,113	$1,230	$53,456
Depreciation - Containers	$8,294	$8,121	$9,402	$0	$25,817
Depreciation for Collection Equipment	$25,399	$27,130	$25,515	$1,230	$79,273
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$49,099	$51,054	$51,565	$2,298	$154,016
Operations	$10,127	$12,465	$10,523	$468	$33,582
Vehicle Maintenance	$19,354	$23,823	$20,111	$895	$64,184
Container Maintenance	$7,876	$7,777	$7,319	$330	$23,302
Total Allocated Indirect Costs excluding Depreciation and Interest	$86,456	$95,119	$89,518	$3,992	$275,084
Total Allocated Indirect Depreciation Costs (Form 9)	$611	$754	$653	$29	$2,047
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$313,042**	**$319,360**	**$262,289**	**$56,500**	**$951,190**
Profit (insert Operating Ratio below) 90.5%	**$32,861**	**$33,524**	**$27,533**	**$5,931**	**$99,849**
Total Proposed Costs before Pass-Through Cost Allocation	**$345,903**	**$352,884**	**$289,822**	**$62,431**	**$1,051,039**
Contractor Pass-Through Costs					
Interest Expense	$6,229	$6,654	$6,258	$302	$19,442
Total Contractor Pass-Through Costs	**$6,229**	**$6,654**	**$6,258**	**$302**	**$19,442**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$352,132**	**$359,538**	**$296,079**	**$62,732**	**$1,070,481**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	2,626	2,626	2,626	
2015	2,622	2,622	2,622	
2016	2,618	2,618	2,618	
Rolling Three-Year Average	**2,622**	**2,622**	**2,622**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. County of San Mateo, North Fair Oaks Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$107,658	$100,342	$75,879	$28,234	$312,113
Benefits for CBAs	$49,738	$48,380	$35,721	$15,186	$149,025
Payroll Taxes	$8,957	$8,348	$6,313	$2,349	$25,968
Workers Compensation Insurance	$7,671	$7,149	$5,406	$2,012	$22,237
Total Direct Labor Related-Costs	$174,024	$164,219	$123,319	$47,781	$509,343
Direct Fuel Costs	$11,460	$13,871	$9,979	$1,334	$36,644
Other Direct Costs	$15,092	$18,267	$13,305	$2,134	$48,798
Depreciation - Collection Vehicles	$17,104	$19,009	$16,113	$1,230	$53,456
Depreciation - Containers	$8,294	$8,121	$9,402	$0	$25,817
Depreciation for Collection Equipment	$25,399	$27,130	$25,515	$1,230	$79,273
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$49,099	$51,054	$51,565	$2,298	$154,016
Operations	$10,127	$12,465	$10,523	$468	$33,582
Vehicle Maintenance	$19,354	$23,823	$20,111	$895	$64,184
Container Maintenance	$7,876	$7,777	$7,319	$330	$23,302
Total Allocated Indirect Costs excluding Depreciation and Interest	$86,456	$95,119	$89,518	$3,992	$275,084
Total Allocated Indirect Depreciation Costs (Form 9)	$611	$754	$653	$29	$2,047
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$313,042**	**$319,360**	**$262,289**	**$56,500**	**$951,190**
Profit (insert Operating Ratio below)	**$32,861**	**$33,524**	**$27,533**	**$5,931**	**$99,849**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$345,903**	**$352,884**	**$289,822**	**$62,431**	**$1,051,039**
Contractor Pass-Through Costs					
Interest Expense	$6,229	$6,654	$6,258	$302	$19,442
Total Contractor Pass-Through Costs	**$6,229**	**$6,654**	**$6,258**	**$302**	**$19,442**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$352,132**	**$359,538**	**$296,079**	**$62,732**	**$1,070,481**

D. County of San Mateo, North Fair Oaks Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	2,626	2,626	2,626	
2015	2,622	2,622	2,622	
2016	2,618	2,618	2,618	
Prior Year Rolling Three-Year Average	**2,622**	**2,622**	**2,622**	
	Accounts	Accounts	Accounts	
2014	2,626	2,626	2,626	
2015	2,622	2,622	2,622	
2016	2,618	2,618	2,618	
Current Year Rolling Three-Year Average	**2,622**	**2,622**	**2,622**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$107,658	$100,342	$75,879	$28,234	$312,113
Benefits for CBAs	$49,738	$48,380	$35,721	$15,186	$149,025
Payroll Taxes	$8,957	$8,348	$6,313	$2,349	$25,968
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Direct Fuel Costs	$11,460	$13,871	$9,979	$1,334	$36,644
Other Direct Costs	$15,092	$18,267	$13,305	$2,134	$48,798
Depreciation - Collection Vehicles	$17,104	$19,009	$16,113	$1,230	$53,456
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Depreciation for Collection Equipment	$25,399	$27,130	$25,515	$1,230	$79,273
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$49,099	$51,054	$51,565	$2,298	$154,016
Operations	$10,127	$12,465	$10,523	$468	$33,582
Vehicle Maintenance	$19,354	$23,823	$20,111	$895	$64,184
Container Maintenance	$7,876	$7,777	$7,319	$330	$23,302
Total Allocated Indirect Costs excluding Depreciation and Interest	$86,456	$95,119	$89,518	$3,992	$275,084
Total Allocated Indirect Depreciation Costs (Form 9)	$611	$754	$653	$29	$2,047
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$313,042**	**$319,360**	**$262,289**	**$56,500**	**$951,190**
Profit (insert Operating Ratio below) 90.5%	**$32,861**	**$33,524**	**$27,533**	**$5,931**	**$99,849**
Total Proposed Costs before Pass-Through Cost Allocation	**$345,903**	**$352,884**	**$289,822**	**$62,431**	**$1,051,039**
Contractor Pass-Through Costs					
Interest Expense	$6,229	$6,654	$6,258	$302	$19,442
Total Contractor Pass-Through Costs	**$6,229**	**$6,654**	**$6,258**	**$302**	**$19,442**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$352,132**	**$359,538**	**$296,079**	**$62,732**	**$1,070,481**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. County of San Mateo, North Fair Oaks Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	469	454	50	0	929	973.00
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449.00
City # of Accounts %	*4.5%*	*4.4%*	*2.9%*	*0.0%*	*3.1%*	*4.3%*
City Total Route Labor hours year	2,007.27	773.90	189.62	-	410.57	2,970.79
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,507.53
City Total Route Labor hours year %	*4.2%*	*2.9%*	*3.0%*	*0.0%*	*3.1%*	*3.4%*
City # of route hours/year	1,210.07	742.21	186.34	-	410.57	2,138.62
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761.37
City # of route hours/year %	*3.9%*	*2.9%*	*3.1%*	*0.0%*	*3.1%*	*3.1%*
City Total Containers in Service	732	652	60	0	929	1,444.00
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353.00
City Total Containers in Service %	*4.2%*	*3.3%*	*2.9%*	*0.0%*	*3.1%*	*3.7%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$213,100	$57,692	$20,949	$0	$4,551	$296,292
Benefits for CBAs	$101,610	$25,841	$6,593	$0	$2,238	$136,283
Payroll Taxes	$17,730	$4,800	$1,743	$0	$379	$24,652
Workers Compensation Insurance	$15,183	$4,110	$1,493	$0	$324	$21,110
Total Direct Labor Related-Costs	$347,623	$92,443	$30,778	$0	$7,492	$478,337
Direct Fuel Costs	$18,743	$6,009	$2,911	$0	$495	$28,158
Other Direct Costs	$25,796	$9,674	$3,531	$0	$681	$39,682
Depreciation - Collection Vehicles	$23,096	$9,020	$5,194	$0	$471	$37,782
Depreciation - Containers	$5,123	$3,013	$2,495	$0	$118	$10,749
Depreciation for Collection Equipment	$28,220	$12,033	$7,689	$0	$589	$48,531
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$42,713	$44,271	$34,274	$0	$945	$122,203
Operations	$7,417	$5,970	$7,376	$0	$193	$20,955
Vehicle Maintenance	$14,175	$11,410	$14,097	$0	$368	$40,050
Container Maintenance	$5,736	$4,735	$4,914	$0	$136	$15,520
Total Allocated Indirect Costs excluding Depreciation and Interest	$70,041	$66,385	$60,661	$0	$1,641	$198,728
Total Allocated Indirect Depreciation Costs (Form 9)	$467	$367	$384	$0	$12	$1,230
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$490,890**	**$186,911**	**$105,955**	**$0**	**$10,910**	**$794,666**
Profit (insert Operating Ratio below) 90.5%	**$51,529.85**	**$19,620**	**$11,122**	**$0**	**$1,145**	**$83,418**
Total Proposed Costs before Pass-Through Cost Allocation	**$542,419**	**$206,531**	**$117,077**	**$0**	**$12,055**	**$878,084**
Contractor Pass-Through Costs						
Interest Expense	$9,047	$3,858	$2,465	$0	$189	$15,559
Total Contractor Pass-Through Costs	**$9,047**	**$3,858**	**$2,465**	**$0**	**$189**	**$15,559**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$551,467**	**$210,389**	**$119,542**	**$0**	**$12,244**	**$893,643**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	42,900	37,856	3,380	0	
2015	44,382	40,690	3,939	0	
2016	43,719	41,028	4,368	3	
Rolling Three-Year Average	**43,667**	**39,858**	**3,896**	**1**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. County of San Mateo, North Fair Oaks Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$213,100	$57,692	$20,949	$0	$4,551	$296,292
Benefits for CBAs	$101,610	$25,841	$6,593	$0	$2,238	$136,283
Payroll Taxes	$17,730	$4,800	$1,743	$0	$379	$24,652
Workers Compensation Insurance	$15,183	$4,110	$1,493	$0	$324	$21,110
Total Direct Labor Related-Costs	$347,623	$92,443	$30,778	$0	$7,492	$478,337
Direct Fuel Costs	$18,743	$6,009	$2,911	$0	$495	$28,158
Other Direct Costs	$25,796	$9,674	$3,531	$0	$681	$39,682
Depreciation - Collection Vehicles	$23,096	$9,020	$5,194	$0	$471	$37,782
Depreciation - Containers	$5,123	$3,013	$2,495	$0	$118	$10,749
Depreciation for Collection Equipment	$28,220	$12,033	$7,689	$0	$589	$48,531
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$42,713	$44,271	$34,274	$0	$945	$122,203
Operations	$7,417	$5,970	$7,376	$0	$193	$20,955
Vehicle Maintenance	$14,175	$11,410	$14,097	$0	$368	$40,050
Container Maintenance	$5,736	$4,735	$4,914	$0	$136	$15,520
Total Allocated Indirect Costs excluding Depreciation and Interest	$70,041	$66,385	$60,661	$0	$1,641	$198,728
Total Allocated Indirect Depreciation Costs (Form 9)	$467	$367	$384	$0	$12	$1,230
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$490,890**	**$186,911**	**$105,955**	**$0**	**$10,910**	**$794,666**
Profit (insert Operating Ratio below)	**$51,530**	**$19,620**	**$11,122**	**$0**	**$1,145**	**$83,418**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$542,419**	**$206,531**	**$117,077**	**$0**	**$12,055**	**$878,084**
Contractor Pass-Through Costs						
Interest Expense	$9,047	$3,858	$2,465	$0	$189	$15,559
Total Contractor Pass-Through Costs	**$9,047**	**$3,858**	**$2,465**	**$0**	**$189**	**$15,559**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$551,467**	**$210,389**	**$119,542**	**$0**	**$12,244**	**$893,643**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. County of San Mateo, North Fair Oaks Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	42,900	37,856	3,380	0	
2015	44,382	40,690	3,939	0	
2016	43,719	41,028	4,368	3	
Prior Year Rolling Three-Year Average	**43,667**	**39,858**	**3,896**	**1**	
	Lifts	Lifts	Lifts	Hauls	
2014	42,900	37,856	3,380	0	
2015	44,382	40,690	3,939	0	
2016	43,719	41,028	4,368	3	
Current Year Rolling Three-Year Average	**43,667**	**39,858**	**3,896**	**1**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$213,100	$57,692	$20,949	$0	$4,551	$296,292
Benefits for CBAs	$101,610	$25,841	$6,593	$0	$2,238	$136,283
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Depreciation - Containers	$5,123	$3,013	$2,495	$0	$118	$10,749
Depreciation for Collection Equipment	$28,220	$12,033	$7,689	$0	$589	$48,531
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$42,713	$44,271	$34,274	$0	$945	$122,203
Operations	$7,417	$5,970	$7,376	$0	$193	$20,955
Vehicle Maintenance	$14,175	$11,410	$14,097	$0	$368	$40,050
Container Maintenance	$5,736	$4,735	$4,914	$0	$136	$15,520
Total Allocated Indirect Costs excluding Depreciation and Interest	$70,041	$66,385	$60,661	$0	$1,641	$198,728
Total Allocated Indirect Depreciation Costs (Form 9)	$467	$367	$384	$0	$12	$1,230
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$490,890**	**$186,911**	**$105,955**	**$0**	**$10,910**	**$794,666**
Profit (insert Operating Ratio below)	**$51,530**	**$19,620**	**$11,122**	**$0**	**$1,145**	**$83,418**
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	**$542,419**	**$206,531**	**$117,077**	**$0**	**$12,055**	**$878,084**
Contractor Pass-Through Costs						
Interest Expense	$9,047	$3,858	$2,465	$0	$189	$15,559
Total Contractor Pass-Through Costs	**$9,047**	**$3,858**	**$2,465**	**$0**	**$189**	**$15,559**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$551,467**	**$210,389**	**$119,542**	**$0**	**$12,244**	**$893,643**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. County of San Mateo, North Fair Oaks Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	2,236	156	312		2,618	2,704.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*0.9%*	*0.9%*	*0.5%*		*2.8%*	
City Total Route Labor hours year	85.69	0.86	3.99	31.69	122.23	90.54
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*1.8%*	*0.4%*	*0.4%*		*2.1%*	
City # of route hours/year	46.85	0.86	3.90		122.23	51.61
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*1.8%*	*0.4%*	*0.4%*		*2.1%*	
City # of Containers (Lifts for example)	6	2	5		2,991	13.00
SBWMA # of Containers	842	256	528		96,806	
City # of Containers %	*0.7%*	*0.8%*	*0.9%*		*3.1%*	
	70%	1%	3%	26%		

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,807	$18	$84	$668	$199	$2,776
Benefits for CBAs	$845	$8	$39	$312	$93	$1,298
Payroll Taxes	$150	$2	$7	$56	$17	$231
Workers Compensation Insurance	$129	$1	$6	$48	$14	$198
Total Direct Labor Related-Costs	$2,931	$29	$136	$1,084	$323	$4,503
Direct Fuel Costs	$228	$2	$11	$84	$25	$351
Other Direct Costs	$431	$4	$20	$159	$48	$662
Depreciation - Collection Vehicles	$926	$9	$43	$342	$82	$1,403
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$926	$9	$43	$342	$82	$1,403
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$1,363	$14	$63	$504	$395	$2,339
Operations	$434	$4	$20	$160	$44	$663
Vehicle Maintenance	$829	$8	$39	$306	$85	$1,267
Container Maintenance (using lifts for Agency Costs)	$196	$2	$9	$72	$57	$336
Total Allocated Indirect Costs excluding Depreciation and Interest	$2,821	$28	$131	$1,043	$580	$4,605
Total Allocated Indirect Depreciation Costs (Form 9)	$30	$0	$1	$11	$3	$46
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$7,367**	**$74**	**$343**	**$2,724**	**$1,061**	**$11,569**
Profit (insert Operating Ratio below) 90.5%	**$773**	**$8**	**$36**	**$286**	**$111**	**$1,214**
Total Operating Costs before Pass-Through Cost Allocation	**$8,140**	**$82**	**$379**	**$3,010**	**$1,172**	**$12,784**
Contractor Pass-Through Costs						
Interest Expense	$196	$2	$9	$73	$17	$297
Total Contractor Pass-Through Costs	**$196**	**$2**	**$9**	**$73**	**$17**	**$297**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$8,337**	**$84**	**$388**	**$3,083**	**$1,190**	**$13,081**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	2,236	156	312	3	
2015	2,236	156	312	17	
2016	2,236	156	312	68	
Rolling Three-Year Average	**2,236**	**156**	**312**	**29**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. County of San Mateo, North Fair Oaks Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,807	$18	$84	$668	$199	$2,776
Benefits for CBAs	$845	$8	$39	$312	$93	$1,298
Payroll Taxes	$150	$2	$7	$56	$17	$231
Workers Compensation Insurance	$129	$1	$6	$48	$14	$198
Total Direct Labor Related-Costs	$2,931	$29	$136	$1,084	$323	$4,503
Direct Fuel Costs	$228	$2	$11	$84	$25	$351
Other Direct Costs	$431	$4	$20	$159	$48	$662
Depreciation - Collection Vehicles	$926	$9	$43	$342	$82	$1,403
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$926	$9	$43	$342	$82	$1,403
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$1,363	$14	$63	$504	$395	$2,339
Operations	$434	$4	$20	$160	$44	$663
Vehicle Maintenance	$829	$8	$39	$306	$85	$1,267
Container Maintenance (using lifts for Agency Costs)	$196	$2	$9	$72	$57	$336
Total Allocated Indirect Costs excluding Depreciation and Interest	$2,821	$28	$131	$1,043	$580	$4,605
Total Allocated Indirect Depreciation Costs (Form 9)	$30	$0	$1	$11	$3	$46
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$7,367**	**$74**	**$343**	**$2,724**	**$1,061**	**$11,569**
Profit (insert Operating Ratio below)	**$773**	**$8**	**$36**	**$286**	**$111**	**$1,214**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$8,140**	**$82**	**$379**	**$3,010**	**$1,172**	**$12,784**
Contractor Pass-Through Costs						
Interest Expense	$196	$2	$9	$73	$17	$297
Total Contractor Pass-Through Costs	**$196**	**$2**	**$9**	**$73**	**$17**	**$297**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$8,337**	**$84**	**$388**	**$3,083**	**$1,190**	**$13,081**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. County of San Mateo, North Fair Oaks Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	2,236	156	312	3	
2015	2,236	156	312	17	
2016	2,236	156	312	68	
Prior Year Rolling Three-Year Average	**2,236**	**156**	**312**	**29**	
	Lifts	Lifts	Lifts	Hauls	
2014	2,236	156	312	3	
2015	2,236	156	312	17	
2016	2,236	156	312	68	
Current Year Rolling Three-Year Average	**2,236**	**156**	**312**	**29**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$1,807	$18	$84	$668	$199	$2,776
Benefits for CBAs	$845	$8	$39	$312	$93	$1,298
Payroll Taxes	$150	$2	$7	$56	$17	$231
Workers Compensation Insurance	$129	$1	$6	$48	$14	$198
Total Direct Labor Related-Costs	$2,931	$29	$136	$1,084	$323	$4,503
Direct Fuel Costs	$228	$2	$11	$84	$25	$351
Other Direct Costs	$431	$4	$20	$159	$48	$662
Depreciation - Collection Vehicles	$926	$9	$43	$342	$82	$1,403
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$926	$9	$43	$342	$82	$1,403
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$1,363	$14	$63	$504	$395	$2,339
Operations	$434	$4	$20	$160	$44	$663
Vehicle Maintenance	$829	$8	$39	$306	$85	$1,267
Container Maintenance (using lifts for Agency Costs)	$196	$2	$9	$72	$57	$336
Total Allocated Indirect Costs excluding Depreciation and Interest	$2,821	$28	$131	$1,043	$580	$4,605
Total Allocated Indirect Depreciation Costs (Form 9)	$30	$0	$1	$11	$3	$46
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$7,367**	**$74**	**$343**	**$2,724**	**$1,061**	**$11,569**
Profit (insert Operating Ratio below)	$773	$8	$36	$286	$111	$1,214
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$8,140**	**$82**	**$379**	**$3,010**	**$1,172**	**$12,784**
Contractor Pass-Through Costs						
Interest Expense	$196	$2	$9	$73	$17	$297
Total Contractor Pass-Through Costs	**$196**	**$2**	**$9**	**$73**	**$17**	**$297**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$8,337**	**$84**	**$388**	**$3,083**	**$1,190**	**$13,081**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. West Bay Sanitary District Allocated Costs - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	2,215	2,214	2,204	557	2,215
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	*2.3%*	*2.3%*	*2.4%*	*1.9%*	*2.3%*
City Total Route Labor hours year	1,112.34	1,157.13	1,064.49	246.34	3,580
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	*2.4%*	*2.7%*	*2.7%*	*1.9%*	*2.5%*
City # of route hours/year	975.26	1,044.44	973.02	246.34	3,239
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	*2.3%*	*2.7%*	*2.8%*	*1.9%*	*2.5%*
City Total Containers in Service	2,237	2,266	2,566	557	7,626
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	*2.3%*	*2.4%*	*2.6%*	*1.9%*	*2.4%*

Single Family Dwelling	Solid Waste A	Targeted Recyclable Materials B	Organic Materials (including Holiday Trees) C	Two On-Call Collection Events D	Single Family Dwelling Total
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$93,313	$86,230	$74,011	$16,940	$270,493
Benefits for CBAs	$43,110	$41,576	$34,842	$9,112	$128,639
Payroll Taxes	$7,764	$7,174	$6,158	$1,409	$22,505
Workers Compensation Insurance	$6,648	$6,143	$5,273	$1,207	$19,272
Total Direct Labor Related-Costs	$150,835	$141,123	$120,283	$28,669	$440,909
Direct Fuel Costs	$9,317	$11,382	$9,680	$800	$31,180
Other Direct Costs	$12,270	$14,990	$12,907	$1,280	$41,447
Depreciation - Collection Vehicles	$13,906	$15,599	$15,631	$738	$45,873
Depreciation - Containers	$6,204	$6,509	$8,522	$0	$21,235
Depreciation for Collection Equipment	$20,109	$22,108	$24,153	$738	$67,108
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$41,541	$43,242	$43,677	$1,378	$129,838
Operations	$8,233	$10,228	$10,208	$281	$28,950
Vehicle Maintenance	$15,735	$19,549	$19,509	$537	$55,331
Container Maintenance	$5,890	$6,234	$6,634	$198	$18,956
Total Allocated Indirect Costs excluding Depreciation and Interest	$71,399	$79,253	$80,028	$2,394	$233,075
Total Allocated Indirect Depreciation Costs (Form 9)	$497	$619	$633	$17	$1,766
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$264,427**	**$269,475**	**$247,684**	**$33,899**	**$815,485**
Profit (insert Operating Ratio below) 90.5%	**$27,758**	**$28,287**	**$26,000**	**$3,558**	**$85,603**
Total Proposed Costs before Pass-Through Cost Allocation	**$292,185**	**$297,763**	**$273,684**	**$37,457**	**$901,088**
Contractor Pass-Through Costs					
Interest Expense	$4,932	$5,422	$5,923	$181	$16,458
Total Contractor Pass-Through Costs	**$4,932**	**$5,422**	**$5,923**	**$181**	**$16,458**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$297,117**	**$303,185**	**$279,607**	**$37,638**	**$917,546**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts	Accounts	Accounts	
2014	2,208	2,208	2,208	
2015	2,215	2,215	2,215	
2016	2,215	2,215	2,215	
Rolling Three-Year Average	**2,213**	**2,213**	**2,213**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. West Bay Sanitary District Allocated Costs - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$93,313	$86,230	$74,011	$16,940	$270,493
Benefits for CBAs	$43,110	$41,576	$34,842	$9,112	$128,639
Payroll Taxes	$7,764	$7,174	$6,158	$1,409	$22,505
Workers Compensation Insurance	$6,648	$6,143	$5,273	$1,207	$19,272
Total Direct Labor Related-Costs	$150,835	$141,123	$120,283	$28,669	$440,909
Direct Fuel Costs	$9,317	$11,382	$9,680	$800	$31,180
Other Direct Costs	$12,270	$14,990	$12,907	$1,280	$41,447
Depreciation - Collection Vehicles	$13,906	$15,599	$15,631	$738	$45,873
Depreciation - Containers	$6,204	$6,509	$8,522	$0	$21,235
Depreciation for Collection Equipment	$20,109	$22,108	$24,153	$738	$67,108
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$41,541	$43,242	$43,677	$1,378	$129,838
Operations	$8,233	$10,228	$10,208	$281	$28,950
Vehicle Maintenance	$15,735	$19,549	$19,509	$537	$55,331
Container Maintenance	$5,890	$6,234	$6,634	$198	$18,956
Total Allocated Indirect Costs excluding Depreciation and Interest	$71,399	$79,253	$80,028	$2,394	$233,075
Total Allocated Indirect Depreciation Costs (Form 9)	$497	$619	$633	$17	$1,766
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$264,427**	**$269,475**	**$247,684**	**$33,899**	**$815,485**
Profit (insert Operating Ratio below)	**$27,758**	**$28,287**	**$26,000**	**$3,558**	**$85,603**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$292,185**	**$297,763**	**$273,684**	**$37,457**	**$901,088**
Contractor Pass-Through Costs					
Interest Expense	$4,932	$5,422	$5,923	$181	$16,458
Total Contractor Pass-Through Costs	**$4,932**	**$5,422**	**$5,923**	**$181**	**$16,458**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$297,117**	**$303,185**	**$279,607**	**$37,638**	**$917,546**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. West Bay Sanitary District Allocated Costs - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	2,208	2,208	2,208	
2015	2,215	2,215	2,215	
2016	2,215	2,215	2,215	
Prior Year Rolling Three-Year Average	**2,213**	**2,213**	**2,213**	
	Accounts	Accounts	Accounts	
2014	2,208	2,208	2,208	
2015	2,215	2,215	2,215	
2016	2,215	2,215	2,215	
Current Year Rolling Three-Year Average	**2,213**	**2,213**	**2,213**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$93,313	$86,230	$74,011	$16,940	$270,493
Benefits for CBAs	$43,110	$41,576	$34,842	$9,112	$128,639
Payroll Taxes	$7,764	$7,174	$6,158	$1,409	$22,505
Workers Compensation Insurance	$6,648	$6,143	$5,273	$1,207	$19,272
Total Direct Labor Related-Costs	$150,835	$141,123	$120,283	$28,669	$440,909
Direct Fuel Costs	$9,317	$11,382	$9,680	$800	$31,180
Other Direct Costs	$12,270	$14,990	$12,907	$1,280	$41,447
Depreciation - Collection Vehicles	$13,906	$15,599	$15,631	$738	$45,873
Depreciation - Containers	$6,204	$6,509	$8,522	$0	$21,235
Depreciation for Collection Equipment	$20,109	$22,108	$24,153	$738	$67,108
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$41,541	$43,242	$43,677	$1,378	$129,838
Operations	$8,233	$10,228	$10,208	$281	$28,950
Vehicle Maintenance	$15,735	$19,549	$19,509	$537	$55,331
Container Maintenance	$5,890	$6,234	$6,634	$198	$18,956
Total Allocated Indirect Costs excluding Depreciation and Interest	$71,399	$79,253	$80,028	$2,394	$233,075
Total Allocated Indirect Depreciation Costs (Form 9)	$497	$619	$633	$17	$1,766
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$264,427**	**$269,475**	**$247,684**	**$33,899**	**$815,485**
Profit (insert Operating Ratio below)	**$27,758**	**$28,287**	**$26,000**	**$3,558**	**$85,603**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$292,185**	**$297,763**	**$273,684**	**$37,457**	**$901,088**
Contractor Pass-Through Costs					
Interest Expense	$4,932	$5,422	$5,923	$181	$16,458
Total Contractor Pass-Through Costs	**$4,932**	**$5,422**	**$5,923**	**$181**	**$16,458**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$297,117**	**$303,185**	**$279,607**	**$37,638**	**$917,546**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. West Bay Sanitary District Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	33	36	16	0	557	85
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*0.3%*	*0.4%*	*0.9%*	*0.0%*	*1.9%*	*0.4%*
City Total Route Labor hours year	277.23	178.45	68.71	0.00	246.34	524
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*0.6%*	*0.7%*	*1.1%*	*0.0%*	*1.9%*	*0.6%*
City # of route hours/year	197.41	171.48	68.50	0.00	246.34	437
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*0.6%*	*0.7%*	*1.1%*	*0.0%*	*1.9%*	*0.6%*
City Total Containers in Service (Lifts for example)	55	85	19	0	557	159
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*0.3%*	*0.4%*	*0.9%*	*0.0%*	*1.9%*	*0.4%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$29,432	$13,303	$7,591	$0	$2,731	$53,056
Benefits for CBAs	$14,034	$5,959	$2,389	$0	$1,343	$23,724
Payroll Taxes	$2,449	$1,107	$632	$0	$227	$4,414
Workers Compensation Insurance	$2,097	$948	$541	$0	$195	$3,780
Total Direct Labor Related-Costs	$48,011	$21,316	$11,153	$0	$4,495	$84,975
Direct Fuel Costs	$3,058	$1,388	$1,070	$0	$297	$5,813
Other Direct Costs	$4,208	$2,235	$1,298	$0	$409	$8,150
Depreciation - Collection Vehicles	$3,768	$2,084	$1,909	$0	$283	$8,044
Depreciation - Containers	$385	$393	$790	$0	$71	$1,638
Depreciation for Collection Equipment	$4,153	$2,477	$2,700	$0	$353	$9,682
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$3,005	$3,510	$10,968	$0	$567	$18,050
Operations	$1,210	$1,379	$2,711	$0	$116	$5,416
Vehicle Maintenance	$2,312	$2,636	$5,182	$0	$221	$10,352
Container Maintenance	$431	$617	$1,556	$0	$81	$2,686
Total Allocated Indirect Costs excluding Depreciation and Interest	$6,959	$8,143	$20,417	$0	$984	$36,504
Total Allocated Indirect Depreciation Costs (Form 9)	$76	$85	$141	$0	$7	$309
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	$66,465	$35,644	$36,779	$0	$6,546	$145,434
Profit (insert Operating Ratio below) 90.5%	$6,977.01	$3,742	$3,861	$0	$687	$15,267
Total Proposed Costs before Pass-Through Cost Allocation	$73,442	$39,386	$40,640	$0	$7,233	$160,700
Contractor Pass-Through Costs						
Interest Expense	$1,331	$794	$865	$0	$113	$3,104
Total Contractor Pass-Through Costs	$1,331	$794	$865	$0	$113	$3,104
TOTAL BASE CONTRACTOR'S COMPENSATION	$74,774	$40,180	$41,505	$0	$7,346	$163,805

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	3,848	5,876	741	0	
2015	3,705	6,201	871	0	
2016	3,796	6,188	1,248	0	
Rolling Three-Year Average	**3,783**	**6,088**	**953**	-	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. West Bay Sanitary District Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$29,432	$13,303	$7,591	$0	$2,731	$53,056
Benefits for CBAs	$14,034	$5,959	$2,389	$0	$1,343	$23,724
Payroll Taxes	$2,449	$1,107	$632	$0	$227	$4,414
Workers Compensation Insurance	$2,097	$948	$541	$0	$195	$3,780
Total Direct Labor Related-Costs	$48,011	$21,316	$11,153	$0	$4,495	$84,975
Direct Fuel Costs	$3,058	$1,388	$1,070	$0	$297	$5,813
Other Direct Costs	$4,208	$2,235	$1,298	$0	$409	$8,150
Depreciation - Collection Vehicles	$3,768	$2,084	$1,909	$0	$283	$8,044
Depreciation - Containers	$385	$393	$790	$0	$71	$1,638
Depreciation for Collection Equipment	$4,153	$2,477	$2,700	$0	$353	$9,682
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$3,005	$3,510	$10,968	$0	$567	$18,050
Operations	$1,210	$1,379	$2,711	$0	$116	$5,416
Vehicle Maintenance	$2,312	$2,636	$5,182	$0	$221	$10,352
Container Maintenance	$431	$617	$1,556	$0	$81	$2,686
Total Allocated Indirect Costs excluding Depreciation and Interest	$6,959	$8,143	$20,417	$0	$984	$36,504
Total Allocated Indirect Depreciation Costs (Form 9)	$76	$85	$141	$0	$7	$309
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$66,465**	**$35,644**	**$36,779**	**$0**	**$6,546**	**$145,434**
Profit (Insert Operating Ratio below) 90.5%	$6,977	$3,742	$3,861	$0	$687	$15,267
Total Proposed Costs before Pass-Through Cost Allocation	$73,442	$39,386	$40,640	$0	$7,233	$160,700
Contractor Pass-Through Costs						
Interest Expense	$1,331	$794	$865	$0	$113	$3,104
Total Contractor Pass-Through Costs	$1,331	$794	$865	$0	$113	$3,104
TOTAL BASE CONTRACTOR'S COMPENSATION	$74,774	$40,180	$41,505	$0	$7,346	$163,805

D. West Bay Sanitary District Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	3,848	5,876	741	0	
2015	3,705	6,201	871	0	
2016	3,796	6,188	1,248	0	
Prior Year Rolling Three-Year Average	**3,783**	**6,088**	**953**	-	
	Lifts	Lifts	Lifts	Hauls	
2014	3,848	5,876	741	0	
2015	3,705	6,201	871	0	
2016	3,796	6,188	1,248	0	
Current Year Rolling Three-Year Average	**3,783**	**6,088**	**953**	-	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$29,432	$13,303	$7,591	$0	$2,731	$53,056
Benefits for CBAs	$14,034	$5,959	$2,389	$0	$1,343	$23,724
Payroll Taxes	$2,449	$1,107	$632	$0	$227	$4,414
Workers Compensation Insurance	$2,097	$948	$541	$0	$195	$3,780
Total Direct Labor Related-Costs	$48,011	$21,316	$11,153	$0	$4,495	$84,975
Direct Fuel Costs	$3,058	$1,388	$1,070	$0	$297	$5,813
Other Direct Costs	$4,208	$2,235	$1,298	$0	$409	$8,150
Depreciation - Collection Vehicles	$3,768	$2,084	$1,909	$0	$283	$8,044
Depreciation - Containers	$385	$393	$790	$0	$71	$1,638
Depreciation for Collection Equipment	$4,153	$2,477	$2,700	$0	$353	$9,682
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$3,005	$3,510	$10,968	$0	$567	$18,050
Operations	$1,210	$1,379	$2,711	$0	$116	$5,416
Vehicle Maintenance	$2,312	$2,636	$5,182	$0	$221	$10,352
Container Maintenance	$431	$617	$1,556	$0	$81	$2,686
Total Allocated Indirect Costs excluding Depreciation and Interest	$6,959	$8,143	$20,417	$0	$984	$36,504
Total Allocated Indirect Depreciation Costs (Form 9)	$76	$85	$141	$0	$7	$309
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$66,465**	**$35,644**	**$36,779**	**$0**	**$6,546**	**$145,434**
Profit (insert Operating Ratio below) 90.5%	$6,977	$3,742	$3,861	$0	$687	$15,267
Total Proposed Costs before Pass-Through Cost Allocation	**$73,442**	**$39,386**	**$40,640**	**$0**	**$7,233**	**$160,700**
Contractor Pass-Through Costs						
Interest Expense	$1,331	$794	$865	$0	$113	$3,104
Total Contractor Pass-Through Costs	**$1,331**	**$794**	**$865**	**$0**	**$113**	**$3,104**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$74,774**	**$40,180**	**$41,505**	**$0**	**$7,346**	**$163,805**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. West Bay Sanitary District Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	156	65	52		2,215	273.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*0.1%*	*0.4%*	*0.1%*		*2.3%*	
City Total Route Labor hours year	2.78	1.13	4.55	0.00	8.46	8.46
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*0.1%*	*0.5%*	*0.5%*		*0.1%*	
City # of route hours/year	2.65	1.13	4.37		8.46	8.15
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*0.1%*	*0.5%*	*0.5%*		*0.1%*	
City # of Containers	1	1	1		2,237	3.00
SBWMA # of Conainers	842	256	528		96,806	
City # of Containers %	*0.1%*	*0.4%*	*0.2%*		*2.3%*	
	33%	13%	54%	0%		

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$139	$56	$227	$0	$19	$441
Benefits for CBAs	$65	$26	$106	$0	$9	$206
Payroll Taxes	$12	$5	$19	$0	$2	$37
Workers Compensation Insurance	$10	$4	$16	$0	$1	$31
Total Direct Labor Related-Costs	$225	$92	$369	$0	$30	$716
Direct Fuel Costs	$20	$8	$33	$0	$2	$64
Other Direct Costs	$38	$16	$63	$0	$4	$121
Depreciation - Collection Vehicles	$82	$33	$134	$0	$8	$256
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$82	$33	$134	$0	$8	$256
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$88	$36	$145	$0	$334	$603
Operations	$38	$16	$63	$0	$4	$121
Vehicle Maintenance	$73	$30	$120	$0	$8	$231
Container Maintenance (using lifts for Agency Costs)	$13	$5	$21	$0	$48	$87
Total Allocated Indirect Costs excluding Depreciation and Interest	$213	$87	$349	$0	$394	$1,042
Total Allocated Indirect Depreciation Costs (Form 9)	$3	$1	$4	$0	$0	$8
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$581**	**$236**	**$951**	**$0**	**$439**	**$2,207**
Profit (insert Operating Ratio below) 90.5%	**$61**	**$25**	**$100**	**$0**	**$46**	**$232**
Total Operating Costs before Pass-Through Cost Allocation	**$642**	**$261**	**$1,051**	**$0**	**$485**	**$2,439**
Contractor Pass-Through Costs						
Interest Expense	$17	$7	$28	$0	$2	$54
Total Contractor Pass-Through Costs	**$17**	**$7**	**$28**	**$0**	**$2**	**$54**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$659**	**$268**	**$1,079**	**$0**	**$487**	**$2,493**

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Lifts	Lifts	Lifts	Hauls
2014	156	65	52	0
2015	156	65	52	0
2016	156	65	52	0
Rolling Three-Year Average	**156**	**65**	**52**	-

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. West Bay Sanitary District Allocated Costs - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$139	$56	$227	$0	$19	$441
Benefits for CBAs	$65	$26	$106	$0	$9	$206
Payroll Taxes	$12	$5	$19	$0	$2	$37
Workers Compensation Insurance	$10	$4	$16	$0	$1	$31
Total Direct Labor Related-Costs	$225	$92	$369	$0	$30	$716
Direct Fuel Costs	$20	$8	$33	$0	$2	$64
Other Direct Costs	$38	$16	$63	$0	$4	$121
Depreciation - Collection Vehicles	$82	$33	$134	$0	$8	$256
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$82	$33	$134	$0	$8	$256
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$88	$36	$145	$0	$334	$603
Operations	$38	$16	$63	$0	$4	$121
Vehicle Maintenance	$73	$30	$120	$0	$8	$231
Container Maintenance (using lifts for Agency Costs)	$13	$5	$21	$0	$48	$87
Total Allocated Indirect Costs excluding Depreciation and Interest	$213	$87	$349	$0	$394	$1,042
Total Allocated Indirect Depreciation Costs (Form 9)	$3	$1	$4	$0	$0	$8
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$581**	**$236**	**$951**	**$0**	**$439**	**$2,207**
Profit (insert Operating Ratio below) 90.5%	$61	$25	$100	$0	$46	$232
Total Operating Costs before Pass-Through Cost Allocation	$642	$261	$1,051	$0	$485	$2,439
Contractor Pass-Through Costs						
Interest Expense	$17	$7	$28	$0	$2	$54
Total Contractor Pass-Through Costs	$17	$7	$28	$0	$2	$54
TOTAL BASE CONTRACTOR'S COMPENSATION	$659	$268	$1,079	$0	$487	$2,493

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. West Bay Sanitary District Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	156	65	52	0	
2015	156	65	52	0	
2016	156	65	52	0	
Prior Year Rolling Three-Year Average	**156**	**65**	**52**	-	
	Lifts	Lifts	Lifts	Hauls	
2014	156	65	52	0	
2015	156	65	52	0	
2016	156	65	52	0	
Current Year Rolling Three-Year Average	**156**	**65**	**52**	-	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$139	$56	$227	$0	$19	$441
Benefits for CBAs	$65	$26	$106	$0	$9	$206
Payroll Taxes	$12	$5	$19	$0	$2	$37
Workers Compensation Insurance	$10	$4	$16	$0	$1	$31
Total Direct Labor Related-Costs	$225	$92	$369	$0	$30	$716
Direct Fuel Costs	$20	$8	$33	$0	$2	$64
Other Direct Costs	$38	$16	$63	$0	$4	$121
Depreciation - Collection Vehicles	$82	$33	$134	$0	$8	$256
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$82	$33	$134	$0	$8	$256
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$88	$36	$145	$0	$334	$603
Operations	$38	$16	$63	$0	$4	$121
Vehicle Maintenance	$73	$30	$120	$0	$8	$231
Container Maintenance (using lifts for Agency Costs)	$13	$5	$21	$0	$48	$87
Total Allocated Indirect Costs excluding Depreciation and Interest	$213	$87	$349	$0	$394	$1,042
Total Allocated Indirect Depreciation Costs (Form 9)	$3	$1	$4	$0	$0	$8
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$581**	**$236**	**$951**	**$0**	**$439**	**$2,207**
Profit (insert Operating Ratio below) 90.5%	**$61**	**$25**	**$100**	**$0**	**$46**	**$232**
Total Operating Costs before Pass-Through Cost Allocation	**$642**	**$261**	**$1,051**	**$0**	**$485**	**$2,439**
Contractor Pass-Through Costs						
Interest Expense	$17	$7	$28	$0	$2	$54
Total Contractor Pass-Through Costs	**$17**	**$7**	**$28**	**$0**	**$2**	**$54**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$659**	**$268**	**$1,079**	**$0**	**$487**	**$2,493**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - SFD

Statistics Used for Year 2021 Cost Allocation Only					Total
City # of accounts	5,072	5,063	5,044	1,399	5,072
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	5.4%	5.4%	5.6%	4.7%	5.4%
City Total Route Labor hours year	2,639.32	2,480.08	2,606.57	618.60	8,345
SBWMA Total Route Labor hours year	46,232.55	42,856.20	39,114.12	13,045.24	141,248
City Total Route Labor hours year %	5.7%	5.8%	6.7%	4.7%	5.9%
City # of route hours/year	2,408.37	2,100.54	2,315.25	618.60	7,443
SBWMA # of route hours/year	42,847.89	38,380.04	34,949.16	13,045.24	129,222
City Total Route Labor hours year %	5.6%	5.5%	6.6%	4.7%	5.8%
City Total Containers in Service	5,099	5,103	5,260	1,399	16,861
SBWMA Total Containers in Service	96,806	96,284	99,941	29,504	322,535
City Total Containers in Service %	5.3%	5.3%	5.3%	4.7%	5.2%

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$221,409	$184,816	$181,226	$42,540	$629,992
Benefits for CBAs	$102,290	$89,110	$85,315	$22,881	$299,596
Payroll Taxes	$18,421	$15,377	$15,078	$3,539	$52,415
Workers Compensation Insurance	$15,775	$13,167	$12,912	$3,031	$44,885
Total Direct Labor Related-Costs	$357,895	$302,470	$294,531	$71,991	$1,026,887
Direct Fuel Costs	$23,008	$22,892	$23,033	$2,010	$70,943
Other Direct Costs	$30,300	$30,147	$30,711	$3,215	$94,374
Depreciation - Collection Vehicles	$34,340	$31,371	$37,193	$1,853	$104,757
Depreciation - Containers	$14,140	$14,659	$17,468	$0	$46,268
Depreciation for Collection Equipment	$48,480	$46,030	$54,661	$1,853	$151,025
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$95,122	$98,885	$99,959	$3,461	$297,427
Operations	$20,331	$20,571	$24,288	$706	$65,896
Vehicle Maintenance	$38,857	$39,316	$46,421	$1,349	$125,944
Container Maintenance	$13,427	$14,038	$13,599	$497	$41,561
Total Allocated Indirect Costs excluding Depreciation and Interest	$167,737	$172,811	$184,267	$6,013	$530,828
Total Allocated Indirect Depreciation Costs (Form 9)	$1,227	$1,245	$1,507	$43	$4,022
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$628,648**	**$575,595**	**$588,711**	**$85,126**	**$1,878,079**
Profit (insert Operating Ratio below) 90.5%	$65,991	$60,422	$61,798	$8,936	$197,146
Total Proposed Costs before Pass-Through Cost Allocation	$694,638	$636,017	$650,509	$94,061	$2,075,226
Contractor Pass-Through Costs					
Interest Expense	$11,890	$11,289	$13,406	$454	$37,039
Total Contractor Pass-Through Costs	**$11,890**	**$11,289**	**$13,406**	**$454**	**$37,039**
TOTAL BASE CONTRACTOR'S COMPENSATION	$706,528	$647,306	$663,915	$94,516	$2,112,264

Service Level Statistics Used for Future Service Level Cost Adjustments			
	Accounts	Accounts	Accounts
2014	5,041	5,041	5,041
2015	5,056	5,056	5,056
2016	5,072	5,072	5,072
Rolling Three-Year Average	**5,056**	**5,056**	**5,056**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - SFD

Step 1: Index Based Adjustements				
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$221,409	$184,816	$181,226	$42,540	$629,992
Benefits for CBAs	$102,290	$89,110	$85,315	$22,881	$299,596
Payroll Taxes	$18,421	$15,377	$15,078	$3,539	$52,415
Workers Compensation Insurance	$15,775	$13,167	$12,912	$3,031	$44,885
Total Direct Labor Related-Costs	$357,895	$302,470	$294,531	$71,991	$1,026,887
Direct Fuel Costs	$23,008	$22,892	$23,033	$2,010	$70,943
Other Direct Costs	$30,300	$30,147	$30,711	$3,215	$94,374
Depreciation - Collection Vehicles	$34,340	$31,371	$37,193	$1,853	$104,757
Depreciation - Containers	$14,140	$14,659	$17,468	$0	$46,268
Depreciation for Collection Equipment	$48,480	$46,030	$54,661	$1,853	$151,025
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$95,122	$98,885	$99,959	$3,461	$297,427
Operations	$20,331	$20,571	$24,288	$706	$65,896
Vehicle Maintenance	$38,857	$39,316	$46,421	$1,349	$125,944
Container Maintenance	$13,427	$14,038	$13,599	$497	$41,561
Total Allocated Indirect Costs excluding Depreciation and Interest	$167,737	$172,811	$184,267	$6,013	$530,828
Total Allocated Indirect Depreciation Costs (Form 9)	$1,227	$1,245	$1,507	$43	$4,022
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$628,648**	**$575,595**	**$588,711**	**$85,126**	**$1,878,079**
Profit (Insert Operating Ratio below) 90.5%	**$65,991**	**$60,422**	**$61,798**	**$8,936**	**$197,146**
Total Proposed Costs before Pass-Through Cost Allocation	**$694,638**	**$636,017**	**$650,509**	**$94,061**	**$2,075,226**
Contractor Pass-Through Costs					
Interest Expense	$11,890	$11,289	$13,406	$454	$37,039
Total Contractor Pass-Through Costs	**$11,890**	**$11,289**	**$13,406**	**$454**	**$37,039**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$706,528**	**$647,306**	**$663,915**	**$94,516**	**$2,112,264**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - SFD

Step 2: Service Level Adjustments				
	Accounts	Accounts	Accounts	
2014	5,041	5,041	5,041	
2015	5,056	5,056	5,056	
2016	5,072	5,072	5,072	
Prior Year Rolling Three-Year Average	**5,056**	**5,056**	**5,056**	
	Accounts	Accounts	Accounts	
2014	5,041	5,041	5,041	
2015	5,056	5,056	5,056	
2016	5,072	5,072	5,072	
Current Year Rolling Three-Year Average	**5,056**	**5,056**	**5,056**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	1

Single Family Dwelling	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	**Single Family Dwelling Total**
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	$221,409	$184,816	$181,226	$42,540	$629,992
Benefits for CBAs	$102,290	$89,110	$85,315	$22,881	$299,596
Payroll Taxes	$18,421	$15,377	$15,078	$3,539	$52,415
Workers Compensation Insurance	$15,775	$13,167	$12,912	$3,031	$44,885
Total Direct Labor Related-Costs	$357,895	$302,470	$294,531	$71,991	$1,026,887
Direct Fuel Costs	$23,008	$22,892	$23,033	$2,010	$70,943
Other Direct Costs	$30,300	$30,147	$30,711	$3,215	$94,374
Depreciation - Collection Vehicles	$34,340	$31,371	$37,193	$1,853	$104,757
Depreciation - Containers	$14,140	$14,659	$17,468	$0	$46,268
Depreciation for Collection Equipment	$48,480	$46,030	$54,661	$1,853	$151,025
Lease	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	$95,122	$98,885	$99,959	$3,461	$297,427
Operations	$20,331	$20,571	$24,288	$706	$65,896
Vehicle Maintenance	$38,857	$39,316	$46,421	$1,349	$125,944
Container Maintenance	$13,427	$14,038	$13,599	$497	$41,561
Total Allocated Indirect Costs excluding Depreciation and Interest	$167,737	$172,811	$184,267	$6,013	$530,828
Total Allocated Indirect Depreciation Costs (Form 9)	$1,227	$1,245	$1,507	$43	$4,022
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$628,648**	**$575,595**	**$588,711**	**$85,126**	**$1,878,079**
Profit (insert Operating Ratio below)	**$65,991**	**$60,422**	**$61,798**	**$8,936**	**$197,146**
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	**$694,638**	**$636,017**	**$650,509**	**$94,061**	**$2,075,226**
Contractor Pass-Through Costs					
Interest Expense	$11,890	$11,289	$13,406	$454	$37,039
Total Contractor Pass-Through Costs	**$11,890**	**$11,289**	**$13,406**	**$454**	**$37,039**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$706,528**	**$647,306**	**$663,915**	**$94,516**	**$2,112,264**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only						Total
City # of Accounts	198	205	26	0	1,399	429
SBWMA # Accounts	10,332	10,210	1,712	195	29,504	22,449
City # of Accounts %	*1.9%*	*2.0%*	*1.5%*	*0.0%*	*4.7%*	*1.9%*
City Total Route Labor hours year	507.84	319.18	77.74	0.00	618.60	905
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,508
City Total Route Labor hours year %	*1.1%*	*1.2%*	*1.2%*	*0.0%*	*4.7%*	*1.0%*
City # of route hours/year	367.33	288.08	73.33	0.00	618.60	729
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	68,761
City # of route hours/year %	*1.2%*	*1.1%*	*1.2%*	*0.0%*	*4.7%*	*1.1%*
City Total Containers in Service	248	338	40	0	1,399	626
SBWMA Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353
City Total Containers in Service %	*1.4%*	*1.7%*	*1.9%*	*0.0%*	*4.7%*	*1.6%*

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$53,914	$23,794	$8,589	$0	$6,857	$93,154
Benefits for CBAs	$25,707	$10,658	$2,703	$0	$3,372	$42,441
Payroll Taxes	$4,486	$1,980	$715	$0	$571	$7,750
Workers Compensation Insurance	$3,841	$1,695	$612	$0	$489	$6,637
Total Direct Labor Related-Costs	$87,949	$38,126	$12,618	$0	$11,289	$149,982
Direct Fuel Costs	$5,690	$2,332	$1,146	$0	$746	$9,913
Other Direct Costs	$7,831	$3,755	$1,390	$0	$1,026	$14,001
Depreciation - Collection Vehicles	$7,011	$3,501	$2,044	$0	$710	$13,266
Depreciation - Containers	$1,736	$1,562	$1,663	$0	$177	$5,138
Depreciation for Collection Equipment	$8,747	$5,063	$3,707	$0	$887	$18,405
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$18,032	$19,990	$17,823	$0	$1,423	$57,268
Operations	$2,251	$2,317	$2,903	$0	$290	$7,761
Vehicle Maintenance	$4,303	$4,429	$5,547	$0	$555	$14,834
Container Maintenance	$1,943	$2,454	$3,276	$0	$204	$7,878
Total Allocated Indirect Costs excluding Depreciation and Interest	$26,530	$29,190	$29,549	$0	$2,472	$87,741
Total Allocated Indirect Depreciation Costs (Form 9)	$142	$142	$151	$0	$18	$453
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$136,888**	**$78,609**	**$48,561**	**$0**	**$16,437**	**$280,495**
Profit (insert Operating Ratio below) 90.5%	**$14,369.45**	**$8,252**	**$5,098**	**$0**	**$1,725**	**$29,444**
Total Proposed Costs before Pass-Through Cost Allocation	**$151,257**	**$86,861**	**$53,659**	**$0**	**$18,163**	**$309,940**
Contractor Pass-Through Costs						
Interest Expense	$2,804	$1,623	$1,189	$0	$284	$5,901
Total Contractor Pass-Through Costs	**$2,804**	**$1,623**	**$1,189**	**$0**	**$284**	**$5,901**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$154,062**	**$88,484**	**$54,847**	**$0**	**$18,447**	**$315,840**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	17,693	19,331	2,756	4	
2015	18,369	18,746	3,952	3	
2016	18,343	19,643	3,757	4	
Rolling Three-Year Average	**18,135**	**19,240**	**3,488**	**4**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - MFD & Commercial

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

MFD & Commercial	Cart and Bin Solid Waste E	Cart and Bin Recyclable Materials F	Cart and Bin Organic Materials (including Holiday Trees) G	Total Drop Box Services (All Materials) H	Two On-Call Collection Events J	**MFD & Commercial Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$53,914	$23,794	$8,589	$0	$6,857	$93,154
Benefits for CBAs	$25,707	$10,658	$2,703	$0	$3,372	$42,441
Payroll Taxes	$4,486	$1,980	$715	$0	$571	$7,750
Workers Compensation Insurance	$3,841	$1,695	$612	$0	$489	$6,637
Total Direct Labor Related-Costs	$87,949	$38,126	$12,618	$0	$11,289	$149,982
Direct Fuel Costs	$5,690	$2,332	$1,146	$0	$746	$9,913
Other Direct Costs	$7,831	$3,755	$1,390	$0	$1,026	$14,001
Depreciation - Collection Vehicles	$7,011	$3,501	$2,044	$0	$710	$13,266
Depreciation - Containers	$1,736	$1,562	$1,663	$0	$177	$5,138
Depreciation for Collection Equipment	$8,747	$5,063	$3,707	$0	$887	$18,405
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$18,032	$19,990	$17,823	$0	$1,423	$57,268
Operations	$2,251	$2,317	$2,903	$0	$290	$7,761
Vehicle Maintenance	$4,303	$4,429	$5,547	$0	$555	$14,834
Container Maintenance	$1,943	$2,454	$3,276	$0	$204	$7,878
Total Allocated Indirect Costs excluding Depreciation and Interest	$26,530	$29,190	$29,549	$0	$2,472	$87,741
Total Allocated Indirect Depreciation Costs (Form 9)	$142	$142	$151	$0	$18	$453
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$136,888**	**$78,609**	**$48,561**	**$0**	**$16,437**	**$280,495**
Profit (insert Operating Ratio below) 90.5%	**$14,369**	**$8,252**	**$5,098**	**$0**	**$1,725**	**$29,444**
Total Proposed Costs before Pass-Through Cost Allocation	**$151,257**	**$86,861**	**$53,659**	**$0**	**$18,163**	**$309,940**
Contractor Pass-Through Costs						
Interest Expense	$2,804	$1,623	$1,189	$0	$284	$5,901
Total Contractor Pass-Through Costs	**$2,804**	**$1,623**	**$1,189**	**$0**	**$284**	**$5,901**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$154,062**	**$88,484**	**$54,847**	**$0**	**$18,447**	**$315,840**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - MFD & Commercial

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	17,693	19,331	2,756	4	
2015	18,369	18,746	3,952	3	
2016	18,343	19,643	3,757	4	
Prior Year Rolling Three-Year Average	**18,135**	**19,240**	**3,488**	**4**	
	Lifts	Lifts	Lifts	Hauls	
2014	17,693	19,331	2,756	4	
2015	18,369	18,746	3,952	3	
2016	18,343	19,643	3,757	4	
Current Year Rolling Three-Year Average	**18,135**	**19,240**	**3,488**	**4**	
100% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1
65% Service Level Adjustment Factor	*100.0%*	*100.0%*	*100.0%*	*100.0%*	1

MFD & Commercial	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	**MFD & Commercial Total**
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$53,914	$23,794	$8,589	$0	$6,857	$93,154
Benefits for CBAs	$25,707	$10,658	$2,703	$0	$3,372	$42,441
Payroll Taxes	$4,486	$1,980	$715	$0	$571	$7,750
Workers Compensation Insurance	$3,841	$1,695	$612	$0	$489	$6,637
Total Direct Labor Related-Costs	$87,949	$38,126	$12,618	$0	$11,289	$149,982
Direct Fuel Costs	$5,690	$2,332	$1,146	$0	$746	$9,913
Other Direct Costs	$7,831	$3,755	$1,390	$0	$1,026	$14,001
Depreciation - Collection Vehicles	$7,011	$3,501	$2,044	$0	$710	$13,266
Depreciation - Containers	$1,736	$1,562	$1,663	$0	$177	$5,138
Depreciation for Collection Equipment	$8,747	$5,063	$3,707	$0	$887	$18,405
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	$18,032	$19,990	$17,823	$0	$1,423	$57,268
Operations	$2,251	$2,317	$2,903	$0	$290	$7,761
Vehicle Maintenance	$4,303	$4,429	$5,547	$0	$555	$14,834
Container Maintenance	$1,943	$2,454	$3,276	$0	$204	$7,878
Total Allocated Indirect Costs excluding Depreciation and Interest	$26,530	$29,190	$29,549	$0	$2,472	$87,741
Total Allocated Indirect Depreciation Costs (Form 9)	$142	$142	$151	$0	$18	$453
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$136,888**	**$78,609**	**$48,561**	**$0**	**$16,437**	**$280,495**
Profit (insert Operating Ratio below) 90.5%	**$14,369**	**$8,252**	**$5,098**	**$0**	**$1,725**	**$29,444**
Total Proposed Costs before Pass-Through Cost Allocation	**$151,257**	**$86,861**	**$53,659**	**$0**	**$18,163**	**$309,940**
Contractor Pass-Through Costs						
Interest Expense	$2,804	$1,623	$1,189	$0	$284	$5,901
Total Contractor Pass-Through Costs	**$2,804**	**$1,623**	**$1,189**	**$0**	**$284**	**$5,901**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$154,062**	**$88,484**	**$54,847**	**$0**	**$18,447**	**$315,840**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only						Totals
City # of Lifts per year	0	208	312		5,072	520.00
SBWMA # Lifts per year (Accounts for Venues/Events)	242,307	16,744	65,039		94,580	
City # of Lifts per year %	*0.0%*	*1.2%*	*0.5%*		*5.4%*	
City Total Route Labor hours year	0.00	12.19	5.11	0.00	17.30	17.30
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06		5,935.45	
City Total Route Labor hours year	*0.0%*	*5.2%*	*0.5%*		*0.3%*	
City # of route hours/year	0.00	12.13	5.07		17.30	17.20
SBWMA # of route hours/year	2,599.51	224.16	939.57		5,935.45	
City # of route hours/year %	*0.0%*	*5.4%*	*0.5%*		*0.3%*	
City # of Containers	0	4	6		5,099	10.00
SBWMA # of Containers	842	256	528		96,806	
City # of Containers %	*0.0%*	*1.6%*	*1.1%*		*5.3%*	
	0%	70%	30%	0%		

Agency Facilities	Cart and Bin Solid Waste E	Cart and Bin Organic Materials G	Cart and Bin Recyclable Materials F	Total Drop Box Services (All Materials) H	Venues and Events I	**Agency Facilities Total**
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$0	$1,142	$479	$0	$38	$1,659
Benefits for CBAs	$0	$534	$224	$0	$18	$776
Payroll Taxes	$0	$95	$40	$0	$3	$138
Workers Compensation Insurance	$0	$81	$34	$0	$3	$118
Total Direct Labor Related-Costs	$0	$1,853	$777	$0	$62	$2,691
Direct Fuel Costs	$0	$152	$64	$0	$5	$220
Other Direct Costs	$0	$287	$120	$0	$9	$416
Depreciation - Collection Vehicles	$0	$700	$293	$0	$16	$1,009
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$0	$700	$293	$0	$16	$1,009
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$0	$477	$200	$0	$765	$1,441
Operations	$0	$303	$127	$0	$8	$438
Vehicle Maintenance	$0	$579	$243	$0	$16	$837
Container Maintenance (using lifts for Agency Costs)	$0	$69	$29	$0	$110	$207
Total Allocated Indirect Costs excluding Depreciation and Interest	$0	$1,427	$598	$0	$899	$2,924
Total Allocated Indirect Depreciation Costs (Form 9)	$0	$23	$10	$0	$1	$33
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$0**	**$4,441**	**$1,862**	**$0**	**$991**	**$7,293**
Profit (insert Operating Ratio below) 90.5%	$0	$466	$195	$0	$104	$766
Total Operating Costs before Pass-Through Cost Allocation	**$0**	**$4,907**	**$2,057**	**$0**	**$1,095**	**$8,059**
Contractor Pass-Through Costs						
Interest Expense	$0	$148	$62	$0	$3	$214
Total Contractor Pass-Through Costs	**$0**	**$148**	**$62**	**$0**	**$3**	**$214**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$0**	**$5,055**	**$2,119**	**$0**	**$1,098**	**$8,273**

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	0	208	416	0	
2015	0	208	312	0	
2016	0	208	312	0	
Rolling Three-Year Average	**-**	**208**	**347**	**-**	

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - Agency Facilities

Step 1: Index Based Adjustements					
PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252	209.252
CPI-U-Motor Fuel Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*
PY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CY CPI-U (2017 Listed as Example)	269.983	269.983	269.983	269.983	269.983
CPI-U Adjustement	*100.0%*	*100.0%*	*100.0%*	*100.0%*	*100.0%*

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$0	$1,142	$479	$0	$38	$1,659
Benefits for CBAs	$0	$534	$224	$0	$18	$776
Payroll Taxes	$0	$95	$40	$0	$3	$138
Workers Compensation Insurance	$0	$81	$34	$0	$3	$118
Total Direct Labor Related-Costs	$0	$1,853	$777	$0	$62	$2,691
Direct Fuel Costs	$0	$152	$64	$0	$5	$220
Other Direct Costs	$0	$287	$120	$0	$9	$416
Depreciation - Collection Vehicles	$0	$700	$293	$0	$16	$1,009
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$0	$700	$293	$0	$16	$1,009
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$0	$477	$200	$0	$765	$1,441
Operations	$0	$303	$127	$0	$8	$438
Vehicle Maintenance	$0	$579	$243	$0	$16	$837
Container Maintenance (using lifts for Agency Costs)	$0	$69	$29	$0	$110	$207
Total Allocated Indirect Costs excluding Depreciation and Interest	$0	$1,427	$598	$0	$899	$2,924
Total Allocated Indirect Depreciation Costs (Form 9)	$0	$23	$10	$0	$1	$33
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$0**	**$4,441**	**$1,862**	**$0**	**$991**	**$7,293**
Profit (insert Operating Ratio below) 90.5%	**$0**	**$466**	**$195**	**$0**	**$104**	**$766**
Total Operating Costs before Pass-Through Cost Allocation	**$0**	**$4,907**	**$2,057**	**$0**	**$1,095**	**$8,059**
Contractor Pass-Through Costs						
Interest Expense	$0	$148	$62	$0	$3	$214
Total Contractor Pass-Through Costs	**$0**	**$148**	**$62**	**$0**	**$3**	**$214**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$0**	**$5,055**	**$2,119**	**$0**	**$1,098**	**$8,273**

SBWMA COLLECTION AGREEMENT **Proposed Compensation** **2021**

D. Unincorporated County - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	0	208	416	0	
2015	0	208	312	0	
2016	0	208	312	0	
Prior Year Rolling Three-Year Average	-	**208**	**347**	-	
	Lifts	Lifts	Lifts	Hauls	
2014	0	208	416	0	
2015	0	208	312	0	
2016	0	208	312	0	
Current Year Rolling Three-Year Average	-	**208**	**347**	-	
100% Service Level Adjustment Factor	1	*100.0%*	*100.0%*	1	1
65% Service Level Adjustment Factor	1	*100.0%*	*100.0%*	1	1

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	**Agency Facilities Total**
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	$0	$1,142	$479	$0	$38	$1,659
Benefits for CBAs	$0	$534	$224	$0	$18	$776
Payroll Taxes	$0	$95	$40	$0	$3	$138
Workers Compensation Insurance	$0	$81	$34	$0	$3	$118
Total Direct Labor Related-Costs	$0	$1,853	$777	$0	$62	$2,691
Direct Fuel Costs	$0	$152	$64	$0	$5	$220
Other Direct Costs	$0	$287	$120	$0	$9	$416
Depreciation - Collection Vehicles	$0	$700	$293	$0	$16	$1,009
Depreciation - Containers	$0	$0	$0	$0	$0	$0
Depreciation for Collection Equipment	$0	$700	$293	$0	$16	$1,009
Lease	$0	$0	$0	$0	$0	$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using lifts for Agency Costs)	$0	$477	$200	$0	$765	$1,441
Operations	$0	$303	$127	$0	$8	$438
Vehicle Maintenance	$0	$579	$243	$0	$16	$837
Container Maintenance (using lifts for Agency Costs)	$0	$69	$29	$0	$110	$207
Total Allocated Indirect Costs excluding Depreciation and Interest	$0	$1,427	$598	$0	$899	$2,924
Total Allocated Indirect Depreciation Costs (Form 9)	$0	$23	$10	$0	$1	$33
Annual Implementation Cost Amortization (Form A)	$0	$0	$0	$0	$0	$0
Total Annual Cost of Operations	**$0**	**$4,441**	**$1,862**	**$0**	**$991**	**$7,293**
Profit (insert Operating Ratio below)	**$0**	**$466**	**$195**	**$0**	**$104**	**$766**
90.5%						
Total Operating Costs before Pass-Through Cost Allocation	**$0**	**$4,907**	**$2,057**	**$0**	**$1,095**	**$8,059**
Contractor Pass-Through Costs						
Interest Expense	$0	$148	$62	$0	$3	$214
Total Contractor Pass-Through Costs	**$0**	**$148**	**$62**	**$0**	**$3**	**$214**
TOTAL BASE CONTRACTOR'S COMPENSATION	**$0**	**$5,055**	**$2,119**	**$0**	**$1,098**	**$8,273**

Attachment N - Truck Depreciation & Interest Schedule

	Quantity	2017 Cost/Unit	Units Purchased by Year: Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
4 Axle ASL Coll Vehicle	42	335,000	0	15	17	10	0	0
3 Axle ASL Coll Vehicle	21	333,000	0	5	10	6	0	0
3 Axle ASL (185" Wheel Base)	4	333,000	0	1	1	1	1	0
3 Axle ASL (185" Wheel Base)	1	333,000	0	0	1	0	0	0
4 Axle ASL (185" Wheel Base)	2	335,000	0	1	0	1	0	0
Pup Trucks SASL (VHTS)	3	179,000	0	0	0	1	2	0
4 Axle FEL Coll Vehicle	27	364,000	0	9	9	9	0	0
4 Axle REL Coll Vehicle	16	316,000	4	4	4	4	0	0
3 Axle REL (185" Wheel Base)	2	307,000	0	0	0	1	1	0
2 Axle REL (128" Wheel Base)	2	212,000	0	0	0	1	1	0
3 Axle SASL (Comm Organics)	1	333,000	0	0	1	0	0	0
3 Axle Roll Offs	3	248,000	0	0	1	1	1	0
4 Axle Roll Offs	3	287,000	0	0	1	1	1	0
Cart Delivery Trucks	3	93,000	0	0	0	1	1	1
Container Delivery Trucks	2	155,000	0	0	1	0	0	1
Box Trucks (Loose Bulky)	3	141,000	0	0	0	1	1	1
Shop Truck GMC 3500	1	72,000	0	0	1	0	0	0
Shop Truck GMC 4500	2	88,000	0	0	1	1	0	0
GMC Hyb 1/2 Ton Pick Up's	6	50,000	0	1	2	1	1	1
Total Vehicles	144		4	36	50	40	10	4

Capital Expenditure Per Year — Inflation Assumption: 2.00%

	Year 11 (108.2%)	Year 12 (110.2%)	Year 13 (112.2%)	Year 14 (114.2%)	Year 15 (116.2%)	Year 16 (118.2%)	Total
4 Axle ASL Coll Vehicle	0	5,539,722	6,392,251	3,827,148	0	0	15,759,120
3 Axle ASL Coll Vehicle	0	1,835,550	3,737,699	2,282,579	0	0	7,855,828
3 Axle ASL (185" Wheel Base)	0	367,110	373,770	380,430	387,090	0	1,508,400
3 Axle ASL (185" Wheel Base)	0	0	373,770	0	0	0	373,770
4 Axle ASL (185" Wheel Base)	0	369,315	0	382,715	0	0	752,030
Pup Trucks SASL (VHTS)	0	0	0	204,495	416,151	0	620,646
4 Axle FEL Coll Vehicle	0	3,611,568	3,677,088	3,742,608	0	0	11,031,263
4 Axle REL Coll Vehicle	1,368,194	1,393,474	1,418,754	1,444,034	0	0	5,624,457
3 Axle REL (185" Wheel Base)	0	0	0	350,727	356,867	0	707,593
2 Axle REL (128" Wheel Base)	0	0	0	242,196	246,436	0	488,631
3 Axle SASL (Comm Organics)	0	0	373,770	0	0	0	373,770
3 Axle Roll Offs	0	0	278,363	283,323	288,283	0	849,970
4 Axle Roll Offs	0	0	322,138	327,878	333,618	0	983,634
Cart Delivery Trucks	0	0	0	106,246	108,106	109,966	324,319
Container Delivery Trucks	0	0	173,977	0	0	183,277	357,254
Box Trucks (Loose Bulky)	0	0	0	161,083	163,903	166,723	491,709
Shop Truck GMC 3500	0	0	80,815	0	0	0	80,815
Shop Truck GMC 4500	0	0	98,774	100,534	0	0	199,308
GMC Hyb 1/2 Ton Pick Up's	0	55,122	112,243	57,122	58,122	59,122	341,730
Total Vehicles	1,368,194	13,171,859	17,413,413	13,893,117	2,358,575	519,088	48,724,246

	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Total
Depreciation - New Truck Purchases	4,017,000	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	48,724,246
Depreciation - Initial Term Purchases (Year 3)	75,539	75,539	75,539	0	0	0	0	0	0	0	0	0	0	0	0	0	226,617
Total Depreciation	4,092,539	3,056,022	3,056,022	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	2,980,483	48,950,863
Interest (5.5%)		982,006	982,006	982,006	982,006	982,006	982,006	982,006	982,006	982,006	982,006	982,006	982,006	982,006	982,006	982,006	14,730,087
Other Interest (Containers)		163,180	163,180	163,180	163,180	163,180	163,180	163,180	163,180	163,180	163,180	163,180	163,180	163,180	163,180	163,180	2,447,700
Total		1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	1,145,186	17,177,787

Attachment N - Form H - CPI Indixes

CPI-W-Wages

Series Id: CWURA422SA0

Not Seasonally Adjusted

Series Title: All items in San Francisco-Oakland-San Jose, CA, urban wage earners and clerical workers, not seasonally
Area: San Francisco-Oakland-San Jose, CA
Item: All items
Base Period: 1982-84=100
Years: 2011 to 2017

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	May to April Average	% Change
2011		226.638		231.600		230.605		231.445		232.371		231.109	232.801	
2012		234.648		236.626		236.890		238.445		240.864		236.454	239.113	2.71%
2013		240.262		241.764		243.052		242.903		243.711		242.602	244.225	2.14%
2014		245.148		247.932		250.085		249.877		250.508		247.680	250.139	2.42%
2015		249.809		252.875		254.736		256.060		256.107		255.492	256.487	2.54%
2016		257.141		259.386		261.017		262.326		264.026		263.222	264.176	3.00%
2017		265.569		268.896										

CPI-W-Medical

Series Id: CWURA422SAM

Not Seasonally Adjusted

Series Title: Medical care in San Francisco-Oakland-San Jose, CA, urban wage earners and clerical workers, not seasonally
Area: San Francisco-Oakland-San Jose, CA
Item: Medical care
Base Period: 1982-84=100
Years: 2011 to 2017

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1
2011		390.950		391.029		391.703		392.346		393.473		395.217	394.012	
2012		395.155		396.175		395.735		401.147		400.453		399.467	401.535	1.91%
2013		408.164		404.244		417.242		416.887		418.662		423.806	424.463	5.71%
2014		430.864		439.317										
2015														
2016								476.519		476.977		478.486	477.815	
2017		475.258		481.836										

CPI-U-Motor Fuel

Series Id: CUURA422SETB

Not Seasonally Adjusted

Series Title: Motor fuel in San Francisco-Oakland-San Jose, CA, all urban consumers, not seasonally adjusted
Area: San Francisco-Oakland-San Jose, CA
Item: Motor fuel
Base Period: 1982-84=100
Years: 2011 to 2017

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	May to April Average	% Change
2011	254.643	264.552	297.753	317.686	314.626	295.113	288.352	285.106	295.484	290.739	286.068	271.286	296.328	
2012	280.517	302.724	327.962	317.962	325.378	301.192	285.891	310.778	316.03	336.090	288.389	268.569	302.004	1.92%
2013	274.605	306.602	309.846	300.682	306.012	303.270	301.401	291.569	299.931	284.084	273.022	270.990	291.204	-3.58%
2014	273.919	279.844	297.341	313.061	315.401	312.578	308.499	297.489	287.115	268.189	242.194	216.165	261.711	-10.13%
2015	193.209	209.050	250.324	240.323	269.479	253.019	257.434	247.551	223.945	208.973	202.552	196.642	218.866	-16.37%
2016	195.010	178.296	191.074	202.420	208.843	213.139	209.663	197.818	204.532	207.138	200.994	200.151	209.252	-4.39%
2017	208.379	212.552	223.591	224.219										

CPI-U

Series Id: CUURA422SA0

Not Seasonally Adjusted

Series Title: All items in San Francisco-Oakland-San Jose, CA, all urban consumers, not seasonally adjusted
Area: San Francisco-Oakland-San Jose, CA
Item: All items
Base Period: 1982-84=100
Years: 2011 to 2017

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	May to April Average	% Change
2011		229.981		234.121		233.646		234.608		235.331		234.327	235.630	
2012		236.880		238.985		239.806		241.170		242.834		239.533	241.783	2.61%
2013		242.677		244.675		245.935		246.072		246.617		245.711	247.408	2.33%
2014		248.615		251.495		253.317		253.354		254.503		252.273	254.330	2.80%
2015		254.910		257.622		259.117		259.917		261.019		260.289	261.251	2.72%
2016		262.600		264.565		266.041		267.853		270.306		269.483	269.983	3.34%
2017		271.626		274.589										

ATTACHMENT O
LIST OF CONTRACTOR'S PERSONNEL

Non-CBA Employees

General Manager ---------- ----------1
Administrative Manager ------- ----------1
Operations Manager ---------- ----------1
Customer Service Manager -- ----------1
Waste Zero Manager ---------- ----------1
Public Relations Manger ------ ----------1
Maintenance Manager--------- ----------1
Accounting Manager ---------- ----------0.5
Operations District Manager - ----------1
Operation Supervisors--------- ----------6
Operations Dispatcher--------- ----------1
Waste Zero Specialists-------- ----------6
Customer Service Supervisor ----------1
Subtotal----------22.5

CBA Employees

Drivers--------- ---------- ---------- 165
Customer Service Representatives----------15
Maintenance Clerks ----------2
Accounting Staff----------3
Dispatch Clerks----------2
Mechanics/Shop Personnel----------20
Subtotal----------207

Total----------229.5

List of Contractor's Personnel reflects employees on Recology San Mateo County direct payroll.

Attachment P
Vehicle Specifications

{Note: The current Attachment P will be removed in its entirety and replaced with this new Attachment P.}

Specifications are for vehicles to be purchased pursuant to Section 8.04 of Agreement.

	Vehicle Type	General Information					Color		Cab and Chasis			Body								
		Type of Vehicle	Material to be collected	Age of Vehicle	Manufacturer and Model	Owned or leased	Cab	Body	Cab Height (inches)	Number of Axels	Overall length w/ Body Mounted (inches)	Collection Method	Rated Capacity	Practical or Net Capacity	No. of Collection Compartments	Net Capacity of each Compartment	Overall Body Length (inches)	Body Height (inches)	Body Width (inches)	Used Oil container and Filter Rack
1	4 Axle ASL Coll Vehicle	Side Loader	MSW, R, O	New	Autocar ACX 84 Chasis/Heil DP Python Body	Owned	White	White	102	4	415	Automated	28 cu yd	28 cu yd	1	28 cu yd	284	103	96	Yes
2	3 Axle ASL Coll Vehicle	Side Loader	MSW, R, O	New	Autocar ACX 64 Chasis/Heil DP Python Body	Owned	White	White	102	3	415	Automated	28 cu yd	28 cu yd	1	28 cu yd	284	103	96	Yes
3	3 Axle ASL Coll Vehicle	Side Loader	MSW, R, O	New	Autocar ACX 64 Chasis/Heil Rapid Rail Body	Owned	White	White	102	3	415	Automated	28 cu yd	28 cu yd	1	28 cu yd	284	103	96	Yes
4	4 Axle ASL Coll Vehicle	Side Loader	MSW, R, O	New	Autocar ACX 84 Chasis/Heil Rapid Rail Body	Owned	White	White	102	4	415	Automated	28 cu yd	28 cu yd	1	28 cu yd	284	103	96	Yes
5	Pup Trucks SASL (VHTS)	Side Loader	MSW, R, O	New	Freightliner 2106/ Heil Retreiver Body	Owned	White	White	94	2	288	Semi-Automated	10 cu yd	10 cu yd	1	10 cu yd	158	92	82	Yes
6	4 Axle FEL Coll Vehicle	Front Loader	MSW, R, O	New	Autocar ACX 84 Chasis/Heil Freedom Body	Owned	White	White	102	4	415	Automated	40 cu yd	40 cu yd	1	40 cu yd	292	120	96	No
7	4 Axle REL Coll Vehicle	Rear Loader	MSW, R, O	New	Autocar ACX 84 Chasis/Heil Durapack 5000 Body	Owned	White	White	102	4	364	Semi-Automated	25 cu yd	25 cu yd	1	25 cu yd	270	144	96	No
8	3 Axle REL (185" Wheel Base)	Rear Loader	MSW, R, O	New	Crane Carrier Chassis/Heil F4000 Body	Owned	White	White	102	3	288	Semi-Automated	16 cu yd	16 cu yd	1	16 cu yd	230	120	96	No
9	2 Axle REL (128" Wheel Base)	Rear Loader	MSW, R, O	New	Crane Carrier Chassis/Heil F4000 Body	Owned	White	White	102	2	288	Semi-Automated	16 cu yd	16 cu yd	1	16 cu yd	230	120	96	No
10	3 Axle SASL (Comm Organics)	Side Loader	O	New	Autocar ACX 84 Chasis/Bridgeport Side Loader Body	Owned	White	White	102	3	415	Semi-Automated	30 cu yd	30 cu yd	1	30 cu yd	284	103	96	No
11	3 Axle Roll Offs	Roll-off	MSW, R, O	New	Autocar ACX 84 Chasis/Norcall Waste Equipment 22' Body	Owned	White	White	102	3	384	Semi-Automated	50 cu yd	50 cu yd	N/A	N/A	290	58	96	No
12	4 Axle Roll Offs	Roll-off	MSW, R, O	New	Autocar ACX 84 Chasis/Norcall Waste Equipment 22' Body	Owned	White	White	102	4	384	Semi-Automated	50 cu yd	50 cu yd	N/A	N/A	290	58	96	No
13	Cart Delivery Trucks	Flat Bed	MSW, R, BIC, Container delivery	New	Freightliner M2-106 22ft w/ HIAB knuckle Boom	Owned	White	White	94	2	399	Manual	8000 lbs	8000 lbs	1	8000 lbs	288	50	96	No
14	Container Delivery Trucks	Flat Bed	MSW, R, BIC, Container delivery	New	Freightliner M2-106 24ft w/ Liftgate	Owned	White	White	94	2	399	Manual	8000 lbs	8000 lbs	1	8000 lbs	288	50	96	No
15	Box Trucks (Loose Bulky)	Box Van truck	MSW, R, BIC, Container delivery	New	Freightliner M2-106 24ft Box Van w/ Liftgate	Owned	White	White	94	2	399	Manual	8000 lbs	8000 lbs	1	8000 lbs	288	50	96	No
16	Shop Truck GMC 3500	Shop Truck	N/A	New	GMC 3500 HD 1-ton w/ Utility Body, Lift Gate & Compressor	Owned	White	White	76	2	265	N/A	11400 lbs	7620 lbs	N/A	N/A	132	44	96	N/A
17	Shop Truck GMC 4500	Shop Truck	N/A	New	GMC 4500 HD 1-ton w/ Utility Body, Lift Gate & Compressor	Owned	White	White	76	2	265	N/A	11400 lbs	7620 lbs	N/A	N/A	132	44	96	N/A
18	GMC Hyb 1/2 Ton Pick Up's	Pick-up	N/A	New	GMC 1500	Owned	White	White	74	2	229	N/A	7100 lbs	1873 lbs	N/A	N/A	96	50	62.5	Yes

Attachment P
Vehicle Specifications

{Note: The current Attachment P will be removed in its entirety and replaced with this new Attachment P.}

Specifications are for vehicles to be purchased pursuant to Section 8.04 of Agreement.

	Vehicle Type	Weight		Fuel		Emissions Rating				Other Specifications		
		Gross Vehicle Weight (lbs)	Tare Weight (lbs)	Fuel Type	Fuel Usage (mpg)	CO	HC	NOx	Particulate Matter	Safety Features	Spill Containment Kit	GPS/On Board Computer System
1	4 Axle ASL Coll Vehicle	58000	35000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
2	3 Axle ASL Coll Vehicle	58000	35000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
3	3 Axle ASL Coll Vehicle	51000	34600	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
4	4 Axle ASL Coll Vehicle	56500	35500	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
5	Pup Trucks SASL (VHTS)	26000	17200	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
6	4 Axle FEL Coll Vehicle	57500	36000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View with Alley Cameras	Included	Yes
7	4 Axle REL Coll Vehicle	54000	36000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
8	3 Axle REL (185" Wheel Base)	33000	25000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
9	2 Axle REL (128" Wheel Base)	33000	25000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
10	3 Axle SASL (Comm Organics)	51500	32000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
11	3 Axle Roll Offs	55500	28000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
12	4 Axle Roll Offs	55500	28000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
13	Cart Delivery Trucks	40000	20000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
14	Container Delivery Trucks	26000	16000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
15	Box Trucks (Loose Bulky)	26000	16000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
16	Shop Truck GMC 3500	11400	5723	Diesel	18	N/A	N/A	N/A	N/A	Fire extinguisher, Triangle Kit	Included	No
17	Shop Truck GMC 4500	11400	5723	Diesel	18	N/A	N/A	N/A	N/A	Fire extinguisher, Triangle Kit	Included	No
18	GMC Hyb 1/2 Ton Pick Up's	7100	5227	Gas	22	N/A	N/A	N/A	N/A	Fire extinguisher, Triangle Kit	Included	No

ATTACHMENT Q
ADDITIONAL SERVICES

{Note: The current Attachment Q will be removed in its entirety and replaced with this new Attachment Q. The charges shown herein are the same with the addition of new charges noted in the table below. The charges herein have been reorganized and further explained compared to the current Attachment Q.}

For Rate Years Eleven (2021) through the remaining Rate Years in the Term, the Charges for additional services specified in Attachment Q shall be adjusted annually in accordance with Attachment K.

The Charges for additional services for Rate Year Ten (2020) shall be the Charges for Rate Year Ten (2020) as determined under the 2009 Franchise Agreement. These are the Charges that will be adjusted as provided in Attachment K of this Agreement to determine the Charges for Rate Year Eleven (2021). For this reason, the dollar values of the Charges are listed herein as "$[TBD]" where TBD is an abbreviation for "to be determined".

Two additional services are included in this Attachment Q there were not in Attachment Q of the 2009 Franchise Agreement. The two new services are Container Relocation Service and Agency-Specific Reporting for Abandoned Waste Collections. Charges for these services are presented in the table below.

ATTACHMENT Q
ADDITIONAL SERVICES

	Service	Reference	Agency-Approved Charge	Description
	Additional Services for Customers			

ATTACHMENT Q
ADDITIONAL SERVICES

	Service	Reference	Agency-Approved Charge	Description
1	Single-Family Dwelling Backyard Collection Service	Section 5.02.A	See Charges in the table at the end of this Attachment	See Charges in the table at the end of this Attachment
2	Long Distance Service for MFD, Mixed Use, and Commercial Accounts (Note: only applicable to Containers with wheels)	Sections 5.02.B, 5.02.C; and 8.02.B	A – 10% of base monthly Rate of the Collection Rate for each Container requiring Long Distance Service B – 25% of base monthly Rate of the Collection Rate for each Container requiring Long Distance Service	A – Distance greater than 50 feet and less than or equal to 100 feet B – Distance greater than 100 feet Distance shall be measured from the face of the curb, or from the edge of the roadway nearest the closest edge of the Container, if there is no curb.

ATTACHMENT Q
ADDITIONAL SERVICES

	Service	Reference	Agency-Approved Charge	Description
3	Container Relocation Service {New Charge: Contractor and individual Member Agencies to discuss whether or not this change is necessary; and, if so, negotiate the amount of the charge..}	Sections 5.02B and 8.02B	{Subject to negotiations}	{Subject to negotiations}
4	On-Call Pick-up for SFD, MFD, Mixed Use, and Commercial Customers	Sections 5.02.A, 5.02.B, and 5.02.C	25% of the base monthly Rate for the size of Container Collected once per week	Per Collection event per Container for Collection requested by Customer
5	Return Trip (SFD, MFD, Mixed Use, or Commercial)	Sections 5.02.A, B, C; 5.03.A, B, C; 5.04.A, B, C	$[TBD] for SFD $[TBD] for Commercial, Mixed Use, and MFD	Per Collection event (i.e., request to return and provide Collection service after the Customer failed to properly set out their Container(s) for regularly scheduled Collection)
6	Additional Targeted Recyclable Materials or Organic Materials Cart Service for SFD {New Charge that replaces cart rental and cart ownership charges.}	Sections 5.03.A and 5.04.A	$[TBD] per Recycling Cart $[TBD] per Organic Materials Cart	Per Cart per month (any Cart size). Six month minimum charge required. Includes one-time Cart delivery upon start of service and removal of Cart when service is discontinued by Customer.
7	Additional On-Call Bulky Item Collection	Sections 5.05, 5.06	$[TBD]	Per Bulky Item Collection event (in addition to the events provided at no charge to Customer pursuant to Section 5.12)
8	Collect Contaminated Targeted Recyclable Materials or Organic Materials Container	Section 6.03.A and 8.02.F	25% of the base monthly Solid Waste Rate for the size of Container Collected once per week plus Return Trip Fee if applicable	Per Collection event for Container with Contamination Level greater than the maximum level pursuant to Table 1 in Section 6.02.B

ATTACHMENT Q
ADDITIONAL SERVICES

	Service	Reference	Agency-Approved Charge	Description
9	Lock Service (Key Service)	Section 8.02.B	A – $[TBD] per usage B – $[TBD] per usage	Monthly cost: A – Residential Customers B – Commercial Customers
10	Lock Purchase	Section 8.02.B	$[TBD] per lock	Per lock
11	Overage Service	Section 8.02.G	100% of the base monthly Solid Waste Collection Rate	Per Collection event (after the first two events)
12	Overage Bags Cost	Section 8.02.G	50% of the base monthly Solid Waste Collection Rate or $[TBD] minimum	Per bag
13	Container Cleaning Service	Section 8.05.D	A – $[TBD] B – $[TBD]	A – per Cart B – per Bin or Drop-Box Charge only applies to cleaning or Container exchange in addition to the service to be provided at no charge to the Customer pursuant to Section 8.05.D
14	Dirty Cart Replacement (Exchange) Service	Section 8.05.D	A – $[TBD] B – $[TBD] C – $[TBD]	A – per 32 gallon Cart B – per 64 gallon Cart C – per 96 gallon Cart Charge only applies to cleaning or Container exchange in addition to the service to be provided at no charge to the Customer pursuant to Section 8.05.D
	Additional Services for Agency			
15	Additional Confidential Document Destruction Service Event	Section 5.07	$[TBD]	Per event

ATTACHMENT Q
ADDITIONAL SERVICES

	Service	Reference	Agency-Approved Charge	Description
16	Additional Compost Material Delivery	Section 5.11	A – $[TBD] per delivery B – $[TBD] per delivery	A – "one-way" only delivery by Contractor where Contractor delivers to and unloads compost at an Agency-approved location B – "Round-trip" delivery by Contractor where Contractor delivers compost in a Drop Box to an Agency-approved location and returns at a later time or date to pick up the Drop Box and any remaining compost (charge includes the delivery of and later pick-up of the Drop Box)
17	Community Drop-Off Events	Section 5.13	$[TBD] per event or day	Per event or day targeting 5,000 households. Does not include disposal or public education expenses.
18	Collection for Agency-Sponsored and Non-Agency sponsored Community Events	Section 5.08	A – $[TBD] B – $[TBD] C – $[TBD]	A – One day event with a projected 2,500 or fewer attendees B – One (1) or two (2) day events with a projected 2,501 to 7,500 attendees per day C – One (1) or two (2) day events with a projected 7,501 to 10,000 attendees per day

ATTACHMENT Q
ADDITIONAL SERVICES

Backyard Collection Service Charge for Single-Family Dwellings* (Section 5.02.A)				
Distance from Curb**	**Backyard Charge for Customers with One (1) Solid Waste Cart**	**Backyard Charge for Customers with Two (2) Solid Waste Carts**	**Backyard Charge for Customers with Three (3) Solid Waste Carts**	**Backyard Charge for Customers with Four (4) Solid Waste Carts**
Distance <= 50 feet	$[TBD]	$[TBD]	$[TBD]	$[TBD]
50 < Distance <= 100 feet	$[TBD]	$[TBD]	$[TBD]	$[TBD]
100 < Distance <= 150 feet	$[TBD]	$[TBD]	$[TBD]	$[TBD]
150 < Distance <= 200 feet	$[TBD]	$[TBD]	$[TBD]	$[TBD]
200 < Distance <= 250 feet	$[TBD]	$[TBD]	$[TBD]	$[TBD]
250 < Distance <= 300 feet	$[TBD]	$[TBD]	$[TBD]	$[TBD]
300 < Distance <= 350 feet	$[TBD]	$[TBD]	$[TBD]	$[TBD]
Each additional 50 foot increment over 350 feet	Amount equals the difference between the Charge for 250 to 300 feet and 300 to 350 feet			

* Backyard Collection Service Charges are charges added to the base monthly Rate for Single-Family Collection service, and cover the provision of Backyard Collection Service for all of Customer's Solid Waste, Recyclable Materials, and Organic Materials Carts.

** Distance shall be measured from the face of the curb, or from the edge of the roadway nearest the closest edge of the Cart, if there is no curb.

Attachment R
Secretary's Certificate

{Note: This is a new Attachment to the Model Agreement.}

The undersigned, being the Secretary of **Recology San Mateo County**, a California corporation (the "Contractor"), does hereby certify that the following resolution was adopted by the Board of Directors of the Contractor and that such resolution has not been amended, modified or rescinded and is in full force and effect as of the date hereof:

"RESOLVED, that any officer of the Contractor or Mario Puccinelli be, and hereby is, authorized to execute by and on behalf of the Company, the Amended and Restated Franchise Agreement between the **City of San Mateo** and Contractor for Recyclable Materials, Organic Materials, and Solid Waste Collection Services, and any and all other agreements, instruments, documents or papers, as he/she may deem appropriate or necessary, pertaining to or relating to such Agreement, and that any such action taken to date is hereby ratified and approved."

_____
Date

_____
Signature

Cary Chen
Secretary

Attachment S
(Note: This is a new Attachment to the Model Agreement.)

MEMORANDUM OF UNDERSTANDING

This is a Memorandum of Understanding by and between Recology San Mateo County (Recology) and the South Bayside Waste Management Authority, a California JPA (SBWMA).

A. Recology is the Franchisee for each of the twelve (12) JPA Member Agencies of the SBWMA for the collection of solid waste and recyclables pursuant to Franchise Agreements (the Franchise Agreements) entered into with each respective Member Agency.

B. Article 11 of the Franchise Agreements all provide that the SBWMA shall annually review the Recology Application for an Adjustment to Contractor's Compensation and provide a report to the SBWMA Board of Directors for consideration of a binding vote to approve the recommended Recology compensation for the subsequent rate year.

C. Article 11 of the Franchise Agreements also provides for an Annual Revenue Reconciliation that reconciles the amount owed to Recology compared to the amount retained by Recology for the prior year which generates a surplus or shortfall by agency. It also calculates interest owed to Recology for a shortfall.

D. In 2012 and 2013, the SBWMA Board approved Recology compensation for rate years 2013 and 2014, respectively, that included a reconciliation of:

1. Any surplus paid to Recology and any shortfall owed to Recology by a Member Agency for 2011 and 2012 were included in setting Recology's total compensation for 2013 and 2014, respectively.

2. Recology submitted to the SBWMA an interest calculation for both years which was charged to Member Agencies on any shortfall and credited interest to Member Agencies on any surplus. The SBWMA reports to the Board included this interest charge or credit by Member Agency in both years.

E. Recology and the SBWMA Board have reviewed their prior understanding regarding the payment of interest and reviewed the language and intent of the Franchise Agreements. Commencing with the Recology Application, due in June 2014, for an Adjustment to Contractor's Compensation for 2015, they desire to clarify the process to calculate interest and conform to the intent of the Agreements as follows:

Attachment S
(Note: This is a new Attachment to the Model Agreement.)

1. Any Member Agency that has generated a surplus balance with Recology for 2013 can receive a refund from Recology provided it requests the refund in writing on or before July 31, 2014, provided the surplus balance was generated due to the Member Agency setting rates higher than those recommended by the SBWMA. If it does not request a refund by July 31, 2014, any such surplus will be accounted for in the Recology Application for an Adjustment in Contactor's Compensation for 2015 and applied to the rate setting recommended for 2015.

2. Any Member Agency that generated a shortfall balance with Recology for 2013 will have the shortfall accounted for in the 2013 Revenue Reconciliation and recommended 2015 rates. However, if the shortfall was the result of the Member Agency setting rates lower in 2013 than had been recommended in the SBWMA Report approved by the SBWMA Board, it shall be charged the prevailing interest rate (prime plus 1%) on the shortfall balance delineated in the 2013 Revenue Reconciliation.

3. No interest will be credited to a Member Agency on any surplus balance for 2013 and in all future years. Member Agencies may request by July 31 of each year and Recology will comply with the request for a refund in a reasonable time frame. Any surplus not requested to be refunded will be credited in the next Revenue Reconciliation and applied to the next Recology Application for an Adjustment to Contractor's Compensation.

4. Recology shall not receive any interest on shortfalls in 2014 and in future years unless the Member Agency adjusts its rates below the rate adjustment recommended in the SBWMA Report and approved by the SBWMA Board.

5. Recology shall not receive any interest on shortfalls in 2014 and in future years if the Member Agency notifies Recology of their intent to pay the shortfall balance by July 31 and makes the payment to Recology by September 30.

SBWMA

7-8-15

Kevin McCarthy Date

Executive Director

RECOLOGY

Mario Puccinelli 7-8-15

Mario Puccinelli Date

General Manager