

**AMENDED AND RESTATED  
FRANCHISE AGREEMENT  
BETWEEN  
CITY OF BELMONT  
AND  
RECOLOGY SAN MATEO COUNTY  
FOR  
RECYCLABLE MATERIALS,  
ORGANIC MATERIALS, AND SOLID WASTE  
COLLECTION SERVICES**

\* \* \*

*{This page intentionally left blank}*

## TABLE OF CONTENTS

<b>RECITALS</b> .....	<b>1</b>
<b>ARTICLE 1 DEFINITIONS</b> .....	<b>3</b>
1.01 Definitions.....	3
1.02 Statutory Definitions .....	3
<b>ARTICLE 2 REPRESENTATION AND WARRANTIES OF CONTRACTOR</b> .....	<b>4</b>
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
<b>ARTICLE 3 TERM OF AGREEMENT</b> .....	<b>6</b>
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
<b>ARTICLE 4 SCOPE OF AGREEMENT</b> .....	<b>9</b>
4.01 Scope of Agreement.....	9
4.02 Limitations on Scope .....	9
4.03 Geographic Limits on Contractor’s Operations .....	10
<b>ARTICLE 5 COLLECTION SERVICES</b> .....	<b>11</b>
5.01 General.....	11
5.02 Solid Waste Collection .....	11
5.03 Targeted Recyclable Materials Collection .....	16
5.04 Organic Materials Collection .....	21
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.....	30
5.13 Community Drop-Off Events .....	30
5.14 Mixed Use Buildings.....	31
<b>ARTICLE 6 TRANSPORTATION</b> .....	<b>33</b>
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
<b>ARTICLE 7</b>	<b>OTHER SERVICES.....</b>	<b>37</b>
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
<b>ARTICLE 8</b>	<b>REQUIREMENTS FOR OPERATIONS, EQUIPMENT, AND PERSONNEL.....</b>	<b>56</b>
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
<b>ARTICLE 9</b>	<b>RECORD KEEPING AND REPORTING.....</b>	<b>75</b>
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
<b>ARTICLE 10</b>	<b>FRANCHISE FEE AND OTHER FEES.....</b>	<b>88</b>
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
<b>ARTICLE 11</b>	<b>CONTRACTOR’S COMPENSATION AND RATES .....</b>	<b>90</b>
11.01	General.....	90
11.02	Transitional Rate Matters (SFD 20-Gallon Rate & Rate Stabilization Fund).....	90

11.03	Establishment of Maximum Rates for 2021.....	91
11.04	Establishment of Maximum Rates For 2022 and After for Regularly Scheduled Services .....	93
11.05	Annual adjustment of maximum rates for ADDITIONAL services .....	99
11.06	Rate Review Process .....	99
11.07	Special Maximum Rate Review.....	100
11.08	Maximum Rate Adjustments for Changes in Scope of Services or Service Levels ..	102
11.09	Public Participation.....	102
11.10	Potential Rate Constraints.....	103
11.11	Possible Carry Forward of Annual COmpensation Adjustments Above 5% .....	103
<b>ARTICLE 12 AGENCY RIGHT TO USE EQUIPMENT AND FACILITIES.....</b>		<b>105</b>
12.01	Purpose.....	105
12.02	Conditions Authorizing Agency's Right to Use of Facilities and Equipment.....	105
12.03	Notice to Contractor .....	105
12.04	Rights and Responsibilities of Parties .....	106
12.05	Duration of Agency's Right to Possession and Use of Vehicles/Equipment .....	106
12.06	General.....	106
<b>ARTICLE 13 INDEMNITY, INSURANCE, BOND, GUARANTY .....</b>		<b>108</b>
13.01	Indemnification .....	108
13.02	Insurance.....	108
13.03	Faithful Performance Bond.....	111
13.04	Alternative Security .....	112
13.05	Hazardous Waste Indemnification.....	112
13.06	Indemnification Related to Various State Requirements.....	112
13.07	Guaranty.....	112
<b>ARTICLE 14 DEFAULT AND REMEDIES .....</b>		<b>114</b>
14.01	Events of Default.....	114
14.02	Right to Suspend or Terminate Upon Default .....	114
14.03	Specific Performance .....	115
14.04	Right to Perform; Use of Contractor Property .....	115
14.05	Damages .....	115
14.06	Agency's Remedies Cumulative.....	115
14.07	Liquidated Damages .....	115
14.08	Agency Default.....	116
14.09	Excuse from Performance.....	117
14.10	Assurance of Performance.....	117
<b>ARTICLE 15 OTHER AGREEMENTS OF THE PARTIES.....</b>		<b>119</b>
15.01	Relationship of Parties .....	119
15.02	Compliance with Law .....	119
15.03	Assignment.....	119
15.04	Affiliated Entity.....	120
15.05	Contractor's Investigation.....	121
15.06	Reserved.....	121
15.07	Condemnation.....	121
15.08	Notice .....	121
15.09	Representatives of the Parties .....	122
15.10	Duty of Contractor Not to Discriminate.....	122
15.11	RESERVED.....	122

15.12	Right of Agency to Make Changes in Services and Service Levels.....	122
15.13	Transition to Next Service Provider.....	123
15.14	Reports as Public Records.....	123
<b>ARTICLE 16</b>	<b>MISCELLANEOUS PROVISIONS.....</b>	<b>124</b>
16.01	Governing Law.....	124
16.02	Jurisdiction.....	124
16.03	Binding on Successors.....	124
16.04	Parties in Interest.....	124
16.05	Waiver.....	124
16.06	Attachments.....	124
16.07	Entire Agreement.....	124
16.08	Section Headings.....	124
16.09	Interpretation.....	124
16.10	Amendment.....	124
16.11	Severability.....	125
16.12	Costs and Attorneys' Fees.....	125
16.13	No Damages for Invalidation of Agreement.....	125
16.14	References to Laws.....	125
16.15	Indemnity Against Challenges to Agreement.....	125
16.16	DISPUTE RESOLUTION.....	125

**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	Description of Alternative Contractor's Compensation and Rate Setting Process
L	Schedule of Contractor's Maximum Rates for Regularly Scheduled Services <i>(to be determined as provided in Article 11)</i>
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	Schedule of Contractor's Maximum Rates for Additional Services <i>(to be determined as provided in Article 11)</i>
R	Secretary's Certificate
S	Interest Payment Arrangement Memorandum of Understanding

1  
2  
3  
4  
5  
6

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

7 THIS AMENDED AND RESTATED AGREEMENT ("Agreement") is made as of this 1st  
8 day of November, 2019, by and between the CITY OF BELMONT, a Municipal Corporation  
9 ("Agency"), and RECOLOGY SAN MATEO COUNTY, a California corporation ("Contractor").

10

**RECITALS**

---

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

12  
13 **WHEREAS;** the State of California has, through enactment of the California Integrated Waste  
14 Management Act of 1989 ("Act"), determined each of the following:

- 15 A. That management of solid waste is a shared responsibility of the State and local  
16 governments;
- 17 B. That it is in the public interest for local governments to be authorized and required to  
18 provide adequate solid waste handling services;
- 19 C. That the amount of solid waste generated in California, coupled with diminishing landfill  
20 space, potential adverse environmental impacts from landfilling solid waste, and the need  
21 to conserve natural resources have created an urgent need for State and local agencies  
22 to enact and implement an aggressive integrated waste management program; and,

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

29 **WHEREAS;** Agency is a member of the South Bayside Waste Management Authority ("Authority"  
30 or "SBWMA"), established pursuant to the California Joint Exercise of Powers Act. In November,  
31 2007, the SBWMA, acting on behalf of Agency and its other members, issued a Request for  
32 Proposals to provide collection of solid waste, recyclable materials, and organic materials and  
33 related services to Agency and other members of SBWMA; and,

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

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

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

42 **WHEREAS**; on April 13, 2010, the City Council approved Resolution No.10222, which awarded  
43 an exclusive franchise agreement to Recology San Mateo County for Recyclable Materials,  
44 Organic Materials, and Solid Waste Collection Services dated June 15, 2010, with a term from  
45 January 1, 2011 through December 31, 2020 (“2009 Franchise Agreement”); and,

46 **WHEREAS**; the parties subsequently agreed to amend the 2009 Franchise Agreement several  
47 times; and,

48 **WHEREAS**; the SBWMA’s Board of Directors directed SBWMA staff to negotiate, acting on behalf  
49 of Agency and its other members, with Contractor an extension of the 2009 Franchise Agreement,  
50 and to do so without a competitive bidding for the collection services; and,

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

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

58 **WHEREAS**; the City Council authorized City staff to negotiate this Amended and Restated  
59 Franchise Agreement with a term of fifteen (15) years from January 1, 2021 through December  
60 31, 2035, and authorized the City Manager to execute this Agreement; and,

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

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

64



65  
66

## **ARTICLE 1 DEFINITIONS**

---

67 **1.01 DEFINITIONS**

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

70 **1.02 STATUTORY DEFINITIONS**

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

75

76 **ARTICLE 2**  
77 **REPRESENTATION AND WARRANTIES OF**  
78 **CONTRACTOR**

---

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

81 **2.01 CORPORATE STATUS**

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

84 **2.02 CORPORATE AUTHORIZATION**

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

89 **2.03 AGREEMENT DULY EXECUTED**

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

93 **2.04 NO CONFLICT WITH APPLICABLE LAW OR OTHER DOCUMENTS**

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

100 **2.05 NO LITIGATION**

101 There is no action, suit, proceeding, or investigation at law or in equity, before or by any  
102 court or governmental entity, pending or threatened against Contractor, or otherwise  
103 affecting Contractor, wherein an unfavorable decision, ruling, or finding, in any single case  
104 or in the aggregate, would (a) materially adversely affect Contractor's performance  
105 hereunder, (b) adversely affect the validity or enforceability of this Agreement, or (c) have  
106 a material adverse effect on the financial condition of Contractor or the entity providing the  
107 guaranty of Contractor's performance.

108 **2.06 FINANCIAL CONDITION**

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

115 **2.07 ABILITY TO PERFORM**

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

118 **2.08 CONTRACTOR'S INVESTIGATION**

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

125 **2.09 STATEMENTS AND INFORMATION IN PROPOSAL**

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

133 **2.10 IRAN CONTRACTING CERTIFICATION**

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

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

145

146 **ARTICLE 3**  
147 **TERM OF AGREEMENT**

---

148 **3.01 EFFECTIVE DATE AND COMMENCEMENT DATE**

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

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

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

161 **3.02 TERM**

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

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

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

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

181 **3.03 EXTENSION OF TERM**

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

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

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

206

### 207 3.04 CONDITIONS TO EFFECTIVENESS OF AGREEMENT

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

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

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

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

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

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

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

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

232 C. **Notice.** If either Party wishes to assert that a condition for its benefit has not been  
233 satisfied and has not been waived, it must deliver written notice to that effect to the  
234 other party on or before the Effective Date. If no such notice is received, the  
235 Agreement will become effective on the Effective Date.

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

239

240  
241

## ARTICLE 4 SCOPE OF AGREEMENT

---

242 **4.01 SCOPE OF AGREEMENT**

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

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

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

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

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

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

256 3. Non-putrescible wastes placed in Drop Boxes.

257 **4.02 LIMITATIONS ON SCOPE**

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

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

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

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

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

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

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

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

274 H. Organic Materials composted at Residential and Commercial Premises;

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

- 278 J. The incidental removal of Solid Waste, Recyclable Materials, or Organic Materials  
279 when the primary service performed is either of the following:
- 280 1. Landscaping, gardening, weed or refuse abatement, yard clean-up, or grading  
281 of a lot; or,
  - 282 2. Construction, remodeling, or demolition of a building or structure.
- 283 K. Solid Waste generated at Residential Premises collected by others on an infrequent,  
284 unscheduled, "on-call" basis (other than On-Call Bulky Item Collection Service  
285 scheduled by Customers per Section 5.05).

286 **4.03 GEOGRAPHIC LIMITS ON CONTRACTOR'S OPERATIONS**

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

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

299



300  
301

**ARTICLE 5**  
**COLLECTION SERVICES**

---

302 **5.01 GENERAL**

- 303 A. The work to be performed and services to be provided by Contractor include the  
304 furnishing of all labor, supervision, equipment, materials, supplies, and all other items  
305 necessary to perform the work and provide the services described, at the times and  
306 in the manner required by this Agreement. The enumeration of, and specification of  
307 requirements for, particular items of labor, supervision, equipment, materials, or  
308 supplies shall not relieve Contractor of the duty to furnish all others, as may be  
309 required, whether enumerated elsewhere in the Agreement or not.
- 310 B. Contractor shall perform the work and provide the services pursuant to this  
311 Agreement in a thorough and professional manner so that the residents and  
312 businesses within the Agency are provided reliable, courteous, and high-quality  
313 service at all times. The enumeration of, and specification of requirements for,  
314 particular aspects of service quality shall not relieve Contractor of the duty of  
315 accomplishing all other aspects in the manner provided in this Article, whether such  
316 other aspects are enumerated elsewhere in the Agreement or not.
- 317 C. Contractor acknowledges that the Agency is committed to diverting materials from  
318 Disposal through the implementation of source reduction, donation, reuse, Recycling,  
319 and composting programs and that the Agency may, at some time in the future,  
320 implement, in accordance with Section 15.12, new programs that may impact the  
321 overall quantity or composition of Solid Waste, Targeted Recyclable Materials, and/or  
322 Organic Materials to be Collected by Contractor.

323 **5.02 SOLID WASTE COLLECTION**

- 324 A. **Single-Family Dwelling (SFD)**
- 325 1. General. Contractor shall Collect Solid Waste from SFD once per week from  
326 Contractor-provided Carts, and shall bill Customers for the service at no more  
327 than the Agency-approved Maximum Rates. Contractor shall provide extra  
328 Collection pick-ups of Containers within one (1) Business Day of Customer's  
329 request and shall bill Customer at no more than the Agency-approved Maximum  
330 Rates specified in Attachment Q.
- 331 2. Collection Location. Contractor shall Collect Carts Curbside unless: (i) the  
332 Occupant is provided a Special Handling Service exemption; or, (ii) the Customer  
333 has requested Backyard Collection Service and has agreed to pay for Backyard  
334 Collection Service. Contractor shall bill Customers with Backyard Collection  
335 Service at no more than the Agency-approved Maximum Rates specified in  
336 Attachment Q. For Customers with Special Handling Service and Backyard  
337 Collection Service, Contractor shall Collect Carts from and return Carts to the  
338 alternative service location (such as the side yard or backyard) specified by the  
339 Customer. Contractor shall make reasonable accommodations with regard to  
340 provision and servicing of Containers (e.g., Container size and type, placement  
341 of Containers for Collection, etc.) at no additional cost to Customers who meet  
342 the Agency's Special Handling Service criteria.

- 343 3. Informing Customer of Collection Location Options. Contractor will notify all  
344 Residential Customers annually of the Special Handling Service and Backyard  
345 Collection Service options and submit, for approval, a draft notification to Agency  
346 thirty (30) Days prior to the anticipated date of distribution to Customers. New  
347 service recipients shall be notified upon signing up for Collection service of the  
348 Special Handling Service and Backyard Collection Service options.
- 349 4. Special Handling Service Eligibility. Customers desiring Special Handling  
350 Service will be required to submit an application, in a form approved by Agency.  
351 Contractor shall review applications to determine whether the Customer meets  
352 Agency's eligibility criteria and shall provide a written response within five (5)  
353 Business Days after receipt of the application. Unless otherwise directed by  
354 Agency, Customers are eligible if they provide (i) evidence of their "handicap  
355 status" by the California Department of Motor Vehicles, or (ii) evidence that no  
356 Occupant of the Residential Premises is physically able to place Carts Curbside  
357 for Collection. On an annual basis, Contractor may request reverification of  
358 Special Handling Service eligibility from Customer.

359 **B. Multi-Family Dwellings**

- 360 1. General. Contractor shall Collect Solid Waste from Multi-Family Dwellings as  
361 frequently as scheduled by Customer, but not less than once per week, and shall  
362 bill Customers at no more than the Agency-approved Maximum Rates.  
363 Contractor shall provide extra Collection pick-ups of Containers within one (1)  
364 Business Day of Customer's request and shall bill Customers at no more than  
365 the Agency-approved Maximum Rates specified in Attachment Q. Customers  
366 must subscribe to a minimum service level of three (3) times per week Collection  
367 in order to be eligible for Collection on Saturday and/or Sunday.
- 368 2. Containers. Contractor shall allow Multi-Family Dwelling Customers to use Carts  
369 or Bins for Solid Waste Collection that are shared by the Occupants of the  
370 Premises. Contractor shall provide one (1) or more Cart(s) or Bin(s) to such  
371 Customers as requested by Customer, provided that no less than ninety-six (96)  
372 gallons per week of Container capacity are provided for every five (5) dwelling  
373 units in the Multi-Family Residential Complex.
- 374 3. General Service Conditions. The standard Rates for Collection services assume  
375 that Containers are accessible by Contractor's vehicles and personnel.
- 376 If the Container is wheeled and is three (3) cubic yards or less in capacity and is  
377 not a Compactor, the standard Rate includes Collection from the Container  
378 located Curbside or in enclosures or on private or public property at a distance  
379 less than or equal to fifty (50) feet of access by Contractor's vehicle, provided  
380 that access to the Container is paved and the slope is less than seven percent  
381 (7%). The distance to the Container shall be measured in one of the following  
382 ways depending on the conditions of the Premises: (i) from the face of the curb  
383 to the nearest edge of the Container, (ii) if there is no curb, from the edge of the  
384 roadway nearest the nearest edge of the Container, or (iii) from the lifting  
385 mechanism on the Collection vehicle if the vehicle can be driven on the  
386 Premises.
- 387 If the Container does not have wheels, or is greater than three (3) cubic yards in  
388 capacity, or is a Compactor, the standard Rate includes Collection from a

389 location accessible by Contractor's vehicle (regardless of the distance from the  
390 curb or roadway), provided that access to the Container is paved and the slope  
391 is less than seven percent (7%). A slope shall be deemed to be seven percent  
392 (7%) or more if the slope measures 7% or more using a slope measurement  
393 device.

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

400 4. Long Distance Service. For wheeled Containers that are more than fifty (50) feet  
401 from the curb or edge of roadway (using the measurement method described  
402 above), Contractor shall provide Long Distance Service. Long Distance Service  
403 is an additional service Contractor shall provide that involves Contractor's route  
404 personal manually pushing, pulling, or otherwise moving the Container more  
405 than fifty (50) feet to a serviceable location and returning the Container to its  
406 storage location after Collection. The Long Distance Service is a regularly  
407 scheduled service that is performed each day the Contractor provides Collection  
408 service for the Container. Contractor shall charge the Customer for Long  
409 Distance Service at no more than the Agency-approved Maximum Rate specified  
410 in Attachment Q.

411 5. Container Relocation Service. If a Container is located in an area that is not  
412 serviceable by a regular Collection vehicle, Contractor shall provide Container  
413 Relocation Services. Contractor shall charge the Customer for Container  
414 Relocation Service at no more than the Agency-approved Maximum Rate  
415 specified in Attachment Q. Conditions in which Container Relocation Services  
416 may be applicable include: sloped access with slope greater than or equal to  
417 seven percent (7%); subterranean areas that are inaccessible by a regular  
418 Collection vehicle; and gravel areas.

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

429 6. Determination of Service Needs and Disputes. Whether the Customer receives  
430 Long Distance Service or Container Relocation Service shall be determined by  
431 Contractor in its reasonable discretion based on conditions at the Customer's  
432 site or the need to maintain safety or operational efficiency. In the event of a  
433 dispute between Contractor and a Customer regarding the Long Distance  
434 Service, Container Relocation Service, and/or the distance or degree of slope,  
435 Contractor shall provide email notification to Agency and Customer, and Agency

436 shall work with the Contractor and Customer to resolve the dispute. Agency may  
437 independently measure the slope and/or distance. Agency shall make the final  
438 determination of the service arrangements and whether any Attachment Q  
439 charges apply.

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

448 **C. Commercial Premises**

449 1. General. Contractor shall Collect Solid Waste from Commercial Premises as  
450 frequently as scheduled by the Customer, but not less than once per week, and  
451 shall bill Customers for the service at no more than the Agency-approved  
452 Maximum Rates. Contractor shall provide extra Collection pick-ups of  
453 Containers within one (1) Business Day of Customer's request and shall bill  
454 Customer at no more than the Agency-approved Maximum Rates specified in  
455 Attachment Q. Customers must subscribe to a minimum service level of three  
456 (3) times per week Collection in order to be eligible for Collection on Saturday  
457 and/or Sunday.

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

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

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

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

473 c. Drop Boxes and Compactors. Contractor shall allow a Customer to  
474 use a Drop Box or Compactor for Solid Waste Collection to meet the  
475 Customer's Disposal needs. In such case, Contractor shall provide  
476 Customer with a choice of Container capacities ranging from three (3)  
477 to forty (40) cubic yards (or similar sizes). Contractor shall allow  
478 Customers to purchase or lease Compactors through an outside  
479 vendor. Regular maintenance of Compactors shall be required by  
480 Customer (or outside vendor) as frequently as needed to keep the

481 Compactors in good working order and functioning at high compaction  
482 levels.

483 **D. Agency Facilities**

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

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

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

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

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

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

525 4. Scope of Service Requirements. Contractor shall provide the Agency with the  
526 Collection services described above at the service locations, service levels, and

527 frequencies identified in Attachment B. Contractor shall provide and maintain  
528 Collection Containers for the Agency's use, with the exception of public litter  
529 receptacles (or public Solid Waste receptacles) and public Targeted Recyclable  
530 Materials receptacles, which shall be provided and maintained by the Agency.  
531 Contractor shall offer the type and size of Collection Containers that Contractor  
532 provides Commercial Customers pursuant to Section 5.02.C.

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

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

### 541 **5.03 TARGETED RECYCLABLE MATERIALS COLLECTION**

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

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

#### 556 B. **Single-Family Dwellings**

557 1. General. Once per week, Contractor shall Collect Single-Stream Targeted  
558 Recyclable Materials from SFD. Contractor shall provide each SFD Customer  
559 with one (1) Cart for Single-Stream Targeted Recyclable Materials. Contractor  
560 shall provide each Customer with a sixty-four (64) gallon Cart specified in  
561 Attachment D, unless Customer requests an alternative Cart specified in  
562 Attachment D. Customers can request additional Targeted Recyclable  
563 Materials Carts from Contractor for regular weekly Collection service, and  
564 Contractor shall bill Customers at no more than the Agency-approved Maximum  
565 Rates specified in Attachment Q.

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

569 3. Used Motor Oil and Used Motor Oil Filters. Contractor shall Collect Used Motor  
570 Oil and Used Motor Oil Filters placed at the Collection location by Customer for  
571 Collection in Contractor-provided or Contractor-approved Containers.

572 Contractor shall not be required to Collect more than five (5) gallons of Used  
573 Motor Oil per Customer per Collection. Contractor shall provide up to five (5)  
574 one-gallon translucent plastic Used Oil jugs with screw-on tops for Used Motor  
575 Oil Collection and up to five (5) six (6) mil plastic zip-close type bags for Used  
576 Motor Oil Filter Collection to SFD Customers, upon Customer's request, within  
577 five (5) Business Days of such request, at no additional cost to Customer.  
578 Information in English and Spanish, regarding the Used Motor Oil and Used  
579 Motor Oil Filter Collection program and instructions for the use and set out of  
580 these materials shall be provided with the Used Motor Oil jugs and Used Motor  
581 Oil Filter bags. Diversion of Used Motor Oil shall be calculated with a conversion  
582 factor of one (1) gallon of Used Motor Oil equaling seven (7) pounds.

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

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

597 **C. Multi-Family Residential Premises**

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

609 Contractor shall Collect Single-Stream Targeted Recyclable Materials  
610 Generated at Multi-Family Residential Complexes at least once per week or  
611 more frequently, up to six (6) times per week, as scheduled by the Customer  
612 provided that the Generator has Source Separated the Targeted Recyclable  
613 Materials from Solid Waste and placed the materials in the appropriate  
614 Contractor-provided Container. Contractor shall Collect Single-Stream Targeted  
615 Recyclable Materials at the designated location agreed upon by Contractor and  
616 Multi-Family Dwelling Customer. The designated Collection location, if disputed  
617 by Customer or Contractor, shall be determined by the Agency. Carts and Bins  
618 may be shared by the Occupants of the Multi-Family Residential Complexes.

619 Contractor shall provide extra Carts for use in the mail, utility, or similar room of  
620 Multi-Family Residential Complexes if requested by the Customer.

621 2. Personal Recycling Tote-Bag Distribution. Upon receipt of a request for  
622 Recycling Tote-Bags from a Multi-Family Dwelling Customer or Occupant,  
623 Agency, or SBWMA, Contractor shall: (i) deliver the Recycling Tote-Bags within  
624 five (5) Business Days to the property Owner, property manager, or Occupant  
625 who requested the Recycling Tote-Bags; (ii) prior to complying with (i), contact  
626 the property Owner or property manager directly by phone or in person to  
627 determine if additional Recycling Tote-Bags are needed and/or if they are  
628 interested in a site assessment of the property; (iii) upon request for a site  
629 assessment, ensure that a site assessment is done per the requirements set  
630 forth in Section 7.05. Contractor shall provide notification to Agency and  
631 SBWMA of the Day which the Tote Bags were delivered and to whom they were  
632 delivered with submittal of Contractor's monthly reports per Section 9.05.  
633 Contractor's monthly reports shall also include an inventory of Recycling Tote-  
634 Bags in stock.

635 3. Household Battery and Cell Phone Collection

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

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

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

661 **D. Commercial Premises**

662 1. General. Commercial Customers that subscribe to Solid Waste Collection service  
663 shall be entitled to Collection of Targeted Recyclable Materials at no additional  
664 charge, and Contractor shall provide the level of service required by Commercial



665 Customers requesting Recyclable Materials Collection services. The level of  
666 service Contractor shall provide includes: Single-Stream Targeted Recyclable  
667 Materials Collection or Source Separated Collection of cardboard, mixed paper,  
668 food and recyclable beverage containers, or other Targeted Recyclable Materials  
669 in a manner that best suits the needs of the Commercial Customer.

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

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

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

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

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

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

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

#### 701 E. Agency Facilities

702 1. General. Agency Facilities that subscribe to Solid Waste Collection service shall  
703 be entitled to Collection of Targeted Recyclable Materials, and Contractor shall  
704 provide the level of service required by Agency Facilities requesting Targeted  
705 Recyclable Materials Collection services and shall not bill Agency for such  
706 services. The level of service Contractor shall provide includes: Single-Stream  
707 Targeted Recyclable Materials Collection or Source Separated Collection of  
708 cardboard, mixed paper, food and recyclable beverage containers, or other

709 Targeted Recyclable Materials in a manner that best suits the needs of the  
710 Agency Facility.

711 Contractor shall Collect Single-Stream Targeted Recyclable Materials or other  
712 Source Separated Targeted Recyclable Materials Generated at Agency Premises  
713 at least once per week or more frequently, up to seven (7) times per week, as  
714 scheduled by the Agency provided that the Generator has Source Separated the  
715 Targeted Recyclable Materials from Solid Waste and placed the materials in the  
716 appropriate Contractor-provided Container. Contractor shall Collect Targeted  
717 Recyclable Materials at the designated location agreed upon by Contractor and  
718 Agency.

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

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

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

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

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

740 3. Public Recycling Receptacles. Contractor shall Collect Recyclable Materials from  
741 public Recycling receptacles located on streets and parking lots, and from public  
742 Recycling receptacles in parks that are accessible for Curbside Collection.  
743 Contractor shall also Collect Recyclable Materials that are contained in bags or  
744 boxes and placed adjacent to public Recycling receptacles. These Collections will  
745 be made between one (1) and seven (7) Days per week, as determined by  
746 Agency. If Contractor concludes upon visual inspection that the Recyclables  
747 placed in (or adjacent to) the public Recyclables receptacles have a  
748 Contamination Level greater than that which is acceptable at the MRF, Contractor  
749 shall Collect the materials as Solid Waste. Contractor is responsible for notifying  
750 Agency if a public Recycling receptacle is inoperable within twenty-four (24) hours  
751 of observing or being notified of the defect. A list of public Recycling receptacles  
752 is included in Attachment B. If persistent contamination occurs in public Recycling  
753 receptacles then, at Contractor's request, appropriate Agency staff shall meet

754 with Contractor to discuss ways to address the problem. Contractor shall not bill  
755 Agency for the services described in this paragraph.

756 **5.04 ORGANIC MATERIALS COLLECTION**

757 A. **Single-Family Dwelling.** Contractor shall Collect Source Separated Organic  
758 Materials from SFD once per week. Collection of Organic Materials, Targeted  
759 Recyclable Materials, and Solid Waste from the SFD shall occur on the same Day  
760 each week. Contractor shall provide each Customer with one (1) Cart to be used for  
761 storage and Collection of Organic Materials. Customers may request additional  
762 Organic Materials Carts from Contractor for regular weekly Collection service, and  
763 Contractor shall bill Customer at no more than the Agency-approved Maximum Rate  
764 specified in Attachment Q. The Contractor shall provide Customers with a ninety-six  
765 (96) gallon Cart as specified in Attachment D, unless the Customer requests an  
766 alternative Cart size, in which case, the Contractor shall provide an alternative Cart  
767 as specified in Attachment D.

768 For SFD Organic Materials Cart Collection, Contractor shall comply with the same  
769 Collection provisions specified for Solid Waste Cart Collection pursuant to Sections  
770 5.02.A.2, 5.02.A.3, and 5.02.A.4.

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

777 B. **Multi-Family Premises.** Multi-Family Dwelling Customers shall have the option of  
778 voluntarily subscribing to Organic Materials or Plant Materials Collection services,  
779 Contractor shall bill Customers for such service at no more than Agency-approved  
780 Maximum Rates. Contractor shall Collect Source Separated Organic Materials or  
781 Plant Materials from Multi-Family Residential Complexes that have subscribed to  
782 Organic Materials or Plant Materials Collection service as frequently as scheduled by  
783 Customer, but not less than once per week. Contractor shall provide each Customer  
784 with a choice of Carts or Bins as specified in Attachment D. Contractor shall Collect  
785 Organic Materials and Plant Materials at the location agreed upon by Contractor and  
786 Customer. The designated Collection location, if disputed by Customer or Contractor,  
787 shall be determined by the Agency.

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

791 C. **Commercial Premises.** Commercial Customers shall have the option of voluntarily  
792 subscribing to Organic Materials or Plant Materials Collection services, and  
793 Contractor shall bill Customers for such service at no more than Agency-approved  
794 Maximum Rates. Contractor shall provide Organic Materials or Plant Materials  
795 Collection service to any and all Customers requesting service. Contractor shall  
796 Collect Organic Materials or Plant Materials from Commercial Premises that have  
797 subscribed to Organic Materials or Plant Materials Collection service as frequently as  
798 scheduled by Customer, but not less than once per week.

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

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

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

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

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

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

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

846 Contractor shall make accommodations and provide Collection service for Customers  
847 who are unable to cut trees into lengths of eight feet (8') or less at no additional cost  
848 to the Customer and shall not bill Agency for such services.

849 Prior to December of each year, Contractor shall notify all Multi-Family Dwelling  
850 Customers of this program and explain the limitations to the program, the dates of  
851 service, and any materials preparation or participation requirements, including the  
852 option to order a Bin or Drop Box, or Collect the trees loose from designated  
853 Collection locations. To encourage participation in this program, Contractor shall not  
854 charge Customers an additional fee for this service.

#### 855 **5.05 RESIDENTIAL ON-CALL BULKY ITEM COLLECTION SERVICE**

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

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

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

893 is not required to provide additional On-Call Bulky Item Collection service events to  
894 the complex in question.

895 C. **Scheduling of Events.** Contractor shall allow the scheduling of On-Call Bulky Item  
896 Collection Service events from February 1 through December 31 of each Rate Year.  
897 Contractor may provide additional On-Call Bulky Item Collection Service events for a  
898 Customer beyond two (2) per Rate Year, and shall bill Customers for additional  
899 service at no more than the Agency-approved Maximum Rates specified in  
900 Attachment Q. Contractor is required to notify Customer if they have already received  
901 the annually allocated two (2) Collection events within one (1) Business Day of  
902 Customer request. If Contractor fails to notify Customer that they have received the  
903 annually allocated two (2) Collection events, Contractor shall provide the service and  
904 is not entitled to additional Contractor's Compensation from Customer or Agency for  
905 a third or subsequent On-Call Bulky Item Collection Service event.

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

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

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

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

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

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

919 Contractor shall reject: liquids or sludge; dirt, rock, concrete or asphalt; materials  
920 which exceed five (5) feet in length; commercial-sized refrigerators or freezers;  
921 Construction and Demolition Debris; Hazardous Waste; or Infectious Waste.  
922 Contractor may reject any individual item that weighs more than two-hundred (200)  
923 pounds (excluding Major Appliances) unless Customer has paid, or has agreed in  
924 advance to pay, an additional fee for service at no more than the Agency-approved  
925 Maximum Rates specified in Attachment Q. Contractor may reject un-containerized  
926 Discarded Materials with the exception of Major Appliances, Bulky Items, E-Scrap,  
927 and large pieces of Organic Material such as tree limbs and dimensional lumber.

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

935 F. **Handling Major Appliances.** Major Appliances, Universal Waste, and E-Scrap shall  
936 be reused, Recycled, or Disposed by Contractor in accordance with requirements of

937 Applicable Law. Any changes to such regulations made after January 1, 2011 shall  
938 be addressed as though they are a Change in Law in accordance with Section 11.07.

939 **G. Collection and Processing Methods.** All materials that can be handled by the SFD  
940 Single-Stream Recycling, Organic Materials, or Solid Waste route Collection vehicle  
941 would be assigned to one of these vehicles for Collection, with the goal of maximizing  
942 diversion. All Collection of Bulky Items will be assigned for Collection by a Collection  
943 vehicle, and the driver will segregate items Collected according to their suitability for:  
944 (1) reuse or Recycling, and (2) Disposal, prior to their transport to Shoreway  
945 Recycling and Disposal Center for processing. Any remaining items will be Collected  
946 by a dispatched Collection vehicle. Contractor shall utilize these procedures and  
947 vehicles in a manner that provides the maximum diversion of the material Collected  
948 from the On-Call Bulky Item Collection Service event.

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

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

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

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

## 973 **5.06 AGENCY FACILITY ON-CALL BULKY ITEM COLLECTION SERVICE**

974 Contractor shall provide each Agency Facility with one annual On-Call Bulky Item  
975 Collection service event and shall not bill Agency for such services. Agency may request  
976 additional Bulky Item Collection service events; and, Contractor shall bill for the additional  
977 service at no more than the Agency-approved Maximum Rates specified in Attachment Q.  
978 The On-Call Bulky Item Collection Service provisions set forth in Section 5.05 shall apply  
979 to the On-Call Bulky Item Collection Service provided to Agency Facilities with the  
980 following exceptions for frequency and service level/acceptable materials.

### 981 **A. Frequency of Service**

982 Contractor shall provide this service to each Agency Facility annually.

983 **B. Service Level/Accepted Materials**

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

- 986 1. Solid Waste – Contractor shall provide a six (6) cubic yard or smaller Bin upon  
987 request.
- 988 2. Recyclable Materials, Organic Materials – Up to two (2) cubic yards of materials  
989 per event, provided that such materials, except as set forth below have been  
990 bagged, boxed, bundled, or containerized by the Customer.
- 991 3. The Agency may place up to three (3) large items from the categories below:
- 992 a. Major Appliances – One (1) large appliance per event (e.g., washing  
993 machine, clothes dryer, refrigerator, freezer).
- 994 b. Bulky Items – One (1) large Bulky Item per event (e.g., reusable furniture,  
995 mattresses, four tires).
- 996 c. E-Scrap – One (1) item per event (e.g., a computer, computer monitor, or  
997 television).

998 Contractor shall reject: liquids or sludge; dirt, rock, concrete, or asphalt; materials  
999 which exceed five (5) feet in length; commercial-sized refrigerators or freezers;  
1000 Construction and Demolition Debris; Hazardous Waste; or, Infectious Waste.  
1001 Contractor may reject any individual item that weighs more than two-hundred (200)  
1002 pounds (excluding Major Appliances) unless Customer has paid, or has agreed in  
1003 advance to pay an additional fee for service at no more than the Agency-approved  
1004 Maximum Rates specified in Attachment Q, and Contractor may reject un-  
1005 containerized Discarded Materials with the exception of Major Appliances, Bulky  
1006 Items, E-Scrap, and large pieces of Organic Material such as tree limbs and  
1007 dimensional lumber.

1008 **5.07 CONFIDENTIAL DOCUMENT DESTRUCTION SERVICE EVENT**

1009 The SBWMA will take the lead in scheduling one confidential document destruction  
1010 service event for each Member Agency annually at no additional cost to Agency or  
1011 Customers. The SBWMA will hire and pay for a third party document destruction service  
1012 provider to service the event. The document destruction service provider shall provide  
1013 adequate equipment and staffing necessary for the event and shall ensure full destruction  
1014 of confidential documents and other materials delivered by Customers to the site of the  
1015 event. Contractor shall reimburse the SBWMA for the cost of one confidential document  
1016 destruction event per Member Agency per year, up to maximum of one thousand two  
1017 hundred dollars (\$1,200.00) per event, but otherwise shall have no involvement with the  
1018 event. The cost reimbursement amount shall be adjusted annually commencing with Rate  
1019 Year Twelve (2022) by one hundred percent (100%) of the Annual Index Change in CPI-  
1020 U-General.

1021 **5.08 COLLECTION FOR LARGE VENUES AND COMMUNITY EVENTS**

1022 Contractor shall provide Collection services, upon request, to any Venue and Community  
1023 Event within Service Area. Specifically, Contractor shall provide, at a minimum, Solid  
1024 Waste and Targeted Recyclable Materials Collection services, and shall also provide



1025 Organic Materials Collection services if one (1) cubic yard or more of Organic Material is  
1026 generated per day at the Venue or Community Event. Contractor shall provide Collection  
1027 as frequently as requested by the Agency or the Community Event organizer. Contractor  
1028 shall provide an adequate number and type of Collection Container(s) for the Venue or  
1029 Community Event and shall coordinate its Collection services with Agency or Community  
1030 Event organizer. Containers shall be appropriately labeled to collect Solid Waste,  
1031 Recyclable Materials, or Organic Material, per the requirements specified by the SBWMA.  
1032 Upon request of the Agency or the Community Event organizer, Contractor shall provide  
1033 an adequate number of its employee(s) for each Community Event to ensure all Solid  
1034 Waste, Recyclable Materials, and Organic Materials Collection locations (i.e., Containers  
1035 that are placed on-site for use by event patrons) are kept clean and uncontaminated; to  
1036 empty or exchange Containers as the need arises; and to respond to overages or spills.

1037 Within ten (10) Business Days of Contractor receiving a request to supply an Community  
1038 Event with Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection  
1039 services, the Contractor will either meet with or schedule a meeting with the Community  
1040 Event organizer to discuss the Community Event's parameters, including location, number  
1041 of people attending, type of Community Event, type of food being provided, and other  
1042 related issues. Once parameters of the Community Event are determined, proper  
1043 Containers will be provided by Contractor, with emphasis on Recycling and diversion of  
1044 the materials generated.

1045 Contractor shall also supply and staff an information booth at each Venue and Community  
1046 Event, upon request from Agency. In addition, Contractor shall prepare and distribute  
1047 information to the public at Venues and Community Events describing the Collection  
1048 options available at the Venue or Community Event and promoting Recycling programs in  
1049 the Agency, upon request from Agency. All information prepared for distribution to Venues  
1050 and Community Events shall be approved by Agency prior to distribution. The Contractor  
1051 shall report the Tonnage of material Collected at each Venue and Community Event to the  
1052 Agency and, upon Agency request, to the Community Event organizer.

1053 For Venues and Community Events, which are required to comply with the Large Venues  
1054 and Events Recycling Law, codified at Public Resources Code Section 42648 et seq.,  
1055 Contractor shall assist the Venue or Community Event organizer in preparing a Recycling  
1056 plan and reporting all information required by those provisions of the law. Contractor shall  
1057 be required to provide, at a minimum, the following information for each Venue or  
1058 Community Event:

- 1059 1. List of qualifying large Venues and Community Events in Service Area.
- 1060 2. Physical and mailing address.
- 1061 3. Contact name, address, phone number, and email address.
- 1062 4. Type of Venue or Community Event (e.g., museum, concert, sporting event).
- 1063 5. Status of the Venue or Community Event written waste diversion/Recycling plan.
- 1064 6. A description of the extent in which the plan has been implemented.
- 1065 7. Service level provided (i.e., Solid Waste, Recyclable Materials, and Organic  
1066 Materials).
- 1067 8. Tons disposed and diverted, by material type.

1068 9. Description of the scope and types of diversion programs provided.

1069 10. Other information required by law.

1070 Contractor shall provide the Collection services required by this Section for the Agency-  
1071 sponsored Venues and Community Events listed on Attachment C, at no charge to the  
1072 Agency or the Community Event organizer. A preliminary list of Agency-sponsored  
1073 Venues and Community Events is provided in Attachment C. Agency may add additional  
1074 events to those listed in Attachment C or modify this list if events change during the Term  
1075 and shall make such modifications as part of the Three-Year Public Education Plan (in  
1076 accordance with Section 7.03.B). If the number of events listed in Attachment C increases  
1077 during the Term above the number on the preliminary list on Attachment C, Contractor  
1078 shall be entitled to receive compensation for the number of additional events provided  
1079 service each Rate Year based on the Maximum Rates for additional events specified in  
1080 Attachment Q. For other Venues and Community Events, Contractor may bill the Venue  
1081 or Community Event organizer at no more than the Agency-approved Maximum Rates for  
1082 comparable On-Call Commercial Solid Waste and Organic Materials Collection Service.  
1083 Recyclable Materials Collection service shall be provided at no additional cost to  
1084 Community Events that subscribe to Solid Waste or Organic Materials Collection service.

1085 **5.09 ABANDONED WASTE CLEANUP COLLECTION SERVICE**

1086 A. **General.** Contractor shall provide abandoned waste cleanup Collection service to  
1087 Agency as provided herein. Contractor shall schedule up to a maximum of thirty (30)  
1088 abandoned waste Collection events per service day for the SBWMA Service Area.  
1089 Contractor shall make every effort to collect abandoned waste within one (1) Business  
1090 Day of being notified by Agency, SBWMA, Customer, or Contractor's vehicle drivers  
1091 and route supervisors of the occurrence of abandoned waste or illegal dumping. Upon  
1092 reaching the maximum thirty (30) events, Collection of abandoned waste event shall  
1093 be scheduled and performed by Contractor on the next available service day. This  
1094 service shall require Contractor to Collect abandoned or illegally dumped Solid  
1095 Waste, Recyclable Materials, and Organic Materials. This service does not include  
1096 Collection of litter or litter abatement activities.

1097 Contractor shall notify the SBWMA and Agency when the daily average number of  
1098 events reaches twenty-five (25) events, where the daily average is calculated on a  
1099 weekly basis. When this threshold occurs, Parties shall meet and confer to agree on  
1100 a strategy for handling the volume of abandoned waste Collection events.

1101 B. **Materials to be Collected.** Contractor shall only be required to Collect abandoned  
1102 waste materials of the types that Contractor is required to Collect under the On-Call  
1103 Bulky Item Collection program, as specified in Section 5.05.D. Abandoned waste  
1104 shall only be Collected by Contractor in public right of ways, and Contractor shall not  
1105 be responsible for any Collection of abandoned waste materials that are on private  
1106 properties or easements where ownership of properties are in question or shared.

1107 C. **Collection Protocols.** For abandoned Recyclable Materials, Organic Materials, and  
1108 Solid Waste, Contractor shall dispatch its regular route drivers to provide Collection  
1109 service. For Bulky Items, Contractor shall dispatch a Collection vehicle capable of  
1110 Collecting the Bulky Items to provide the Collection service. For other items including,  
1111 but not limited to, Hazardous Waste, Household Hazardous Waste, and Sharps,  
1112 Contractor shall promptly notify Agency.

1113 D. **Processing.** All abandoned or illegally dumped materials Collected by Contractor  
1114 shall be transported to Shoreway Recycling and Disposal Center for processing, with  
1115 the exception of scrap metal, and all related diversion statistics shall be included in  
1116 the appropriate reports to the Agency for all materials Collected. Contractor shall be  
1117 allowed to transport scrap metal directly to a licensed scrap metal recycler.  
1118 Contractor shall, to the greatest extent possible, deliver all reusable non-metal  
1119 abandoned waste items to organizations such as Society of St. Vincent de Paul and  
1120 Goodwill Industries, or other organizations as directed by Agency.

1121 E. **Agency-Specific Reporting.** The Agency may request Contractor to interface with  
1122 an Agency-specific web-based application for reporting completion of abandoned  
1123 waste collections. In such case, Agency shall compensate Contractor on an annual  
1124 basis for this additional effort at a rate to be mutually agreed by Agency and  
1125 Contractor.

#### 1126 **5.10 COATS FOR KIDS PROGRAM**

1127 If requested by Agency, Contractor shall implement a “Coats for Kids Program” annually  
1128 at no additional cost to Customers and shall not bill Agency for such services. The program  
1129 shall consist of Contractor’s drivers Collecting coats from Customers on their route over a  
1130 one (1) to two (2) week period during the fall, as well as from Collection Containers placed  
1131 by Contractor in various public locations specified by Agency, such as libraries, City Hall,  
1132 and businesses. The coats collected through this program will be sorted and laundered  
1133 by Contractor, and arrangements made by Contractor for distribution to a local non-profit  
1134 organization, such as the Family Services Agency. Prior to the implementation of the  
1135 program, Contractor shall present a detailed program plan to Agency for review and  
1136 approval. All related diversion statistics shall be included in the appropriate reports to the  
1137 Agency. Annually, no later than sixty (60) Days prior to the start of the program, Contractor  
1138 shall notice Agency regarding the program start and end date.

1139  
1140 The general scope of outreach that shall be conducted in order to properly promote the  
1141 program shall include, but not be limited to promotion on websites, and distribution of  
1142 media such as flyers and press releases.

#### 1143 **5.11 COMPOST GIVE-AWAY**

1144 Contractor shall coordinate with the Agency to host “Bring Your Own Bucket” (BYOB)  
1145 giveaway of compost to residents. Contractor shall take the lead in organizing the delivery  
1146 of compost by Operator to either Shoreway Environmental Center (if Contractor is  
1147 delivering compost in a Drop Box) or directly to the event (by Operator). The BYOB  
1148 compost giveaway shall provide residents with free compost to enrich their gardens while  
1149 also educating residents on the benefits of home composting. If included in the Three-  
1150 Year Public Education Plan as a requirement, Contractor representatives shall be on hand  
1151 to distribute Recycling guides and other educational material promoting waste reduction  
1152 and Recycling. Contractor is required to deliver to Agency thirty (30) cubic yards of  
1153 compost annually in one (1) or two (2) deliveries for the BYOB events and/or for use at  
1154 Agency facilities and shall not bill Agency for such services. Agency shall schedule events  
1155 as far in advance as possible. Contractor can only schedule up to four (4) events in any  
1156 weekend and lead-time is needed to ensure adequate promotion of the event. The  
1157 SBWMA will take the lead promoting the BYOB events. If Agency requests delivery of  
1158 more than thirty (30) cubic yards of compost annually, Contractor shall provide the delivery  
1159 and bill Agency at no more than the Maximum Rates specified in Attachment Q.

1160 **5.12 RESERVED**

1161 **5.13 COMMUNITY DROP-OFF EVENTS**

1162 Upon request by Agency, Contractor shall hold drop-off events at a location selected by  
1163 the Agency to allow Residential Customers to drop off acceptable materials. Acceptable  
1164 materials, which shall be determined by the Agency, may include one or more of the  
1165 following: E-Scrap, Universal Waste, Recyclable Materials, Organic Materials, and Solid  
1166 Waste.

1167 A. General Requirements. Contractor shall promote, manage, staff, and operate drop-  
1168 off event(s) for Residential Customers scheduled for one (1) weekend Day (i.e.,  
1169 Saturday or Sunday) or two (2) consecutive weekend Days upon request from  
1170 Agency.

1171 The Agency shall approve the date of the drop-off event and all advertisements or  
1172 public announcements related to such event. Contractor shall promote the event by  
1173 preparing Billing inserts to be included in each Customer's Bill and by advertising in  
1174 a minimum of two local area newspapers as approved by the Agency.

1175 Contractor shall manage, staff, and supervise the event. Contractor shall provide  
1176 traffic control and signage; inspect materials delivered to the event; separate  
1177 materials; document each material type and quantity; transport Collected materials  
1178 to reuse, processing, or Disposal locations; and clean up the location at the end of  
1179 the event.

1180 Contractor shall not charge Customers delivering materials to the event.

1181 B. Accepted Materials. Customers may deliver and Contractor shall accept Major  
1182 Appliances, Bulky Items, Source Separated Targeted Recyclable Materials, Source  
1183 Separated Organic Materials, tires (i.e., four (4) per Customer, removed from rims,  
1184 no commercial tires), clean unpainted wood, Construction and Demolition Debris,  
1185 Universal Waste, E-Scrap, and Solid Waste. Contractor shall be allowed to reject:  
1186 liquids or sludge; cement; dirt; asphalt; concrete; Hazardous Waste; or Infectious  
1187 Waste. Contractor shall not establish a limit on the volume or weight of materials that  
1188 a Customer may bring for Collection.

1189 C. Participants. Contractor shall verify Residents live in the Agency by reviewing a  
1190 driver's license or utility bill.

1191 D. Event Hours. Contractor shall accept materials from Residential Customers over one  
1192 (1) weekend Day (i.e., Saturday or Sunday) or two (2) consecutive weekend Days  
1193 from 8:00 a.m. to 5:00 p.m.

1194 E. Recycling and Reuse. Contractor shall Collect materials in a manner that maximizes  
1195 reuse, Recycling, composting, and diversion of materials from Disposal. Contractor  
1196 shall make reasonable efforts to ensure that diversion goals are met or exceeded.  
1197 Contractor shall separate Recyclable Materials and Organic Materials and transport  
1198 such materials to the Designated Transfer and Processing Facility or an alternative  
1199 processing site with advance authorization from Agency. Contractor shall coordinate  
1200 with re-use vendor(s) to have a representative present at the drop-off event to accept  
1201 donated clothes or other reusable items. Disposal of materials shall be the  
1202 Contractor's last option.

- 1203 F. Handling Major Appliances. Major Appliances shall be reused, Recycled, or  
 1204 Disposed by Contractor in accordance with requirements of Applicable Law. Any  
 1205 changes to such regulations made after January 1, 2011 shall be addressed as  
 1206 though they are a Change in Law in accordance with Section 11.07.
- 1207 G. Scheduling Community Drop-Off Events. Upon request from Agency, Contractor  
 1208 shall promote, manage, staff, and operate community drop-off events described in  
 1209 this Section. If Agency exercises such right, it shall provide written notice to  
 1210 Contractor at least three (3) months before the first day of the requested drop-off  
 1211 event. Agency shall compensate Contractor for such service based on the Maximum  
 1212 Rates specified in Attachment Q.
- 1213 H. Confidential Document Destruction Service. If requested by Agency, Contractor shall  
 1214 provide confidential document destruction service at the drop off event(s). Contractor  
 1215 shall provide adequate equipment and staffing necessary for the event and shall  
 1216 ensure full destruction of confidential documents and other materials delivered by  
 1217 Customers at the site of the event. This service shall be provided by Contractor at  
 1218 no additional cost to Customers and shall not bill Agency for such services.

1219 **5.14 MIXED USE BUILDINGS**

- 1220 A. **General.** Contractor shall provide Solid Waste, Targeted Recyclable Materials, and  
 1221 Organic Materials Collection services to Mixed Use Building Customers in  
 1222 accordance with the requirements for provision of these services to Commercial  
 1223 Customers pursuant to Sections 5.02.C, 5.03.D, and 5.04.C. Contractor shall work  
 1224 cooperatively with the Owner or property manager of the Mixed Use Building to agree  
 1225 on the type and size of Containers to be provided and whether or not the Commercial  
 1226 and Residential portions of the Mixed Use Building will share service or have  
 1227 designated Containers for Collection.
- 1228 B. **Service Capacity.** For the Residential Premises of the Mixed Use Buildings,  
 1229 Contractor shall provide no less than ninety-six (96) gallons per week of Solid Waste  
 1230 Container capacity for every five (5) Residential dwelling units. At a minimum,  
 1231 Contractor shall provide twenty (20) gallons per week of Container capacity for  
 1232 Single-Stream Targeted Recyclable Materials Collection for every Residential  
 1233 dwelling at the Mixed Use Building.
- 1234 C. **Recycling Tote Bags.** Contractor shall provide the Residential Premises units of the  
 1235 Mixed Use Building with Recycling Tote Bags in accordance with the Multi-Family  
 1236 Recycling Tote Bags requirements pursuant to Section 5.03.C.2.
- 1237 D. **Household Battery and Cell Phone Collection.** Contractor shall provide the  
 1238 Residential Premises of the Mixed Use Building with Household Battery and Cell  
 1239 Phone Collection in accordance with the Multi-Family Household Battery and Cell  
 1240 Phone Collection service requirements pursuant to Section 5.03.C.3.
- 1241 E. **Bulky Item Collection.** Contractor shall provide the Residential Premises of the  
 1242 Mixed Use Building with two (2) annual On-Call Bulky Item Collection Service events  
 1243 per Mixed Use Building in accordance with the Multi-Family On-Call Bulky Item  
 1244 Collection service requirements pursuant to Section 5.05. Such service must be  
 1245 requested by the Owner or property manager.
- 1246 F. **Recycling Promotion.** Contractor shall provide the Residential Premises of the  
 1247 Mixed Use Building with the Recycling promotion services that are provided to Multi-

1248 Family Dwellings under Section 7.05, and shall provide the Commercial units of the  
1249 Mixed Use Building with the Recycling promotion services that are provided to  
1250 Commercial Premises under Section 7.04.

1251 G. **Holiday Tree Collection.** Contractor shall provide Holiday Tree Collection Service  
1252 to Residential Premises of the Mixed Use Building in accordance with the Multi-  
1253 Family Holiday Tree Collection Service requirements in Section 5.04.E.

1254 H. **Other**

1255 1. Conflict. The Parties acknowledge that Mixed Use Building is a new category  
1256 and that Mixed Use Buildings may be coded in Contractor's software system as  
1257 Multi-Family Residential Complexes, as Commercial Customers, or (in the event  
1258 of separate accounts for the Residential and Commercial parts of the Premises)  
1259 as both. In the event of any conflict between the provisions of this Agreement  
1260 relating to Mixed Use Buildings, on the one hand, and those relating to Multi-  
1261 Family Residential Complexes or Commercial Premises, on the other hand, the  
1262 provisions relating to Mixed Use Buildings shall govern.

1263 2. Customer Database. Contractor shall use good faith efforts, within the  
1264 constraints of its existing software system and cost structure, to develop a  
1265 method for coding Mixed Use Buildings in the Contractor's customer service and  
1266 routing databases to allow for various reports to be generated for Mixed Use  
1267 Buildings. The approach to coding the Mixed Use Buildings, and implementation  
1268 thereof, shall be reviewed and approved by the SBWMA on or before the  
1269 Commencement Date.

1270 3. Collection Vehicles. At its option, Contractor may provide Collection service to  
1271 Mixed Use Buildings using its Single-Family or Commercial Collection vehicles.

1272  
1273

1274  
1275

## ARTICLE 6 TRANSPORTATION

---

1276 **6.01 TRANSPORTATION OF COLLECTED MATERIALS**

1277 Contractor shall transport and deliver all Solid Waste, Source Separated Targeted  
1278 Recyclable Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries, Cell  
1279 Phones, Bulky Items, Abandoned Waste, and Organic Materials Collected under this  
1280 Agreement to the Designated Transfer and Processing Facility. Once Collected materials  
1281 are deposited by Contractor at the Designated Transfer and Processing Facility, such  
1282 materials shall become the property of SBWMA or Operator. The Contractor is not  
1283 responsible for providing processing services except as provided in Section 6.04.

1284 **6.02 LIMITATIONS ON CONTAMINATION**

1285 A. **General.** The Agency is required by the Act and other State legislation/regulations  
1286 (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061, and SB 1383) and  
1287 its implementing regulations to divert a substantial portion of Solid Waste generated  
1288 by residents, businesses, and institutions within its Service Area from Disposal at a  
1289 landfill. In order to accomplish this, the Agency, through the SBWMA, has made a  
1290 major investment in new recycling equipment and facilities at Shoreway Recycling  
1291 and Disposal Center. In order for that equipment to operate efficiently, the amount of  
1292 Contamination in loads of Recyclable Materials, Organic Materials, and Plant  
1293 Materials delivered to Shoreway Recycling and Disposal Center must be limited to  
1294 specific levels. Moreover, higher levels of Contamination can make processed  
1295 Recyclable Materials unmarketable or substantially reduce the price that purchasers  
1296 are willing to pay. The cost that the SBWMA must charge users of Shoreway  
1297 Recycling and Disposal Center (including Agency) is directly affected by the amount  
1298 of revenue generated by sales of Recyclable Materials processed by its Operator.  
1299 Therefore, for both environmental and financial reasons, it is important that Contractor  
1300 place a high priority on ensuring that Contamination in loads of Recyclable Materials,  
1301 Plant Materials, and Organic Materials delivered to Shoreway Recycling and Disposal  
1302 Center is minimized. Contractor shall work collaboratively with Agency and SBWMA  
1303 to accomplish this and will implement the specific measures described in this Section  
1304 and Section 6.03.

1305 B. **Contamination Levels.** The maximum Contamination Levels for each category of  
1306 Recyclable Materials, Plant Materials, and Organic Materials are specified in Table  
1307 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%

1308 If two (2) or more loads from the same route are brought to Shoreway Recycling and  
1309 Disposal Center in a given month with Contamination Levels greater than those  
1310 specified in Table 1, Contractor shall visually inspect materials at the point of  
1311 Collection on that route to identify the source of the Contamination. If the source can  
1312 be identified, Contractor shall follow up with the Customer(s) that need further  
1313 assistance to reduce Contamination and to resolve the Contamination issue. At any  
1314 time, the SBWMA may request for the sampling of a load of materials.

1315 C. **Inspecting for Excessive Contamination in Single Loads**

1316 The Operator will inspect loads of materials delivered to Shoreway Recycling and  
1317 Disposal Center. The Operator may set aside for sampling a load of material that  
1318 appears to exceed the Contamination Levels in Table 1.

1319 When setting aside a load for sampling, the Operator will document the truck number,  
1320 the date and time of delivery, and will take a photograph of the load. The methodology  
1321 for sampling of single loads is set forth in Attachment E.

1322 If an entire load is sorted to determine Contamination, as contemplated by  
1323 subsections D and E below, then Contractor or its representative shall have the right  
1324 to be present at, observe, and photograph and video all aspects of the sort.

1325 D. **Supplemental Processing Fee for Excessive Contamination in Salvageable  
1326 Single Loads**

1327 If a load of materials is determined based on (1) sorting of the entire load, or (2)  
1328 sample testing pursuant to Section 6.02.C to contain Contamination in excess of the  
1329 levels specified in Table 1, but is determined by the SBWMA to be salvageable,  
1330 Contractor shall be required to pay SBWMA a supplemental processing fee of \$25.00  
1331 per Ton for the load.

1332 The supplemental processing fees shall be adjusted annually by the Annual Index  
1333 Change in CPI-U-General.

1334 E. **Payment of Transfer, Transportation, and Disposal of Unsalvageable Single  
1335 Loads**

1336 If a load of materials is determined based on (1) sorting of the entire load, or (2)  
1337 sample testing pursuant to Section 6.02.C to contain Contamination in excess of  
1338 the levels specified in Table 1, and is determined by SBWMA to be unsalvageable,  
1339 Contractor shall reimburse SBWMA for the cost of transfer, transportation, and  
1340 Disposal of the load, which shall be calculated as the weight of the load multiplied  
1341 by the then-current per-Ton fee for transfer, transport, and Disposal pursuant to the  
1342 agreement between the SBWMA and Operator.

1343 **6.03 CONTRACTOR METHODS OF CONTROLLING CONTAMINATION**

1344 A. **General.** Contractor shall assist in controlling Contamination Levels by helping to  
1345 educate Customers on acceptable and non-acceptable materials, by monitoring the  
1346 contents of Collection Containers and by refusing to Collect Containers of Targeted  
1347 Recyclable Materials, Plant Materials, and Organic Materials that appear to exceed  
1348 the maximum Contamination Levels in Section 6.02 Table 1, all as and to the extent  
1349 set forth in this Section 6.03.

1350 Drivers that dismount from Collection vehicles in order to empty Containers shall lift  
1351 the Container lid and observe the contents. If Contamination appears to be present



1352 in excess of the applicable maximum Contamination Level, the driver will not empty  
1353 the Container, but will instead affix a “non-collection notice.” The non-collection  
1354 notice shall (i) inform the Customer of the reason(s) for non-collection, (ii) include the  
1355 date and time the notice was left, and (iii) describe the premium charge to Customer  
1356 for Contractor to return and Collect the Container after Customer removes the  
1357 Contamination. The driver shall document the non-collection event and a customer  
1358 service representative shall update the Customer’s computerized account record to  
1359 note the event. Upon request from Customer, Contractor shall Collect Containers  
1360 that received non-collection notices within one (1) Business Day of Customer’s  
1361 request if the request is made at least two (2) Business Days prior to the regularly  
1362 scheduled Collection Day. Contractor shall bill Customer for the extra Collection  
1363 service event (“extra pick-up”) at no more than the Agency-approved Maximum Rates  
1364 specified in Attachment Q only if Contractor notifies Customer of the premium charge  
1365 for this service at the time the request is made by Customer.

1366 Drivers providing automated Collection service shall observe, via the hopper video  
1367 camera and monitor system, the contents of the Containers as it is being emptied into  
1368 the vehicle. If the driver observes Contamination in excess of the applicable  
1369 maximum Contamination Level, the driver shall affix a “courtesy notice” to the emptied  
1370 Container. The courtesy notice shall (i) inform the Customer of the observed presence  
1371 of unacceptable levels of Contamination, (ii) include the date and time the notice was  
1372 left, (iii) describe the premium charge to Customer for Contractor to return and Collect  
1373 Contaminated Containers after Customer removes the Contamination. The next day  
1374 on which that Customer is to receive service, the driver shall dismount the Collection  
1375 vehicle, lift the lid of the Container, and visually inspect the contents. If the driver  
1376 determines that the Container again contains excess Contamination, the Container  
1377 shall not be Collected. Instead, the driver will record the non-collection event in the  
1378 on-board computer system and shall affix a non-collection notice to the Container.

1379 If a driver observes Hazardous Materials in an uncollected Container, the driver shall  
1380 record that observation in the on-board computer system and also inform the route  
1381 supervisor. The route supervisor shall investigate and initiate applicable action within  
1382 one (1) Business Day.

1383 Whenever a Container at a Commercial or a Multi-Family Dwelling Complex  
1384 Customer is not Collected, Contractor shall contact the Customer on the scheduled  
1385 Collection Day by telephone to explain why the Container was not Collected.  
1386 Whenever a Container is not Collected because of excess Contamination, a customer  
1387 service representative shall contact the Customer to discuss, and encourage the  
1388 Customer to adopt, proper materials-preparation and separation procedures.

1389 B. **Periodic Route Audits.** Contractor shall conduct a route audit of any route from  
1390 which two (2) or more loads are found to exceed the applicable maximum  
1391 Contamination Levels set forth in Section 6.02 Table 1 during any thirty (30) day  
1392 period, as well as any other route whose loads consistently exceed the maximum  
1393 Contamination Levels.

1394 When a route is identified as requiring a route audit, Contractor will provide a route  
1395 auditor to precede the Collection vehicle and physically examine the contents of each  
1396 Container or Cart prior to emptying. The route auditor shall affix non-collection  
1397 notices to at least ninety percent (90%) of all Containers that contain Contamination  
1398 in excess of applicable maximum Contamination Levels.

1399 Contractor shall submit a monthly route audit report within five (5) Business Days  
1400 after the end of each route audit that has been conducted during the previous month.  
1401 The report shall describe in detail Contractor's conduct of the audit, as well as the  
1402 public education and outreach activities that it employed to encourage and facilitate  
1403 changes in Customer behavior that will reduce Customers discarding Contamination  
1404 in Containers designated for Recyclable Materials or Organic Materials.

1405 The audit of a route shall continue for a period of four (4) consecutive weeks after the  
1406 route has been identified as requiring an audit under the first paragraph of this Section  
1407 6.03.B.

1408 **6.04 PROCESSING OF OTHER MATERIALS**

1409 Upon request by Agency, and with the prior approval of SBWMA, the Contractor shall be  
1410 responsible for, or shall arrange for, processing, Recycling, and/or reuse of Bulky Items,  
1411 Major Appliances, and Specialty Recyclable or Reusable Materials (excluding  
1412 Construction and Demolition Debris) Collected pursuant to this Agreement. If Agency  
1413 determines a need for processing of other materials, changes can be made as described  
1414 in Section 15.12.

1415  
1416

## ARTICLE 7 OTHER SERVICES

---

1417 **7.01 CUSTOMER BILLING**

1418 A. **Billing.** Contractor shall prepare and mail Bills for services provided to Customers  
1419 by Contractor and shall collect Customer payments.

1420 1. Frequency. Contractor shall Bill Single-Family Customers quarterly in amounts  
1421 no greater than the Agency-approved Maximum Rates for service for a three (3)  
1422 month period (i.e., using a quarterly format), unless the Agency requests a more  
1423 frequent Billing interval in which case the Contractor shall be entitled to a  
1424 reasonable adjustment in its compensation related to the additional costs for the  
1425 Agency-directed change in Billing frequency. Contractor shall issue Single-  
1426 Family Residential Bills three (3) months in advance in a manner such that one-  
1427 third (1/3) of SFD Customers are Billed each month. Contractor shall bill Multi-  
1428 Family Dwelling and Commercial Customers monthly in arrears in the amount  
1429 equal to Customers' subscribed Rates for service for a one (1) month period.

1430 2. Automated Billing and Payment. In an effort to reduce paper waste, Contractor  
1431 shall make available to all Customers an automated Billing and payment system.  
1432 This system should be website-based and allow Customers to view and pay Bills  
1433 through Contractor's website. Through the Contractor's website, Customers  
1434 may request to cease paper Billing and receive all Bills through e-mail and/or  
1435 Contractor's website. Contractor shall ensure that the electronic Billing and  
1436 payment website conforms to industry-standard practices for electronic  
1437 commerce security. However, Contractor shall ensure that these Customers are  
1438 compiled in a list to ensure that Billing inserts are mailed directly.

1439 3. Bill Format. Contractor shall Bill Customers using a Bill format (i.e., post-card  
1440 Billing format or conventional envelope/insert) approved by the Agency, if  
1441 Customer does not opt-out by requesting use of the automated Billing and  
1442 payment system. Contractor shall promote the website-based Billing and  
1443 payment system on all paper Bills sent to Customers. Agency shall have the  
1444 right to revise the Billing format (e.g., size, font, frequency, etc.) and to itemize  
1445 certain charges and to review the Billing procedures. Contractor shall be  
1446 compensated for any cost increases that result from the Agency-directed change  
1447 to the Billing format.

1448 4. Records. Contractor shall maintain, for inspection by the Agency, copies of  
1449 Customer Billings and receipts, in chronological order, for a period of five (5)  
1450 years after the date of service. Contractor shall maintain those records in  
1451 electronic format. SBWMA and Agency staff or representatives shall be given  
1452 access to such records upon one (1) Business Day notice.

1453 Agency shall be allowed to access and review Contractor's Billing systems on  
1454 an appointment basis and such access shall not be unreasonably withheld by  
1455 Contractor.

1456 5. Maximum Rates. Agency shall establish, by resolution or ordinance, Maximum  
1457 Rates for the types of service provided as described in Article 11 or elsewhere

1458 in this Agreement. Contractor shall Bill and collect at no more than those  
1459 Agency-approved Maximum Rates.

1460 6. **Service Stops.** Contractor shall allow Customers to suspend service and Billings  
1461 when the Premises are unoccupied. Single-Family Residential Customers may  
1462 suspend service for a minimum of one (1) Service Day on a maximum of three  
1463 (3) occasions each Rate Year. Commercial Customers may suspend service for  
1464 a minimum of two (2) Service Days on a maximum of six (6) occasions each Rate  
1465 Year. Multi-Family Customers may not suspend service without prior written  
1466 approval from Agency. The Billings for both Residential and Commercial  
1467 Customers shall be prorated by Contractor in accordance with Customer's  
1468 requests to suspend service.

1469 B. **Delinquent Payment.** Residential Customers shall be considered delinquent sixty  
1470 (60) Days after start of the quarter in which the services are provided, and Multi-  
1471 Family Dwelling and Commercial Customers shall be considered delinquent thirty  
1472 (30) Days after payment is due. Contractor shall address the issue of delinquent  
1473 payment as specified in Attachment H.

1474 C. **Local Office.** Contractor shall maintain a local office in the Shoreway Environmental  
1475 Center, located at 225 Shoreway Road, San Carlos, California, for acceptance of in-  
1476 person payment of bills. If office space at Shoreway Environmental Center becomes  
1477 unavailable for the Contractor's use, Contractor shall establish a local office in the  
1478 SBWMA Service Area. Such a change shall be considered an Agency-directed  
1479 change in scope and handled in accordance with provisions in Section 15.12. At the  
1480 local office, Contractor shall accept as payment personal checks, money orders,  
1481 cashiers' checks, and credit cards. The local office shall be open for business from  
1482 8:00 a.m. until 5:00 p.m. Monday through Friday, exclusive of Holidays specified in  
1483 Attachment A for the local office.

1484 D. **Contractor Revenue Collection.** Contractor shall collect revenue for services  
1485 described herein on behalf of the Agency. Revenues collected on behalf of the  
1486 Agency or SBWMA shall be handled as described in Article 11 of this Agreement.

1487 E. **Review of Billings.** Contractor shall review its Billings to Customers, issued  
1488 pursuant to Section 7.01.A. The purpose of the review is to determine that the amount  
1489 which Contractor is Billing each Customer is correct in terms of the level of service  
1490 (i.e., frequency of Collection, size of Container, location of Container) being provided  
1491 to such Customer by Contractor. Contractor shall review Customer accounts not less  
1492 than once every three (3) calendar years for each Commercial, Multi-Family Dwelling,  
1493 and SFD Customer, unless Agency directs Contractor to do so more frequently.  
1494 Contractor shall submit to Agency a written report of the status of its review annually  
1495 no later than forty-five (45) Days after the end of each calendar year. The intent of  
1496 this Section is for Agency to receive reports on an annual basis for one-third (1/3) of  
1497 all Customer accounts, and for all Customer accounts to be reviewed every third year  
1498 of the Agreement. The scope of the review and the reviewer's work plan shall be  
1499 submitted to Agency for approval no later than six (6) months before the submission  
1500 of the first report.

1501 F. **Agency or SBWMA Billing Review.** Contractor acknowledges that Agency or  
1502 SBWMA may perform, or cause to be performed, Billing reviews periodically.  
1503 Contractor agrees to participate and cooperate with SBWMA and Agency and its  
1504 agents to accomplish these reviews and conduct any data collection and report

1505 preparation that may be requested. The Contractor's full cooperation with these  
1506 reviews may include, but is not limited to: (i) allowing Agency or SBWMA staff or  
1507 consultants to ride along with drivers in Collection vehicles during daily Collection  
1508 operations; (ii) providing for interviews of personnel at all levels, with or without  
1509 management oversight; (iii) providing reporting related to franchised operations  
1510 available through Contractor's automated systems; and, (iv) adjusting routing, public  
1511 information, outreach, or program availability based upon the recommendations of  
1512 the audit, if approved by the SBWMA or Agency.

1513 G. **Privacy of Customer Information.** Contractor shall not distribute or sell Customer,  
1514 Owner, or Occupant information such as names, addresses, and telephone numbers  
1515 to other Persons with the exception of distribution to the Agency, SBWMA, or its  
1516 agents for reporting and contract compliance purposes and distribution to  
1517 Contractor's Billing agent (if Contractor uses a Related Party Entity or Subcontractor  
1518 for Billing purposes).

## 1519 **7.02 CUSTOMER SERVICE**

1520 Contractor is responsible for ensuring that all staff and Customer service representatives  
1521 (CSR) maintain a professional and courteous demeanor when in contact with Agency,  
1522 SBWMA, and the public. Contractor shall be responsible for all employee interactions with  
1523 Customers, SBWMA, and Agency staff. Contractor is required to ensure that its  
1524 Customers are consistently treated courteously and are presented with timely, responsive,  
1525 and thorough solutions to problems and requests for information. Contractor shall meet  
1526 monthly to discuss compliance with the Customer service standards described herein if  
1527 requested by Agency.

### 1528 **A. Local Office**

1529 Contractor shall operate a local office at the Shoreway Environmental Center, located  
1530 at 225 Shoreway Road, San Carlos. If office space at Shoreway Environmental  
1531 Center becomes unavailable for the Contractor's use, Contractor shall establish a  
1532 local office in the SBWMA Service Area. Such a change shall be considered an  
1533 Agency-directed change in scope and handled in accordance with provisions in  
1534 Section 15.12. Contractor's office hours shall be, at a minimum, from 8:00 a.m. to  
1535 5:00 p.m., Monday through Friday, exclusive of Holidays specified in Attachment A  
1536 for the local office. Contractor shall be responsible for ensuring that a qualified  
1537 representative is available at a local office within the SBWMA Service Area during  
1538 office hours to communicate with the public and accept Bill payments from  
1539 Customers. Contractor shall offer bi-lingual Customer service at the local office by  
1540 employing CSRs with English and Spanish language capabilities. The local office  
1541 and Customer service telephone number(s) shall either be a local or toll free call.

1542 Contractor's telephone system shall adequately handle the volume of calls typically  
1543 experienced on the busiest days. Contractor shall have a company representative,  
1544 an answering service, or voice-mail system available for calls received during non-  
1545 business hours and Holidays specified in Attachment A for the local office.

1546 Contractor shall employ sufficient Customer service staff and management practices  
1547 to ensure that the Average Speed of Answer is equal to or less than thirty (30)  
1548 seconds and the maximum Hold Time is ninety (90) seconds or less.

1549 Contractor shall be required to track all informational requests so that appropriate  
1550 public outreach materials can be designed to target commonly asked questions.

1551 Contractor shall be responsible for promoting use of the Contractor's website for  
1552 scheduling of On-Call Collection Service events and obtaining answers related to  
1553 common informational requests through: (i) public education and promotion  
1554 materials; and, (ii) a recorded message Customers will hear while on-hold with the  
1555 Customer service department.

1556 Contractor shall maintain and publicize an e-mail address whereby Customers can  
1557 communicate with the Contractor's Customer service staff. Contractor shall monitor  
1558 the email at least once per Business Day, and ensure that a twenty-four (24) hour  
1559 response time is maintained.

1560 **B. Customer Service Call Center and Staffing**

1561 Contractor is required to operate a Customer service call center that will serve as the  
1562 primary telephone point of contact and information for all services. The Customer  
1563 service call center hotline is required to be staffed live during regular business hours  
1564 (i.e., Monday through Friday 8:00 a.m. to 5:00 p.m.) by sixteen (16) Customer service  
1565 representatives (includes one (1) receptionist who performs Customer service  
1566 activities). In addition, the Customer service call center shall offer multi-lingual  
1567 Customer service by employing a minimum of two (2) bilingual Customer service  
1568 representatives with English and Spanish language capabilities, and contracting with  
1569 a service to provide bilingual capacity for other languages including Cantonese,  
1570 Mandarin, and Vietnamese. Contractor shall provide immediate access to interpreters  
1571 for over one-hundred and seventy-five (175) languages through the use of Language  
1572 Line service, or a similar service.

1573 **C. Website**

1574 Contractor shall maintain and publicize an up-to-date website whereby Customers  
1575 can conduct business with Contractor in both English and Spanish. Contractor is  
1576 required to update the website monthly, and more frequently if necessary. At a  
1577 minimum, the website shall:

- 1578 1. Allow Customers to view and pay Bills issued by Contractor, as required in  
1579 Section 7.01;
- 1580 2. Allow Customers to schedule services Including On-Call Service events, On-Call  
1581 Bulky Item Collections, extra Collections, service changes, temporary Drop Box  
1582 service, service terminations, and service stops;
- 1583 3. Provide answers to frequently asked questions Including: proper Container set-  
1584 out instructions; list of acceptable Recyclable and Organic Materials; Collection  
1585 Days (in response to Customer input of service address); Billing issues,  
1586 Customer service telephone and e-mail contact information; and the Designated  
1587 Transfer and Processing Site hours, directions, and acceptable materials;
- 1588 4. Provide complete list of Agency-approved Maximum Rates for all Customers;
- 1589 5. Allow Customers to file Complaints and receive from Contractor e-mail  
1590 responses to Complaints;
- 1591 6. Provide a link to enable Customers to email Contractor; and,
- 1592 7. Maintain and produce visitor logs and reporting including website and individual  
1593 page visitation, number of web-based Bill payments per month, number of

1594 website-submitted Complaints per month, and individual and summary  
1595 Customer Complaint and resolution reporting.

1596 **D. Customer Information System Requirements**

1597 Contractor is required to use a Customer information system with software  
1598 applications capable of documenting all correspondence and conversations,  
1599 pertaining to the services specified herein, between Contractor, Customers,  
1600 Occupants, Agency, and SBWMA. The system shall include, at a minimum, the  
1601 following data fields:

- 1602 1. Date and time of Customer correspondence or contact with Contractor (e.g.,  
1603 phone call, email)
- 1604 2. Date and time response was provided
- 1605 3. Date and time resolution was provided
- 1606 4. Customer's name and contact information (multiple phone numbers and email  
1607 addresses)
- 1608 5. Account address
- 1609 6. Service address
- 1610 7. Occupant address
- 1611 8. Service location information including:
  - 1612 a. Number of units
  - 1613 b. Number, size, and type of Solid Waste, Organic Materials, and Targeted  
1614 Recyclable Materials Containers
  - 1615 c. Collection Service Day
  - 1616 d. Route number
  - 1617 e. Backyard service status
  - 1618 f. Special Handling Service status
  - 1619 g. Bulky Item Collection history (e.g., number of annual services performed,  
1620 date requested, date provided)
- 1621 9. Service issue, Complaint, or Inquiry
- 1622 10. Time frame stipulated for Contractor to resolve issue
- 1623 11. Description of Contractor's resolution of service issue or Complaint, or response  
1624 to Inquiry
- 1625 12. Date and time that Contractor's resolution took place
- 1626 13. CSR or Contractor's employee identification code of employee inputting the  
1627 Complaint or Inquiry
- 1628 14. CSR or Contractor's employee identification code of employee inputting the  
1629 resolution

1630 The system shall be capable of:

- 1631
- 1632 1. Providing real-time access to complete Customer contact history from the  
1633 commencement of service in 2011;

- 1634 2. Providing Agency and SBWMA the capacity to submit work orders (e.g.,  
1635 specifying the Inquiry, Complaint, or request for service) electronically directly to  
1636 Contractor using Contractor's web-based software;
- 1637 3. Documenting non-Collection events including problem description and  
1638 resolution;
- 1639 4. Tracking non-Collection events necessary to fulfill the requirements in Section  
1640 8.02(F); and,
- 1641 5. Fulfilling Customer service reporting requirements as specified in Article 9.
- 1642 E. **Monthly Meetings with Agency.** If requested, Contractor shall meet monthly with  
1643 Agency to discuss compliance with the Customer service standards specified in this  
1644 Section 7.02, Attachment I (Performance Incentives and Disincentives), and  
1645 Attachment J (Liquidated Damages).
- 1646 F. **Quality Assurance Program.** Each month Contractor's Customer service  
1647 representatives shall contact by telephone a minimum of two hundred (200)  
1648 Customers within the SBWMA Service Area to inquire about the quality of their  
1649 Customer service experience when interacting with the Contractor's Customer  
1650 service center. The Customers contacted shall be (i) representative of different  
1651 Service Sectors, (ii) distributed among Member Agencies, and (iii) selected from  
1652 among Customers that have recently contacted the Contractor via phone and spoke  
1653 live with a Customer service representative. The Customers contacted each day shall  
1654 be randomly selected from the pool of Customers that contacted the Contractor the  
1655 prior Business Day and such calls shall be evenly distributed (e.g., approximately 12  
1656 to 13 calls per Business Day) throughout the month with some exceptions as follows:  
1657 calls will be made during non-peak call volume days (i.e., 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> weeks after  
1658 billing); and no calls will be made immediately after a holiday. When placing the calls,  
1659 the Contractor will use a standardized survey that will be completed during the phone  
1660 interview of the Customer. If a message is left with the Customer, the message left  
1661 by the Contractor shall direct the Customer to complete an online survey. Both survey  
1662 instruments (for phone interviews and online survey) shall have similar questions and  
1663 be subject to approval by the SBWMA. Contractor employees placing the calls shall  
1664 not be the same employee that spoke to the Customer the prior Business Day;  
1665 Contractor employees shall be calling Customers that another employee spoke to the  
1666 prior Business Day. Customer service representatives shall ask about (i) Customers'  
1667 satisfaction with Solid Waste, Recyclable Materials, Organic Materials, and Bulky  
1668 Item Collection services, (ii) Customers' satisfaction of the Customer service  
1669 experience when interacting with the Contractor's Customer service department,  
1670 and, (iii) Customer's suggestions for opportunities to improve service. The quality  
1671 assurance program reporting requirements are specified in subsection 9.05.G.
- 1672 G. **Preprogrammed Call Transfer.** Contractor shall maintain the ability to provide  
1673 preprogrammed call transfer service to Agency. With this communications feature in  
1674 place, when a Customer calls Contractor about an issue or concern that pertains to  
1675 Agency but is not related to Collection services provided by Contractor, Contractor  
1676 shall immediately transfer the phone call to the offices of Agency through a dedicated  
1677 telephone line designated by Agency. The call transfer shall be seamless, and appear  
1678 to the Customer as if Contractor were transferring the call internally.



1679 H. **Customer Service Operations Plan.** Contractor shall annually submit its Customer  
1680 service operations plan. The Customer service operations plan shall describe how  
1681 Contractor uses its customer relationship management system, linked to on-board  
1682 GPS tracking system, to share real-time information between Customers, drivers,  
1683 customer service representatives, managers, and SBWMA and Agency staff. The  
1684 plan will provide details on how Contractor automatically detects and records  
1685 information on each Customer pickup, real-time transmission of service extras,  
1686 blocked cars, safety notes, and exceptions to service.

1687 **7.03 PUBLIC EDUCATION AND PROMOTION**

1688 Contractor and Agency agree that all public education activities will be a collaborative  
1689 effort among the SBWMA, Agency, and Contractor. Contractor shall be responsible for  
1690 ensuring that its Customers consistently receive a high level of service and  
1691 responsiveness.

1692 A. **General.** Contractor acknowledges and agrees that education and public awareness  
1693 are critical and essential elements of any effort to achieve diversion. Contractor shall  
1694 educate Residential and Commercial Customers on the following: (i) the benefits of  
1695 source reduction, reuse, Recycling, and Composting and related program  
1696 opportunities; (ii) proper handling of Hazardous Waste; (iii) specific services offered  
1697 by the Contractor; and (iv) Rates for Collection services. The public education  
1698 program shall include distribution of public education materials when Collection  
1699 services are changed during the Term; and when new Collection services are  
1700 implemented during the Term. In addition, the public education program shall include  
1701 on-going education activities throughout the Term. Educational materials that  
1702 SBWMA will pay for, produce and jointly distribute, shall include, but not be limited to,  
1703 those listed in Section 7.03(D).

1704 B. **Three-Year Public Education and Recycling Technical Assistance Plan.** The  
1705 SBWMA, Member Agencies, and Contractor shall cooperate to prepare a joint Public  
1706 Education and Recycling Technical Assistance Plan every three (3) years (Three-  
1707 Year Plan). The Three-Year Plan will be an SBWMA-wide plan; therefore, separate  
1708 plans will not be prepared for each Member Agency. Generally, the Three-Year Plan  
1709 will focus on coordinating public education and recycling technical assistance efforts  
1710 and making efficient use of each Party's available resources in those areas. In the  
1711 case of Contractor, the process may and potentially result in modifying Contractor's  
1712 activities through a reallocation of Waste Zero Specialists' staff time and public  
1713 education and outreach resources, to the extent they can be reallocated without  
1714 causing the Contractor to default in performance of its expressed obligations under  
1715 this Agreement.

1716 The Parties shall cooperate to finalize the Three-Year Plan on or before January 1 of  
1717 Rate Years Eleven (2021), Fourteen (2024), Seventeen (2027), Twenty (2030),  
1718 Twenty-three (2033) and, if the Term is so extended, Twenty-six (2036) and Twenty-  
1719 nine (2039). SBWMA and Contractor shall jointly develop a schedule for preparation  
1720 of the Plan, which shall involve the following elements:

1721 1. **Public Education Plan.** Working collaboratively with the Contractor, SBWMA will  
1722 develop, and the Contractor shall review, the first section of the Three-Year Plan,  
1723 which shall include a detailed list of public education activities to be undertaken  
1724 by SBWMA and Contractor for the coming three (3) Rate Years. The plan shall  
1725 list each public education piece or activity (e.g., newsletters, Bill inserts, flyers,

1726 newspaper advertisements, website enhancements, etc.) to be prepared or  
1727 conducted in the coming three (3) Rate Years, the purpose of the piece, the key  
1728 subject(s) to be covered, the anticipated date of issuance/completion,  
1729 performance standards, and quarterly reporting requirements. In addition, the  
1730 plan shall list all Community Events for each Member Agency that the Contractor  
1731 plans to attend and the public education it intends to provide at each such event  
1732 (e.g., exhibit at Earth Day Event, Chamber of Commerce meetings, etc.) in the  
1733 three (3) coming Rate Years.

1734 2. Recycling Technical Assistance Plan. Working collaboratively with the SBWMA,  
1735 Contractor shall develop a draft of the second section of the Three-Year Plan,  
1736 which shall include a detailed list of Commercial, Mixed Use, and Multi-Family  
1737 Recycling technical assistance activities to be undertaken by Waste Zero  
1738 Specialists for the coming three Rate Years, the objectives of such activities,  
1739 specific performance standards for the activities, the anticipated time frames for  
1740 completion, the distribution of such activities across Member Agencies, quarterly  
1741 reporting requirements, and any specific actions to be undertaken to meet the  
1742 specific needs of one or more Member Agencies. Pursuant to Sections 7.04 and  
1743 7.13, SBWMA may request an adjustment in the staffing level for the Waste Zero  
1744 Specialists.

1745 3. Plan Review. SBWMA shall coordinate with the Member Agencies to seek input  
1746 on the Three-Year Plan. After Member Agencies have provided their input, the  
1747 Contractor shall provide the SBWMA with its final comments for both sections of  
1748 the Three-Year Plan two (2) weeks after receiving the revised draft of the plan.

1749 4. Completion of Plan Activities. During each Rate Year, the SBWMA, Agency, and  
1750 Contractor shall each complete all elements and tasks specified in the Three-  
1751 Year Plan that it has agreed to perform, in accordance with the schedule and  
1752 budget presented in the Three-Year Plan. The Agency or SBWMA may, by  
1753 providing written approval to Contractor, waive or postpone completion of any  
1754 requirement of Contractor stated in the Three-Year Plan (it being understood that  
1755 such right of Agency shall only apply to activities within Agency's Service Area).  
1756 Waste Zero Specialists shall be dedicated to performing services for the SBWMA  
1757 and Member Agencies and Customers within the SBWMA Service Area. Their  
1758 main focus shall be on performing the tasks identified in the Public Education  
1759 and Recycling Technical Assistance Plan. In addition to the tasks defined in the  
1760 Public Education and Recycling Technical Assistance Plan, Agency recognizes  
1761 that Waste Zero Specialists will participate in Contractor's employee programs  
1762 such as company training programs, occasional staff meetings, and other  
1763 activities, provided that such participation is commensurate with their position.

1764 C. **Content and Production Requirements.** The SBWMA will prepare all public  
1765 education materials and request that they be reviewed by Contractor prior to  
1766 production. Contractor shall review and comment on the materials within two (2)  
1767 weeks of request from the SBWMA or Agency. Bill inserts shall be designed and  
1768 produced by the SBWMA with review and comment by Contractor, and approval from  
1769 the Agency.

1770 The public education materials shall emphasize use of visual/graphic images as much  
1771 as practical. Furthermore, the materials shall include a clear listing of program  
1772 participation parameters and targeted materials.

1773 All public education materials shall be printed on paper containing the highest levels  
1774 of recycled-content material reasonably practical.

1775 The SBWMA shall develop a multi-lingual approach to preparing all public education  
1776 materials, and all public education materials shall be provided in both English and  
1777 Spanish.

1778 **D. SBWMA and Agency Responsibilities**

1779 SBWMA shall take primary responsibility for implementation of the public education  
1780 and outreach campaign that will be used to announce changes in Collection services.  
1781 Development of the public education and promotion strategy and implementation  
1782 schedule will be a collaborative process among Contractor, SBWMA, and Agency.

1783 The SBWMA and Agency's responsibilities with regard to public education and  
1784 promotion activities shall include, but not be limited to, the following:

- 1785 1. Provision of public education to SFD, MFD, Commercial, and Agency Facility  
1786 Customers with a broad focus on waste prevention, reuse, and Recycling.
- 1787 2. Preparation and distribution of newsletters for all SFD and MFD Occupants, at  
1788 frequency determined by SBWMA or Agency.
- 1789 3. Preparation and distribution of Multi-Family Dwelling toolkits for MFD complex  
1790 Owners and managers.
- 1791 4. Purchase of desk-side and other interior Targeted Recyclable Materials and  
1792 Organic Materials receptacles for Commercial Customers.
- 1793 5. Purchase of Recycling Tote-Bags for distribution to MFD complexes.
- 1794 6. Preparation and distribution of an electronic newsletter for the Commercial sector  
1795 and MFD complex managers.
- 1796 7. Preparation and provision of outreach materials to schools.
- 1797 8. Development and maintenance of SBWMA website.
- 1798 9. Production of decals for Used Motor Oil jugs.
- 1799 10. Production of Household Battery and Cell Phone Recycling bags.
- 1800 11. Each Rate Year, SBWMA shall develop and produce the following Bill inserts (for  
1801 distribution by Contractor):
  - 1802 a. Annual On-Call Collection Services Collection notice (one (1) SFD Solid  
1803 Waste Bill insert).
  - 1804 b. Annual Holiday Tree Recycling notice (separate for SFD and MFD - two  
1805 (2) Solid Waste Bill inserts).
  - 1806 c. Annual "Reduce Holiday Packaging" notice (one (1) SFD and MFD Solid  
1807 Waste Bill insert).
  - 1808 d. Twice annual compost giveaway notice (two (2) SFD and MFD Solid  
1809 Waste Bill inserts).
  - 1810 e. Twice annual Commercial Recycling notice (two (2) Commercial Solid  
1811 Waste Bill inserts).
  - 1812 f. Annual Commercial Recycling awards notice (one (1) Commercial Solid  
1813 Waste Bill insert).
- 1814 12. If Agency or SBWMA requests distribution of additional Bill inserts, SBWMA or  
1815 Agency shall develop and produce the Bill inserts.

- 1816 13. Prepare and manage press releases.
- 1817 E. **Contractor Responsibilities.** Contractor will be required to provide the following  
1818 services:
- 1819
- 1820 1. Actively collaborate with Agency and SBWMA on the public education strategy  
1821 and development of materials.
- 1822 2. Distribute public education and promotion materials to new Customers during  
1823 the Term.
- 1824 3. Provide public education door hangers, posters, and other promotional materials  
1825 to Multi-Family Dwelling Customers during the Term.
- 1826 4. Deliver Recycling Tote-Bags to MFD complexes.
- 1827 5. Deliver desk-side and other interior Targeted Recyclable Materials and Organic  
1828 Materials receptacles for Commercial Customers and Agency Facilities.
- 1829 6. Produce and deliver non-collection notices, in both English and Spanish. The  
1830 format and content of the non-collection notices must be approved in advance  
1831 by Agency and SBWMA.
- 1832 7. Affix Used Motor Oil Recycling decals to jugs for inclusion in Used Motor Oil  
1833 Recycling kits.
- 1834 8. Assemble and deliver Used Motor Oil Recycling kits upon request from SFD  
1835 Customers. Kits must be provided to Customer within five (5) Business Days of  
1836 Customer request.
- 1837 9. If approved by Agency, deliver Household Battery and Cell Phone Recycling  
1838 bags upon request from Customers. Bags must be provided to Customer within  
1839 five (5) Business Days of Customer request.
- 1840 10. Staff a booth at local public events and distribute promotional and educational  
1841 materials.
- 1842 11. Coordinate with SBWMA regarding SBWMA student tours at Shoreway  
1843 Environmental Center; make classroom presentations upon request; provide  
1844 school activities for students about the 4Rs.
- 1845 12. Conduct presentations at community meetings, service clubs, senior centers,  
1846 and neighborhood associations.
- 1847 13. Promote recycling and organics Collection programs on the sides of Collection  
1848 and route supervisors' vehicles. These advertising campaigns must be approved  
1849 in advance by Agency and SBWMA.
- 1850 14. Each Rate Year insert with its Bills, up to twelve (12) Solid Waste Bill inserts  
1851 produced by SBWMA or Agency. A total of nine (9) Bill inserts are specified in  
1852 subsection D above.
- 1853 15. If Agency has specified a post card Bill format, the notices described as "Bill  
1854 inserts" shall be separately mailed by Contractor. In addition, if Bills (in whatever  
1855 format) are mailed at intervals that do not accommodate the timely distribution of  
1856 the specified notices, notices shall be separately mailed as necessary by  
1857 Contractor. Agency shall reimburse Contractor for any postage fees paid by  
1858 Contractor to conduct such separate mailings.
- 1859 16. Contractor's outreach and education material shall place a strong emphasis on  
1860 Recycling and reuse, encouraging Customers to take advantage of donation

1861 opportunities offered by local non-profit organizations such as the Society of St.  
1862 Vincent de Paul, Goodwill Industries, and the Salvation Army. In addition,  
1863 Contractor shall promote other resources for reuse, such as the Freecycle  
1864 Network™, an online resource for the free and local exchange of goods, the  
1865 Resource Area for Teachers (RAFT), local schools, and other community  
1866 organizations that are in need of reusable goods.

1867 17. Upon request by Agency, Contractor shall promote its services to Customers  
1868 using Agency's email distribution list or an email distribution list authorized by  
1869 Agency.

1870 18. As appropriate, Contractor shall request SBWMA or Agency to issue press  
1871 releases related to programs, and, upon request, provide draft content for such  
1872 press releases.

1873 **F. Reserved**

1874 **G. Meeting Requirements**

1875 Upon request from Agency or SBWMA, the general manager or his/her designee is  
1876 required to meet quarterly, and more frequently if necessary, with Agency and/or  
1877 SBWMA staff to review public education and promotion activities. In addition, the  
1878 general manager or his/her designee shall be required to represent Contractor at all  
1879 monthly SBWMA Board of Director meetings.

1880 **H. Agency Rights**

1881 Contractor acknowledges that the public education and promotion activities listed are  
1882 critical to the success of Agency's diversion performance relative to the Act and other  
1883 State legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826,  
1884 SB 1061, and SB 1383). As such, Contractor acknowledges Agency's rights to the  
1885 following:

1886 1. Contractor shall make available to Agency and SBWMA all public educational  
1887 materials used by Contractor, which Agency and SBWMA shall approve prior to  
1888 their use;

1889 2. Agency and SBWMA shall retain the right to modify, expand, or reduce the  
1890 minimum public education requirements;

1891 3. Agency may require Contractor to work with a public education consultant  
1892 selected by Agency or the SBWMA;

1893 4. Agency may perform, or request that the SBWMA perform on its behalf, the  
1894 public education efforts assigned to the Contractor; and,

1895 5. Agency or SBWMA may provide additional, supplemental public education  
1896 materials as it deems appropriate.

1897 **I. Reporting Requirements**

1898 Contractor shall prepare and submit reports related to its public education activities  
1899 as provided in Article 9.

1900 **J. Service Notice**

1901 Contractor shall periodically prepare and distribute to each Customer a notice listing  
1902 Agency-approved Maximum Rates for standard Collection services and Additional  
1903 Services, annual Holiday Collection Schedule, and a general summary of services

1904 required under this Agreement to be provided Customers and optional services which  
1905 may be furnished by Contractor. Such notice shall be approved by the Agency prior  
1906 to distribution.

1907 **7.04 COMMERCIAL RECYCLING PROMOTION PROGRAM**

1908 A. **Commercial Recycling Promotion Program Staff.** Contractor shall maintain a  
1909 Commercial Recycling promotion program staff that will be primarily responsible for  
1910 supporting Commercial, Mixed Use Building, and Multi-Family Dwelling Accounts and  
1911 Agency Facilities Recycling-related and Organics-related Collection services. The  
1912 Commercial Recycling promotion staff for the SBWMA Service Area shall consist of  
1913 Waste Zero Specialists (recycling coordinators), as specified in Attachment O.

1914 Contractor shall notify Agency and SBWMA within ten (10) Business Days if any of  
1915 the Waste Zero Specialists resigns or is terminated from employment, and shall use  
1916 reasonable good faith efforts to initiate recruitment of the position within thirty (30)  
1917 days.

1918 If Contractor has one or more Waste Zero Specialist positions unfilled, as approved  
1919 in the Three-Year Recycling Technical Assistance Plan, for more than ninety (90)  
1920 Days, Contractor and SBWMA shall meet and confer regarding the reasons for the  
1921 difficulty in filling the position(s) and ways to remedy the employment gap. In addition,  
1922 Contractor shall reimburse Agency for its proportionate share of the cost of each such  
1923 unfilled position for the period exceeding ninety (90) Days. The Contractor shall  
1924 calculate the cost reimbursement for the unfilled position(s) including the avoided cost  
1925 of wages, benefits, payroll taxes, and workers compensation insurance, for such  
1926 position and shall provide supporting documentation justifying its cost reimbursement  
1927 calculations. Such reimbursement shall be made as a deduction to the "General  
1928 Expenses – Direct & Indirect" line item of Section 11.07, Table 2.

1929 If SBWMA requests an increase or decrease in the number of Waste Zero Specialists,  
1930 such a change shall be considered an Agency-directed change in service and  
1931 handled in accordance with provisions in Section 15.12.

1932 B. **Signs and Placards.** Contractor shall be responsible for preparing, distributing, and  
1933 posting signs at Commercial Collection Premises that promote Targeted Recyclable  
1934 Materials and Organic Materials Collection services, describe the program  
1935 requirements, and identify allowable and prohibited types of materials for Collection.  
1936 At a minimum, the signs or placards shall be durable and weather resistant, and  
1937 affixed in the Container areas. Upon request from Customer, Contractor shall provide  
1938 signs and Container labeling in a second language such as, but not limited to,  
1939 Spanish. Within ten (10) Business Days of a Customer's request, Contractor shall  
1940 provide extra signs for use in areas such as employee training areas, break rooms,  
1941 kitchens, and janitorial areas at Commercial Premises. The design of all signs and  
1942 placards shall be approved by Agency or SBWMA prior to distribution by Contractor.

1943 C. **Community Events.** At the direction of the Agency or SBMWA, Contractor shall  
1944 participate in and promote diversion techniques at Community Events and local  
1945 activities. Participation includes providing educational and public outreach  
1946 information and promotional giveaways in an effort to promote the Agency's waste  
1947 reduction and recycling program goals. Each year the Community Events that  
1948 Contractor agrees to participate in shall be outlined in the Three-Year Public  
1949 Education Plan described in Section 7.03.B. Attachment C presents a preliminary list

1950 of the Community Events, which may be modified annually through the development  
1951 of the Three-Year Public Education Plan, as described in Section 5.08.

1952 D. **Notification to Commercial Customers.** Immediately upon request from a new or  
1953 current Customer for new or changes in service, Contractor shall notify Customer by  
1954 phone or email of the Targeted Recyclable Materials and Organic Materials Collection  
1955 services offered by Contractor. Such notification shall be made available in English  
1956 and Spanish.

1957 E. **Targeted Commercial Recycling Promotion.** To assist Customers in maximizing  
1958 participation in Recyclable Materials and Organic Materials Collection programs,  
1959 Contractor shall provide Commercial Customers with on-site waste assessments  
1960 based on visual assessment of Collection Containers and technical assistance in  
1961 selecting appropriate service levels. In providing such assistance, Contractor shall  
1962 follow the Three-Year Recycling Technical Assistance Plan described in Section  
1963 7.03.B, which will include details on the type of Commercial Recycling technical  
1964 assistance promotion and the number of waste assessments for Customers to be  
1965 provided in Agency's Service Area. For all other Commercial Customers not specified  
1966 in the Three-Year Plan, Contractor shall provide technical assistance as needed or  
1967 requested and visual on-site Collection Container assessments. Contractor shall  
1968 document the names of the Customers receiving the waste assessments, the date of  
1969 the assessment, the Solid Waste, Source Separated or Targeted Recyclable  
1970 Materials, or Organic Materials service levels at the time of the assessment, and  
1971 recommended changes to service level(s). Upon request, Contractor shall provide  
1972 details of waste assessments to Agency or SBWMA.

1973 F. **Enclosure Specifications.** Contractor shall work with the Agency to develop  
1974 standard specifications for Collection Container enclosures at Multi-Family  
1975 Residential Complexes, Mixed Use Buildings, and Commercial Premises to ensure  
1976 that Container enclosures have adequate space and suitable configuration to allow  
1977 the Contractor to safely and efficiently service the Containers. The enclosure  
1978 specifications shall require provision of adequate space for Solid Waste, Targeted  
1979 Recyclable Materials, and Organic Materials Collection Containers. Contractor  
1980 provided the enclosure specifications to the Agency on or before the effective date of  
1981 the 2009 Franchise Agreement and shall be required to update these specifications  
1982 as frequently as needed or as requested by Agency.

1983 G. **Plan Review.** Contractor shall review plans for land use or property developments,  
1984 upon request of the Agency, to assess the adequacy of Container enclosure space  
1985 allowances for Solid Waste, Recyclable Materials, and Organic Materials Collection  
1986 Containers and the accessibility of Containers by Collection vehicles. The  
1987 Contractor's review shall be completed by the Contractor within ten (10) Business  
1988 Days of request by Agency and receipt of the project design drawings. If site  
1989 conditions warrant, the Contractor shall conduct a site visit of the proposed property  
1990 to complete its evaluation. The Contractor's review shall be summarized in a letter  
1991 report that states acceptability of the proposed enclosure arrangements or notes  
1992 specific changes that are required to comply with the enclosure specification. The  
1993 letter report shall be signed by the Person that conducted the review, or designee, on  
1994 behalf of the Contractor. This review shall include, but not be limited to:

- 1995 1. Adequacy of the Container enclosure space to store Containers for the
- 1996 anticipated volume of Solid Waste, Targeted Recyclable Materials, and Organic
- 1997 Materials generated by a development of the size and purpose contemplated;
- 1998 2. Adequacy of Container enclosure space to store Containers for Solid Waste,
- 1999 Targeted Recyclable Materials, and Organic Materials in a fashion that allows for
- 2000 the greatest possible diversion of materials; and,
- 2001 3. Adequacy and accessibility of the Container enclosure space for Contractor to
- 2002 safely and efficiently service all Containers in the contemplated service locations
- 2003 taking into account the dimensions of the enclosure space, the access road
- 2004 dimensions, parking arrangements, pedestrian traffic, change in elevation, other
- 2005 site considerations, and Collection vehicle capabilities.
- 2006 H. **Reporting.** Contractor shall prepare and submit reports related to the Commercial
- 2007 Recycling promotion program as provided in Article 9.
- 2008 I. **Mandatory Commercial Recycling Assistance to Agency.** Contractor shall assist
- 2009 Agency and SBWMA with implementing, monitoring, and reporting on Commercial,
- 2010 Mixed Use, and MFD Customers' compliance with requirements for Recyclable
- 2011 Materials and Organic Materials diversion under AB 341, AB 1826, or other similar
- 2012 Applicable Law. Upon Agency's reasonable request and in accordance with Section
- 2013 9.09.E, Contractor shall provide Agency with periodic reports on Commercial, Mixed
- 2014 Use, and MFD Customers that do not appear to be complying with State or local
- 2015 diversion regulations, policies, or requirements of, based on the observations of
- 2016 Contractor's employees and/or subscription data.

2017 **7.05 MULTI-FAMILY RECYCLING PROMOTION PROGRAM**

- 2018 A. **Multi-Family Dwelling Promotion.** Contractor shall provide Waste Zero Specialists
- 2019 to work directly with Owners or property managers of Multi-Family Residential
- 2020 Complexes to implement the Single-Stream Targeted Recyclable Materials and
- 2021 Organic Materials Collection services, and to assess Customer service for all Multi-
- 2022 Family Residential Complexes. The Multi-Family complexes that Contractor shall
- 2023 visit each year and the outreach activities that shall be performed shall be outlined in
- 2024 the Three-Year Recycling Technical Assistance Plan described in Section 7.03.B and
- 2025 approved by the Agency and SBWMA. The Contractor's implementation activities
- 2026 may include, but shall not be limited to, the following types of tasks for Multi-Family
- 2027 Residential Complexes that subscribe to Single-Stream Targeted Recyclable
- 2028 Materials and/or Organics Materials Collection services:
- 2029 1. Site Assessments. Contractor shall contact or meet in person with Owner or
- 2030 property manager to explain the Single-Stream Targeted Recyclable Materials
- 2031 and/or Organics Materials Collection program of Multi-Family Residential
- 2032 Complexes containing five (5) or more Residential units to determine the
- 2033 appropriate number and type of Solid Waste and Recyclable Materials
- 2034 Containers and the frequency of Collection. As part of its standard Collection
- 2035 Services, Contractor shall provide Containers for Organics Material such as
- 2036 Food Scraps, compostable paper, and Plant Materials, and Single-Stream
- 2037 Targeted Recyclable Materials or Source Separated Targeted Recyclable
- 2038 Materials such as newspaper, cardboard, mixed paper, glass, aluminum, etc.
- 2039 depending on the needs of the Multi-Family Residential Complex. If practical,
- 2040 Contractor shall locate the Solid Waste, Recyclable Materials, and Organic



2041 Materials Containers in the same area so tenants carry materials to one location.  
2042 Contractor shall also offer Recyclable Materials Carts for use in the mail area of  
2043 the Premises. A site assessment shall be conducted by Contractor when  
2044 Targeted Organics Materials or Recyclable Materials Collection services are  
2045 initially provided at a Multi-Family Residential Complex, and as requested by  
2046 Customer or deemed necessary by Contractor throughout the Term of this  
2047 Agreement.

2048 2. Service Level Adjustments. Within five (5) Business Days of completing the site  
2049 assessment or receiving a request from a Customer, Contractor shall adjust the  
2050 Customer's service level by providing any Solid Waste, Recyclable Materials,  
2051 and/or Organic Materials Containers needed for change in service, removing  
2052 unneeded Containers, and revising the Customer's service level in the Billing  
2053 system to reflect the monthly Rate for the new service level. At the time new  
2054 Containers are delivered or existing Containers are removed, the Contractor  
2055 shall confirm that all Containers are properly labeled and shall provide public  
2056 education signage for the Container areas and extra signs for public and  
2057 common areas such as mail and laundry rooms, etc.

2058 3. Distribution of Public Education Materials. Contractor shall provide Owner or  
2059 property manager with education materials developed by Agency, SBWMA or  
2060 Contractor, which describe the requirements of the Recyclable Materials and/or  
2061 Organic Materials Collection program (as applicable), including flyers, door  
2062 hangers and Recycling Tote-Bags for distribution to tenants, signage for  
2063 common areas such as mail rooms and laundry rooms, Kitchen Pails, and move-  
2064 in kits for new tenants.

2065 B. **Notification to Multi-Family Dwelling Customers.** Upon request from a new or  
2066 current Customer for new or changes in service, Contractor shall notify the Customer  
2067 by mail or email of the Targeted Recyclable Materials and Organic Materials  
2068 Collection services offered by Contractor. Such notification shall be made available  
2069 in English and Spanish.

2070 C. **Signs and Placards.** Contractor shall be responsible for preparing, distributing, and  
2071 posting signs and placards at Multi-Family Dwelling Premises that promote Targeted  
2072 Recyclable Materials and Organic Materials Collection services, describe the  
2073 program requirements, and identify allowable and prohibited types of materials for  
2074 Collection. At a minimum, these signs shall be durable, weather resistant and posted  
2075 in the Container areas. Upon request of the Customer, Contractor shall provide  
2076 signage and Container labeling in a second language such as, but not limited to,  
2077 Spanish. Within ten (10) Business Days of a Customer's request, Contractor shall  
2078 provide extra signage for use in areas such as laundry and mail rooms at Multi-Family  
2079 Residential Complexes. The design of all signs and placards shall be approved by  
2080 Agency or SBWMA prior to distribution by Contractor.

## 2081 7.06 WASTE GENERATION/CHARACTERIZATION STUDIES

2082 Contractor acknowledges that Agency may perform Solid Waste, Recyclable Materials,  
2083 and/or Organic Materials generation and characterization studies periodically to determine  
2084 the composition and Contamination Levels of Collected materials. Contractor agrees to  
2085 participate and cooperate with SBWMA and Agency and its agents and to accomplish  
2086 studies and data collection and prepare reports, as needed, to determine weights and  
2087 volumes of Solid Waste, Targeted Recyclable Materials, Plant Materials, and Organic

2088 Materials and characterize materials generated, Disposed, transformed, diverted, or  
2089 otherwise handled/processed to satisfy requirements of the Act and other State  
2090 legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061,  
2091 and SB 1383). Contractor shall also facilitate visual audits of Multi-Family Dwelling,  
2092 Commercial, and Agency Cart and Bin service accounts. The visual audits will entail  
2093 tipping the contents of Customers' Containers on the tipping floor at the Designated  
2094 Transfer and Processing Facility and visually observing and documenting the contents  
2095 (without pursuing a detailed weight-based characterization study). The materials will then  
2096 be processed at the Designated Transfer and Processing Facility. Contractor shall be  
2097 required to facilitate said visual audits at the request of Agency; however, the annual total  
2098 quantity of requests for visual audits for each Service Sector shall be limited to ten percent  
2099 (10%) of the total number of accounts for each Service Sector.

2100 The SBWMA will use the Contamination Measurement Procedures set forth in Attachment  
2101 E, to determine the Contamination Levels of single loads of materials delivered to the  
2102 Designated Transfer and Processing Facility.

### 2103 **7.07 PROGRAM EVALUATION**

2104 The Agency may require the Contractor to periodically conduct audits of the Residential  
2105 and Commercial Solid Waste, Targeted Recyclable Materials, and Organic Materials  
2106 Collection programs to assess one (1) or more of the following performance indicators:  
2107 average volume of Targeted Recyclable Materials per set-out per Customer, average  
2108 volume of Organic Materials per set-out per Customer, participation level (i.e., number of  
2109 Customers setting out Containers per week), Contamination Levels, etc. Contractor shall  
2110 perform up to five (5) Days of route auditing, at no additional cost to Customers and shall  
2111 not bill Agency for such services, once per calendar year. Prior to the program evaluation  
2112 audit, Agency and Contractor shall meet and discuss the purpose of the audit and agree  
2113 on the method, scope, and data to be provided by the Contractor. If Agency requires more  
2114 than five (5) Days of auditing for the purposes of program evaluation, the activity shall be  
2115 considered an Agency-directed change in scope and handled in accordance with  
2116 provisions in Section 15.12.

2117 If the Contractor does not Collect Multi-Family Dwelling Solid Waste, Targeted Recyclable  
2118 Materials, and Organic Materials using dedicated Collection vehicles, thereby precluding  
2119 regular and accurate reporting of the Tonnage of Solid Waste, Targeted Recyclable  
2120 Materials, and Organic Materials Collected from Multi-Family Residential Complexes, the  
2121 Agency may require the Contractor to conduct a semi-annual or annual Tonnage  
2122 assessment that involves separately Collecting, weighing, and reporting Multi-Family  
2123 Dwelling Solid Waste, Targeted Recyclable Materials, and Organic Materials to quantify  
2124 Tonnage Collected during a given week. This assessment shall be performed by  
2125 Contractor at no additional cost to Customers and shall not bill Agency for such services.

2126 If the Agency wants to collect program data, perform field work, conduct route audits to  
2127 investigate Customer participation levels and set-out volumes, and/or evaluate and  
2128 monitor program results related to Solid Waste, Targeted Recyclable Materials, Organic  
2129 Materials, Bulky Items, and abandoned waste Collected in the Agency by the Contractor,  
2130 the Contractor shall cooperate with the Agency and its agent(s), which may include the  
2131 SBWMA and its consultants.

2132 **7.08 PROVISION OF EMERGENCY SERVICES**

2133 Contractor shall provide emergency services at the Agency's request in the event of major  
2134 accidents, disruptions, or natural calamities. Emergency services may include, but are  
2135 not limited to: assistance handling, salvaging, processing, composting, or Recycling  
2136 materials; or Disposing of Solid Waste following a major accident, disruption, or natural  
2137 calamity. Contractor shall be capable of providing emergency services within twenty-four  
2138 (24) hours of notification by the Agency or as soon thereafter as is reasonably practical in  
2139 light of the circumstances. Emergency services which exceed the Contractor's obligations  
2140 shall be compensated in accordance with Article 11. If Contractor cannot provide the  
2141 requested emergency services, the Agency shall have the right to temporarily take  
2142 possession of the Contractor's equipment for the purposes of providing emergency  
2143 services in accordance with Article 12.

2144 **7.09 MFD AND COMMERCIAL RECYCLING BLITZ**

2145 Upon Agency's request, Contractor shall provide a Recycling Blitz outreach program that  
2146 will target Multi-Family Dwelling, Mixed Use, and Commercial Customers as needed. Such  
2147 a change shall be considered an Agency-directed change in scope and handled in  
2148 accordance with Section 15.12. As part of the Recycling Blitz, Contractor may be required  
2149 to offer to provide Single-Stream Targeted Materials Recycling and Organic Materials  
2150 Collection Service to Multi-Family Dwelling and Commercial Customers that are currently  
2151 receiving limited or no Recycling or Organic Materials Collection service. The promotional  
2152 materials, messages, and communications used by Contractor to support Recycling Blitz  
2153 activities shall be developed collaboratively with the SBWMA and Agency and production  
2154 of materials shall be paid for by Contractor and shall not bill Agency for such services or  
2155 SBWMA. All promotional materials used by Contractor shall be authorized by the SBWMA  
2156 and Agency.

2157 If Contractor is required to conduct a Recycling Blitz, Contractor shall form a Recycling  
2158 Blitz team, utilizing the Waste Zero Specialists, to assist in this promotion campaign. The  
2159 focus of the Recycling Blitz program shall be on Customers that are either not currently  
2160 Recycling or diverting Organic Materials, or have only limited service. The Recycling Blitz  
2161 team shall work with Customers to expand Collection of Targeted Recyclable and Organic  
2162 Materials and make recommendations for reduced Solid Waste Container sizes and/or  
2163 frequency of Solid Waste Collection service. Contractor shall work collaboratively with the  
2164 SBWMA and Agency.

2165 **7.10 CARBON FOOTPRINT MEASURING**

2166 Contractor shall annually file its emissions data with the California Climate Action  
2167 Registry (CCAR). Upon request of Agency or SBWMA, Contractor shall provide  
2168 emissions data filed with CCAR; a description of Contractor's carbon footprint; and, a  
2169 description of Contractor's activities both planned and implemented to reduce its  
2170 carbon footprint for the previous calendar years.

2171 **7.11 ENVIRONMENTAL MANAGEMENT PROGRAM**

2172 Contractor shall implement and maintain an environmental management program  
2173 combining several elements to minimize the environmental impacts of its operations in the  
2174 Service Area. Contractor shall provide upon request from Agency a description of topics  
2175 discussed at its bi-monthly environmental team roundtable and training program  
2176 meeting(s) and the semiannual corporate environmental compliance staff meetings.

2177 Contractor shall provide Agency access to its environmental and safety tracking system  
2178 (NEST) upon request. Contractor shall provide Agency copies of its internal environmental  
2179 compliance audits, third-party audits, and disposition of corrective actions, within thirty  
2180 (30) Days upon request from Agency.

2181 **7.12 ANNUAL ROUTE ASSESSMENT**

2182 Contractor shall conduct a route assessment of the Service Area each Rate Year. This  
2183 comprehensive route assessment shall require Contractor to assess all of its Solid Waste,  
2184 Targeted Recyclable Materials, and Organic Materials Collection Customers over a one  
2185 (1) week period during the same month each year for the Term. The assessment is  
2186 intended to annually confirm and update Contractor's data related to Customer accounts,  
2187 service levels and operations, including, but not limited to: (i) number of Accounts; (ii)  
2188 Customer address; (iii) number and type of Containers at each Account; and (iv) Collection  
2189 frequency of each Container at each Account; (v) Bin and Cart lifts; (vi) Drop Box pulls;  
2190 (vii) service stops; (viii) route hours per year; and (ix) Tonnage Collected. All service level  
2191 information related to lifts and pulls shall be derived in part from Contractor's database  
2192 management system. All route labor hours shall be based on total route hours for routes  
2193 exclusive to each Agency and Tonnage information shall be based on actual Tons  
2194 Collected. For routes that service more than one Agency, the Tonnage Collected on these  
2195 routes and total route hours shall be allocated to the respective Agencies based on the  
2196 type and number of accounts and service levels attributable to each Agency.

2197 **7.13 RIGHT OF AGENCY OR SBWMA TO MAKE CHANGES TO OTHER SERVICES**

2198 A. **Quarterly Review.** Beginning on the Commencement Date, and on a quarterly basis  
2199 thereafter, Contractor shall meet with Agency and SBWMA to discuss the services  
2200 performed by the Contractor pursuant to Sections 7.03 through 7.07 ("Other  
2201 Services"). The purpose of the meetings will be to review the performance and results  
2202 of the Other Services compared to the milestones, goals, and performance standards  
2203 stated in the then-current Three-Year Public Education and Recycling Technical  
2204 Assistance Plan. Contractor's quarterly reports provided in accordance with the  
2205 reporting requirements of Article 9 shall be used to review performance, and  
2206 Contractor shall provide other information requested by Agency or SBWMA  
2207 necessary to evaluate the performance of each Other Service.

2208 B. **Change in Services.** Agency or SBWMA may, without amending this Agreement,  
2209 direct Contractor to increase or decrease the performance or scope of one or more  
2210 of the Other Services. Contractor shall promptly and cooperatively comply with such  
2211 direction. If such changes cause an increase or decrease in the cost of performing  
2212 the Other Services, an equitable adjustment in the Contractor's Compensation shall  
2213 be made in accordance with change in service provisions in Section 15.12. Contractor  
2214 shall continue to perform the new or changed service while the appropriate  
2215 adjustment in Contractor's Compensation is being determined.

2216 C. **Additional Services.** Agency or SBWMA may direct the Contractor to perform  
2217 additional services pertaining to Sections 7.03 through 7.07, but not described herein,  
2218 and Contractor shall provide a cost proposal in accordance with change in service  
2219 provisions in Section 15.12. If the Contractor and SBWMA cannot agree on terms and  
2220 conditions for such additional services within one-hundred twenty (120) Days from  
2221 the date which the SBWMA first requests a proposal from Contractor to perform such  
2222 services, Agency or SBWMA may perform these services itself or permit a third-party  
2223 or parties other than Contractor to provide such Other Services. Contractor shall

2224 provide such third-party or parties access to and use of Facilities and Contractor  
2225 information as necessary for such third-party or parties to perform all such Other  
2226 Services.  
2227

2228  
2229  
2230

**ARTICLE 8**  
**REQUIREMENTS FOR OPERATIONS,**  
**EQUIPMENT, AND PERSONNEL**

---

2231 **8.01 COLLECTION HOURS AND SCHEDULES**

2232 **A. Hours of Collection**

2233 1. Residential. Residential Solid Waste, Targeted Recyclable Materials, and  
2234 Organic Materials (including all such services provided to SFD and Multi-Family  
2235 Dwelling Premises) shall be Collected on weekdays (i.e., Monday through  
2236 Friday) between 6:00 a.m. and 6:00 p.m. exclusive of Holidays defined in  
2237 Attachment A for Collection service.

2238 2. Commercial, Mixed Use, and Agency Facilities. Commercial, Mixed Use, and  
2239 Agency Facilities Solid Waste, Targeted Recyclable Materials, and Organic  
2240 Materials shall be Collected on weekdays (i.e., Monday through Friday) between  
2241 3:00 a.m. and 6:00 p.m. and weekends (i.e., Saturday and Sunday) between  
2242 6:00 a.m. and 5:00 p.m., exclusive of Holidays specified in Attachment A for  
2243 Collection service. The Agency may restrict or require modifications to hours for  
2244 Collection from Commercial Premises, Mixed Use Buildings, and Agency  
2245 Facilities to resolve noise Complaints, and, in such case, the Agency Manager  
2246 may restrict the allowable operating hours.

2247 3. Commercial, Mixed Use, and Agency Facilities Exception. Collection from  
2248 Commercial Premises, Mixed Use Buildings, and Agency Facilities that are two-  
2249 hundred (200) feet or less from Residential Premises shall only occur between  
2250 the hours of 6:00 a.m. and 6:00 p.m., Monday through Saturday and all such  
2251 operations shall be in accordance with permissions provided to Contractor by  
2252 Agency. The Agency may restrict or require modifications to hours for Collection  
2253 from Commercial Premises, Mixed Use Buildings, and Agency Facilities to  
2254 resolve noise Complaints, and, in such case, the Agency Manager may restrict  
2255 the allowable operating hours.

2256 4. Exception. In the event of an unforeseen circumstance, the Contractor may  
2257 Collect materials from Residential Premises, Commercial Premises, Mixed Use  
2258 Buildings, or Agency Facilities that are two-hundred (200) feet or less from  
2259 Residential Premises between the hours of 3:00 a.m. and 6:00 p.m., Monday  
2260 through Saturday, upon prior written approval from the Agency Manager.

2261 5. Local Noise Ordinance. If an Agency ordinance regulating noise limits the hours  
2262 of Collection more restrictively than the preceding subsections, the terms of the  
2263 ordinance shall govern.

2264 6. Modification. The Collection hours and distances set forth in Sections 8.01.A.3  
2265 and 8.01.A.4 may be adjusted by mutual agreement of Agency (acting through  
2266 the Agency Manager) and Contractor (acting through its General Manager),  
2267 provided that the Collection hours and distances are at all times consistent with  
2268 Agency ordinances.

2269 **B. Route Schedules.** Routes over which Contractor's vehicles travel to affect the  
2270 Collection and transport of Solid Waste, Targeted Recyclable Materials, and Organic

2271 Materials shall be selected to minimize damage to Agency and private streets, and  
2272 minimize inconvenience and disturbance to the public. The route schedules and  
2273 routing maps shall be subject to the approval of Agency prior to Commencement of  
2274 services. Contractor shall use due care to obey all traffic laws and prevent materials  
2275 being transported from being spilled or scattered during transport.

2276 Contractor shall be prepared to review its operations plan outlining the Collection  
2277 routes, intervals of Collection and Collection times for all materials Collected under  
2278 this Agreement with the Agency or its representatives at least annually. More  
2279 frequent reviews may be required if operations are not satisfactory based on  
2280 documented observations or reports or Complaints. If the plan is determined to  
2281 inadequately address the unsatisfactory performance as documented by  
2282 observations and Complaints, the Agency may direct Contractor to revise the plan  
2283 incorporating any changes into a revised plan and review said revised plan with the  
2284 Agency within thirty (30) Days of the initial meeting with the Agency.

2285 C. **Contingency Plan.** Contractor shall submit to Agency ninety (90) Days prior to  
2286 Commencement Date, a written contingency plan demonstrating Contractor's  
2287 arrangements to provide vehicles and personnel and to maintain uninterrupted  
2288 service during breakdowns, and in case of natural disaster or other emergency,  
2289 including the events described in Section 14.09.

## 2290 **8.02 COLLECTION STANDARDS**

2291 A. **Reserved**

2292 B. **Servicing Containers and Missed Pick-Ups**

2293 1. General. Contractor shall Collect the contents and return each Container to the  
2294 location where the Occupant properly placed the Container for Collection.  
2295 Contractor shall place the Containers upright with lids properly closed and  
2296 secured.

2297 Contractor shall use due care when handling Containers. Contractor shall not  
2298 throw, roughly handle, damage, or break Containers.

2299 Upon Customer request, Contractor shall provide special services including:  
2300 unlocking and locking Containers; accessing locked Container enclosures (e.g.,  
2301 with a key or combination lock); providing Container Relocation Service; and,  
2302 providing Long Distance Service. Contractor shall provide these services upon  
2303 request from Customer and Contractor shall bill Customer at no more than the  
2304 Agency-approved Maximum Rates specified in Attachment Q. Section 5.02  
2305 provides additional information on general Container service requirements, Long  
2306 Distance Service, and Container Relocation Service.

2307 2. Missed Pick-Ups. When notified of a missed pick-up, Contractor shall Collect the  
2308 Solid Waste, Targeted Recyclable Materials, or Organic Materials on the day the  
2309 notice is received, if possible, and in all cases shall Collect the missed pick-up  
2310 by 6:00 p.m. of the next Business Day following receipt of the missed pick-up  
2311 notification.

2312 C. **New Customers and Change in Service Levels.** Contractor shall deliver  
2313 Containers and initiate Collection services for a new Customer within five (5)  
2314 Business Days of the Customer's request for service. If an existing Customer  
2315 requests a change in the number or size of their Solid Waste, Recyclable Materials,

2316 or Organic Materials Containers and/or frequency of Collection, the Contractor shall  
2317 deliver additional Containers and/or remove Containers and shall initiate changes in  
2318 the Collection services within five (5) Business Days of the Customer's request for a  
2319 change in service.

2320 **D. Separate Collection of Materials and Allocation of Agency Materials.** Contractor  
2321 shall separately Collect and segregate Solid Waste, Targeted Recyclable Materials,  
2322 and Organic Materials from each other and shall not Commingle these materials at  
2323 any time during the transportation or delivery of those materials to the Designated  
2324 Transfer and Processing Facility. Solid Waste, Targeted Recyclable Materials, and  
2325 Organic Materials Collected in the Agency, which are combined with materials  
2326 Collected from other SBWMA Member Agencies, shall be allocated by Contractor to  
2327 the Agency's Collection program based on volume or Tonnage using a method  
2328 approved by the Agency and SBWMA. Contractor shall not Collect materials from  
2329 within Agency in the same Collection vehicles used to provide Collection service to  
2330 non-SBWMA Member Agencies, unless provided written approval by Agency.

2331 **E. Setout Instructions to Customer.** Contractor shall instruct Customers as to any  
2332 preparation of Solid Waste, Targeted Recyclable Materials, or Organic Materials and  
2333 the proper placement of Containers. If Customers are not adhering to Contractor's  
2334 instructions, Contractor shall notify such Customers in writing. In cases of extreme  
2335 or repeated failure to comply with the instructions, Contractor may decline to pick-up  
2336 the Targeted Recyclable Materials or Organic Materials provided that Contractor  
2337 leaves an adequate number of non-Collection notices on the Container, as  
2338 determined by the Agency, indicating the reason for refusing to Collect the material.  
2339 Such notices shall also identify the steps Generator must take to recommence  
2340 Collection service.

2341 **F. Non-Collection Notices.** Contractor may choose not to Collect materials for the  
2342 following reasons: (i) Source Separated or Targeted Recyclable Materials or Organic  
2343 Materials do not comply with the allowable Contamination thresholds; (ii) materials  
2344 contain Hazardous Waste; or (iii) the loaded weight of a Container exceeds the  
2345 maximum load limit specified by the Cart manufacturer and specified in Attachment  
2346 D. In such case, Contractor shall issue non-Collection notices stating the reason(s)  
2347 the materials were not Collected. The non-Collection notice shall be affixed  
2348 prominently onto the Cart to ensure that it is not inadvertently removed from Cart due  
2349 to weather conditions. The non-Collection notices must be protected from rain, if  
2350 precipitation is present or forecasted, by placing the notice in a clear plastic bag prior  
2351 to affixing to Cart.

2352 Contractor shall document the use of non-Collection notices by recording the date  
2353 and time of issuance, address of service recipient, reason(s) for issuance, name of  
2354 employee who issued the notice, and truck and route numbers. The notice shall  
2355 conform to the requirements specified in Section 6.03.A, be at least two inches by six  
2356 inches (2" x 6") in size and shall be approved by the SBWMA. The non-Collection  
2357 notices must identify the steps the Generator must take to recommence Collection  
2358 service. In the event a Container is not Collected due to excessive Contamination and  
2359 Customer does not take the necessary steps to recommence Collection service,  
2360 Contractor shall bill the Customer for Collection of the excessive Contamination at no  
2361 more than the Agency-approved Maximum Rates specified in Attachment Q. The  
2362 Agency-approved Maximum Rates include: (i) a return trip charge, and, (ii) an extra  
2363 Solid Waste Collection charge.



2364 Contractor shall report monthly to Agency any non-Collection notices issued.  
2365 Contractor shall take direction from the Agency with regard to termination or  
2366 reinstatement of service to a service recipient due to numerous non-Collection notices  
2367 issued to the same Customer.

2368 **G. Collection of Excess Materials (Overages).** Contractor shall direct its employees  
2369 to Collect an Overage on two (2) occasions each Rate Year at no additional cost to  
2370 Customer. Contractor must provide a notice to Customer documenting the Overage  
2371 in order to count the Overage Collection towards the allocated two (2) per Rate Year  
2372 for each Customer. Customers that place an Overage for Collection for a third and  
2373 subsequent events, may be assessed an Overage fee by Contractor if Contractor has  
2374 directly contacted the Customer via a phone call or voice message notifying them of  
2375 the Overage Collected. Contractor shall bill Customer for a third and subsequent  
2376 Overage events at no more than the Agency-approved Maximum Rates specified in  
2377 Attachment Q. Contractor shall provide Customers the opportunity to request an  
2378 Overage Collection service in advance. In such case, Contractor shall bill the  
2379 Customer at no more than the Agency-approved Maximum Rates specified in  
2380 Attachment Q.

2381 Contractor shall provide Customers the opportunity to subscribe to Overage  
2382 Collection service, in advance, or purchase Overage bag(s) from the Contractor.  
2383 Contractor shall provide Customers the opportunity to purchase Overage bags  
2384 through its Customer service department or electronically via Contractor's website.  
2385 The Overage bag(s) shall have markings identifying it as the Contractor's Overage  
2386 bag. Contractor shall mail or deliver Overage bags to Customers within three (3)  
2387 Business days of Customer's request. The Maximum Rate for Overage bags is  
2388 specified in Attachment Q and includes all aspects of purchasing the bags, printing,  
2389 and distribution (i.e., mailing or direct delivery by Contractor). Customers shall also  
2390 be provided the opportunity to purchase Overage bags at Contractor's local office.  
2391 The quantity of Overage bags per request from Customer shall be limited to five (5)  
2392 per request.

2393 If the Agency and/or Contractor receive numerous Complaints (as determined by the  
2394 Agency) from Customers regarding Customer dissatisfaction with the requirement to  
2395 purchase Overage bags, the Agency reserves the right to require the Contractor to  
2396 modify its Overage program to better serve its Customers and/or require the  
2397 Customer to subscribe to additional Collection service.

2398 **H. Care of Private Property.** Contractor shall not damage private property. Contractor  
2399 shall ensure that its employees: (i) close all gates opened in making Collections,  
2400 unless otherwise directed by the Customer, (ii) do not cross landscaped areas, and  
2401 (iii) do not climb or jump over hedges and fences.

2402 Agency shall refer Complaints about damage to private property to Contractor.  
2403 Contractor shall repair, to its previous condition, all damage to private or public  
2404 property caused by its employees.

2405 Contractor shall endeavor to resolve all claims regarding damage to private property  
2406 as soon as reasonably practicable following receipt thereof, made by Owners or  
2407 Occupants of property served by Contractor, for damages to property including, but  
2408 not limited to, Containers. In the event such damage shall have been caused by the  
2409 negligence or intentional acts of Contractor, its officers, agents, or employees,  
2410 Contractor shall promptly repair or replace such damaged property. The provisions

2411 of this Section 8.02.H shall not be deemed a limitation upon any other provisions of  
2412 this Agreement, or any rights or remedies which may accrue to Agency by reason of  
2413 Contractor's acts or omissions to act hereunder. Contractor is required to repair  
2414 damage and/or resolve claims regarding damage to property within thirty (30) Days  
2415 of receipt of the Complaint.

2416 This Section 8.02.H shall not apply to damage to public or private roads or driveways  
2417 caused by the weight of Contractor's vehicles. If a Customer requests Contractor to  
2418 provide on-premises (i.e., non-Curbside) service, and in doing so would require  
2419 Contractor to drive its Collection vehicle on a private road or driveway, then, as a  
2420 condition to providing that service, Contractor shall require the Customer, property  
2421 owner, or other responsible party to sign a reasonable waiver releasing Contractor  
2422 from liability for such damage.

2423 **I. Litter Abatement**

2424 1. Minimization of Spills. If any Solid Waste, Targeted Recyclable Materials, or  
2425 Organic Materials are spilled or scattered during Collection or transportation  
2426 operations, the Contractor shall promptly clean up all spilled and scattered  
2427 materials. Contractor shall use due care to prevent vehicle oil, vehicle fuel, or  
2428 other liquids from being spilled during Collection or transportation operations  
2429 including maintenance of the Collection vehicles to minimize and correct any  
2430 leaks. Contractor shall ensure that all liquid spills or leaked liquids or fluids are  
2431 cleaned up promptly on the same day that they occur.

2432 Contractor shall not transfer loads from one vehicle to another on any public  
2433 street, unless it is necessary to do so because of mechanical failure, emergency  
2434 (e.g., combustion of material in the vehicle), accidental damage to a vehicle, or  
2435 unless approved by the Agency.

2436 2. Clean-Up. During Collection operations, the Contractor shall clean-up litter in  
2437 the immediate vicinity of any Container storage area (including the areas where  
2438 Containers are delivered for Collection) if Contractor's actions are the cause of  
2439 the litter. Each Collection vehicle shall be equipped with protective gloves, a  
2440 broom, and shovel at all times for cleaning up litter. Absorbent material shall be  
2441 carried on each Collection vehicle at all times and used by Contractor for  
2442 cleaning up liquid spills. The Contractor shall document and discuss instances  
2443 of repeated spillage not caused by it with the Customer where spillage occurs,  
2444 and Contractor shall report such instances to Agency. If the Contractor has  
2445 attempted to have a Customer stop creating spillage but is unsuccessful, the  
2446 Agency will attempt to rectify such situation with the Customer. Contractor shall  
2447 coordinate with Agency regarding Agency street cleaning activities to minimize  
2448 litter.

2449 3. Covering of Loads. Contractor shall cover all open Drop Boxes with an Agency-  
2450 approved cover, at the Collection location before transporting materials to the  
2451 Designated Transfer and Processing Facility.

2452 **J. Noise.** All Collection operations shall be conducted as quietly as possible and shall  
2453 conform to applicable federal, State, County, and Agency noise level regulations.  
2454 Contractor shall promptly resolve any Complaints of noise to the satisfaction of the  
2455 Agency.

2456 K. **Route Books and Route Maps.** For each Collection route, Contractor shall maintain  
2457 a route book and route map that documents each Customer on the route, their service  
2458 address, service level, and the order in which Customers shall be serviced (e.g., the  
2459 order in which routes shall be driven). Contractor shall distribute new route books  
2460 and route maps to its Collection vehicle drivers as frequently as necessary; and each  
2461 driver shall note differences in the service levels shown in the route book, adding and  
2462 subtracting Customers and service levels, as necessary. Route supervisors shall  
2463 periodically check the routes to ensure that drivers are providing service in  
2464 accordance with their route books. Contractor shall provide Agency with route books  
2465 and maps including assessor parcel data when available within ten (10) Business  
2466 Days of request.

2467 L. **Change in Collection Schedule.** Contractor shall notify Agency a minimum of sixty  
2468 (60) Business Days prior to a change in the Residential Collection schedule or two  
2469 (2) weeks for minor adjustments (defined as less than the average size of a single  
2470 route per the Collection service metrics delineated in the prior year's Compensation  
2471 Application), and shall request approval of Contractor's notice to Residential  
2472 Customers thirty (30) Business Days prior to a change in Service Day, unless this  
2473 requirement is waived in writing by Agency. Contractor shall notify Owners and  
2474 Occupants of Residential Premises not later than ten (10) Business Days prior to any  
2475 change in Residential Collection operations which results in a change in the day on  
2476 which Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection  
2477 occurs. Contractor shall not permit any Customer to go more than five (5) Business  
2478 Days without service in connection with a Collection schedule change.

2479 **8.03 UNLOADING MATERIALS AT THE DESIGNATED TRANSFER AND PROCESSING**  
2480 **FACILITY**

2481 Contractor shall be required to unload at the Designated Transfer and Processing Facility  
2482 all materials from its Collection vehicles by its own personnel. Contractor shall be required  
2483 to ensure that unloaded materials are properly placed in the designated areas and  
2484 containers as directed by Operator and SBWMA. For example, Contractor shall be  
2485 required to deposit at the Designated Transfer and Processing Facility Batteries and Cell  
2486 Phones, Used Motor Oil, and Used Motor Oil Filters in the containers provided by Operator  
2487 and designated for storage of these materials. Contractor shall cooperate with Operator  
2488 to ensure its Collection vehicles unload Solid Waste, Targeted Recyclable Materials,  
2489 Organic Materials, and other materials (e.g., Batteries, Cell Phones, Used Motor Oil, and  
2490 Used Motor Oil Filters) Collected by Contractor in the locations designated by Operator  
2491 and SBWMA.

2492 **8.04 VEHICLES**

2493 A. **General.** Contractor shall provide a fleet of Collection vehicles sufficient in number  
2494 and capacity to efficiently perform the work required by the Agreement in strict  
2495 accordance with its terms. Contractor shall have available sufficient back-up vehicles  
2496 for each type of Collection vehicle used (e.g., side loader, front loader, and roll-off  
2497 vehicles) to respond to mechanical breakdowns, Complaints, and emergencies.  
2498 Contractor shall maintain a spare ratio of ten percent (10%) for all Collection vehicles  
2499 used in the SBWMA Service Area. It is contemplated that, as of the Commencement  
2500 Date, all Collection vehicles will be vehicles that Contractor purchased during the term  
2501 of the 2009 Franchise Agreement and will be nearing the end of their useful life.

2502 Contractor shall purchase and place into service after the Commencement Date all  
2503 new vehicles to replace its Collection vehicles and other vehicles used by Contractor  
2504 in the SBWMA Service Area in accordance with the Contractor-prepared equipment  
2505 replacement schedule in Attachment N. The new vehicles shall replace all vehicles in  
2506 service on the Commencement Date. The vehicles shall be purchased and placed in  
2507 service in accordance with the timeline shown in Attachment N unless an alternative  
2508 timeline is agreed upon by the SBWMA provided that all new vehicles shall be in  
2509 service on or before June 15, 2026. The estimated depreciation and interest  
2510 expenses for the acquisition of new vehicles shall be included in Contractor's  
2511 Compensation for 2021 and adjustments during the Term shall be made in  
2512 accordance with Article 11. Agency has no responsibility to pay Contractor for  
2513 remaining net book value of any Vehicles, Containers, or other equipment that is not  
2514 fully depreciated at end of Term, unless Agency elects to purchase Containers  
2515 pursuant to Section 8.05.F of the Agreement.

2516 At no time after the Commencement Date shall any vehicle used to perform the  
2517 services required under this Agreement exceed fifteen (15) years of age from the first  
2518 date the vehicle was registered unless agreed upon by the SBWMA. Collection  
2519 vehicles and other vehicles whose acquisition costs are included in the calculation of  
2520 Contractor's Compensation may be used only in the SBWMA Service Area.

2521 **B. General Vehicle Specifications**

2522 1. All vehicles used by Contractor in providing Solid Waste, Targeted Recyclable  
2523 Material, and Organic Material Collection services shall be registered with the  
2524 California Department of Motor Vehicles.

2525 2. All Collection vehicles shall have leak-proof bodies designed to prevent leakage,  
2526 spillage, and/or overflow and shall be designed so that Collected materials are  
2527 not visible.

2528 3. All vehicles shall comply with California Environmental Protection Agency (EPA)  
2529 noise emission regulations and California Air Resources Board air quality  
2530 regulations and other applicable pollution control regulations.

2531 4. All Collection vehicles shall have cameras to monitor driving and loading  
2532 activities including, at a minimum: (i) back-up cameras mounted at the rear and  
2533 side of the vehicle; and, (ii) a hopper camera clearly displaying the contents of  
2534 the hopper prior to compaction.

2535 5. Contractor shall be required to operate an adequate number of Collection  
2536 vehicles that shall be capable of servicing hard-to-service areas and accessing  
2537 long driveways in the Service Area.

2538 6. All Collection vehicles shall be capable of unloading materials in the Designated  
2539 Transfer and Processing Facility buildings taking clearance heights, especially  
2540 in the MRF, into consideration.

2541 7. All Collection vehicles shall be equipped with and shall utilize on-board  
2542 computers and GPS tracking devices with real-time transmission to all levels of  
2543 Contractor's operations. The on-board computer system shall: (i) capture all  
2544 operations data needed to complete the Contractor's reporting requirements for  
2545 this Agreement; (ii) capture all operating data needed to prepare the Contractor's  
2546 Application; and (iii) allow Customer service staff direct real-time access to driver

2547 data including vehicle location, Container set-out and service data, and notes  
2548 regarding service issues.

2549 8. All Collection vehicles shall be equipped with a broom, shovel, absorbent  
2550 materials, and other approved cleanup devices and materials for emergencies,  
2551 or any spillage or leaks that may occur.

2552 9. Route supervisors and management personnel shall use one-half (0.5) Ton  
2553 hybrid pickup trucks while performing services.

2554 10. Contractor developed preliminary specifications for vehicles that will be  
2555 purchased and placed into service after the Commencement Date. These  
2556 specifications, which were the basis for Contractor's vehicle depreciation and  
2557 interest costs (presented in Attachment N), are presented in Attachment P. At  
2558 least eighteen (18) months prior to Contractor's initial acquisition of new  
2559 Collection vehicles to be placed into service after January 1, 2021, Contractor  
2560 shall meet and confer with the SBWMA to discuss the type of vehicles to be  
2561 purchased and fuel options. The Agency and SBWMA may be interested in  
2562 considering different fuel options with the goal of minimizing the air emission  
2563 impact of the Collection vehicles. At the request of the Agency or SBWMA,  
2564 Contractor shall provide vehicle information, specifications, and fuel options and  
2565 a cost impact analysis of various fueling options. Contractor shall obtain the  
2566 SBWMA's approval in the fuel selection prior to ordering new Collection vehicles.  
2567 SBWMA recognizes that Contractor's vehicle purchase plan anticipates  
2568 purchases over multiple years. This meet and confer obligation is intended to  
2569 occur prior to Contractor's initial purchase of new Collection vehicles to discuss  
2570 a strategy for all vehicles purchased after January 1, 2021 unless Parties agree  
2571 otherwise.

2572 C. **Vehicle Identification.** Contractor's name, local telephone number, and a unique  
2573 vehicle identification number designated by Contractor for each vehicle shall be  
2574 prominently displayed on all four (4) sides of the vehicles, in letters and numbers with  
2575 a maximum five (5) digit sequence, that are no less than two and one-half (2.5) inches  
2576 in height. Contractor shall not place any other information or logo on Contractor  
2577 vehicles, unless approved in writing by SBWMA. Vehicles shall be clearly labeled to  
2578 indicate the materials Collected by that vehicle, specifically; "Solid Waste,"  
2579 "Recyclables," or "Organic Materials," as directed by SBWMA.

2580 D. **Inventory.** Contractor shall furnish the Agency and SBWMA a written inventory of  
2581 all vehicles used in providing service, and shall update the inventory annually. The  
2582 inventory shall list all vehicles by manufacturer, identification number, date of  
2583 acquisition, type, capacity, decibel rating, average weight of load, and average loaded  
2584 axle weights.

2585 E. **Cleaning and Maintenance**

2586 1. General. Contractor shall maintain all of its properties, vehicles, facilities, and  
2587 equipment used in providing service under this Agreement in a good, safe, neat,  
2588 clean, and operable condition at all times.

2589 2. Cleaning. Vehicles used in the Collection of Solid Waste, Targeted Recyclable  
2590 Materials, and Organic Materials shall be thoroughly washed, and thoroughly  
2591 steam cleaned weekly so as to present a clean appearance. Agency may inspect  
2592 vehicles at any time to determine compliance with this Agreement. Contractor

- 2593 shall also make vehicles available to the San Mateo County Health Department  
2594 for inspection, at any frequency it requests.
- 2595 3. Repainting or Refurbishing. Contractor shall repaint or refurbish to the  
2596 satisfaction of the Agency all vehicles used in the Collection of Solid Waste,  
2597 Targeted Recyclable Materials, and Organic Materials within thirty (30) Business  
2598 Days' notice from Agency, if Agency determines that their appearance warrants  
2599 painting. The cost for Agency-directed repainting shall be incurred by Contractor.
- 2600 4. Maintenance. Contractor shall inspect each vehicle daily to ensure that all  
2601 equipment is operating properly. Vehicles which are not operating properly shall  
2602 be removed from service until repaired and operating properly. Contractor shall  
2603 perform all scheduled maintenance functions in accordance with the  
2604 manufacturer's specifications and schedule or in accordance with California  
2605 Highway Patrol standards, whichever are more stringent. Contractor shall keep  
2606 accurate records of all vehicle maintenance, recorded according to date and  
2607 mileage and shall make such records available to Agency upon request.  
2608 Hydraulic oil, engine oil, and other spills from Collection vehicles in the Service  
2609 Area are a concern to the Agency. Contractor shall include as part of  
2610 maintenance activities a process for tracking the number and nature of  
2611 automotive spills (type of fluid, amount lost, failure point) and diagnosing the  
2612 cause of those spills. Based on the results of the process, Contractor shall  
2613 implement appropriate corrective actions to address issues that are contributing  
2614 factors to vehicle spills (e.g., revise specifications for specific part failures, revise  
2615 preventative maintenance schedule to address timing of failures), so that each  
2616 occurrence is controlled and minimized.
- 2617 5. Repair. Contractor shall repair, or arrange for the repair of, all of its vehicles and  
2618 equipment for which repairs are needed because of accident, breakdown,  
2619 hydraulic oil or engine oil leaks, or any other cause so as to maintain all  
2620 equipment in a safe and operable condition. If an item of repair is covered by a  
2621 warranty, Contractor shall obtain warranty performance. Contractor shall  
2622 maintain accurate records of repair, which shall include the date and mileage,  
2623 nature of repair and the verification by signature of a maintenance supervisor  
2624 that the repair has been properly performed.
- 2625 6. Storage. Contractor shall arrange to store all vehicles and other equipment in  
2626 safe and secure location(s) in accordance with all applicable zoning regulations.
- 2627 F. **Operation.** Vehicles shall be operated in compliance with federal, State, and local  
2628 laws and regulations including, but not limited to, the California Vehicle Code, the  
2629 regulations of the California Air Resources Board (CARB) Waste Collection Vehicle  
2630 Regulations as established in the California Code of Regulations Title 13 Section  
2631 2700 et seq.; and all applicable safety and local ordinances. Annually, Contractor  
2632 shall provide the SBWMA and Agency with documentation of such compliance for  
2633 each vehicle. For example, with regard to CARB regulations, such documentation  
2634 shall demonstrate, at a minimum, the vehicle number, make, model, year, control  
2635 technology used or planned, and the year that the control technology was applied or  
2636 is planned to be applied. Contractor shall not load vehicles in excess of the  
2637 manufacturer's recommendations or limitations imposed by federal, State, or local  
2638 weight restrictions on vehicles or roads.

2639 Contractor equipment used for Collection services shall be registered with the  
2640 California Department of Motor Vehicles. Equipment shall comply with US EPA noise  
2641 emission regulations, currently codified at 40 CFR Part 205, and other applicable  
2642 noise control regulations, and shall incorporate noise control features throughout the  
2643 entire vehicle.

2644 Annually, Contractor shall have each Collection vehicle weighed at the Designated  
2645 Transfer and Processing Facility to determine the unloaded weight (“tare weight”) of  
2646 the vehicle, and the total loaded weight of each load delivered to the Designated  
2647 Transfer and Processing Facility. Upon a major repair that could affect the Collection  
2648 vehicle tare weight, Contractor shall have the Collection vehicle re-weighed to  
2649 establish a new tare weight. Contractor shall track and make adjustments to routes  
2650 to eliminate ongoing over-weights associated with individual routes.

## 2651 **8.05 CONTAINERS**

2652 A. **General.** Contractor shall provide all Containers, Bins, Kitchen Pails, and Drop  
2653 Boxes, as appropriate, to all Customers as part of its obligations under this  
2654 Agreement. Contractor shall ensure that Agency encroachment or other required  
2655 permits are obtained by Customer prior to delivering Containers. As of the  
2656 Commencement Date, all Containers may be used. Contractor-provided Containers  
2657 shall be designed and constructed to be watertight and prevent the leakage of liquids.  
2658 All Carts shall be manufactured by injection or rotational molding methods; contain  
2659 post-consumer content; and meet the Container design and performance  
2660 requirements provided in Attachment D – Container Specifications. Containers  
2661 provided to Customers shall have a useful life of ten (10) years as evidenced by a  
2662 manufacturer’s warranty or other documentation acceptable to the Agency.

2663 All Containers with a capacity of one (1) cubic yard or more shall meet applicable  
2664 federal, State, and local regulations for Bin safety; shall be covered with attached lids;  
2665 and shall have the capability to be locked if required or requested by Customer or  
2666 Agency.

2667 All Containers shall be maintained in a safe, serviceable, and functional condition.

### 2668 **B. Container Specifications**

2669 1. **Sizes.** The Container sizes to be provided to Single-Family, Multi-Family,  
2670 Commercial, and Agency Facility Customers are specified in Attachment D.  
2671 Contractor shall provide Customers with a choice of Container capacities  
2672 specified in Attachment D, and Customers may select their preferred Container  
2673 size(s).

2674 2. **Color.** The colors of the Containers provided to Single-Family, Multi-Family,  
2675 Commercial, and Agency Facility Customers are specified in Attachment D.

2676 3. **Loading.** Minimum allowable loading requirements for the Bin and Drop Box  
2677 contents shall be approved by the Agency prior to purchase based on the  
2678 minimum manufacturer’s load limits, as specified in Attachment D.

2679 C. **Container Labeling.** Contractor shall label each Container with white, hot-stamped  
2680 lettering, and in-mold or heavy duty vinyl adhesive labels with graphics, illustrations,  
2681 or artwork that clearly conveys the type of materials (e.g., Solid Waste, Recyclable  
2682 Materials, cardboard, mixed paper, Organic Materials, wood waste, metal, etc.) to be  
2683 placed in the Container for Collection. The labeling shall be positioned on each

2684 Container so it is visible to the Customer and Collection vehicle drivers on the front  
2685 side, and top. The labeling shall be durable and weather resistant to outdoor  
2686 conditions and have a minimum ten (10) year lifetime.

2687 All Containers shall prominently display information and graphics agreed upon by  
2688 Agency, SBWMA, and Contractor pursuant to Article 7.

2689 Final Container labeling layout, graphics, and text shall be approved by the Agency  
2690 and SBWMA prior to distribution to Customers.

2691 D. **Cleaning and Painting.** Contractor shall be responsible for steam cleaning and  
2692 repainting all Containers, except Carts, to present an aesthetically pleasing clean  
2693 appearance and to ensure this equipment is safely maintained and operationally  
2694 sound. Contractor shall repaint all used Containers on an as needed basis. Upon  
2695 Customer's request, Contractor shall steam clean all Solid Waste and Recyclable  
2696 Materials Containers (or exchange existing Containers with clean Containers) twice  
2697 annually, except Carts provided to Residential Premises, which Contractor is not  
2698 obligated to clean or exchange. Contractor shall clean all Organic Materials  
2699 Containers (or exchange existing Containers with clean Containers) quarterly, except  
2700 Carts provided to Residential Premises, which Contractor is not obligated to clean or  
2701 exchange. Contractor shall offer additional cleaning (or clean Container exchange)  
2702 to Customers requesting such service and shall bill Customers for such cleaning (or  
2703 Container exchange) at no more than the Agency-approved Maximum Rates  
2704 specified in Attachment Q.

2705 Contractor shall be responsible for cleaning Containers at no additional charge to  
2706 Customer to ensure that nuisance or public health concerns associated with vectors  
2707 are addressed within two (2) Business Days after receipt of notification of said  
2708 condition.

2709 If any Container is impacted by graffiti, Contractor shall remedy the situation within  
2710 forty-eight (48) hours of being notified.

2711 E. **Repair and Replacement.** Contractor shall repair or replace all Containers damaged  
2712 by Collection operations (e.g., vehicle apparatus interface) or otherwise inoperable  
2713 (e.g., due to regular wear and tear) within three (3) Business Days of being notified  
2714 by Customer or observing the damaged Container. If the repair or replacement  
2715 cannot be completed within three (3) Business Days, the Contractor shall notify  
2716 Customer and provide a Container of the same size or larger until the original  
2717 Container can be replaced.

2718 At no additional cost, Contractor shall replace Customer Carts that have been stolen,  
2719 lost, damaged, or destroyed within five (5) Business Days. Contractor shall allow  
2720 Customer to exchange Containers for a Container of a different size at no additional  
2721 cost and shall replace Containers within five (5) Business Days of Customer request.

2722 The Contractor recognizes that the majority of Containers in service on the  
2723 Commencement Date have nearly reached the end of their useful life or will reach the  
2724 end of the useful life during the Term of the Agreement. Contractor has planned to  
2725 replace Containers that have reached the end of their useful life on a rolling basis  
2726 over the Term of the Agreement. Contractor's estimated depreciation and interest  
2727 expense for Container replacement over the Term and these expenses are included  
2728 in Contractor's Compensation in the amount specified in Article 11. Contractor shall



2729 not be entitled to an adjustment to Contractor's Compensation or Rates for Container  
2730 replacements purchased during the Term of the Agreement.

2731 F. **Agency's Rights to Containers.** All Carts, Bins, and Drop Boxes purchased or  
2732 leased by Contractor and put into service at Customers' Premises before the first  
2733 anniversary of the Commencement Date shall become property of the Agency upon  
2734 expiration or early termination of this Agreement. All Carts, Bins, and Drop Boxes  
2735 purchased or leased and put into service at Customers' Premises on or after the first  
2736 anniversary of the Commencement Date that have not been fully depreciated shall  
2737 be available to the Agency, at the Agency's option, at their net book value, upon  
2738 expiration or early termination of this Agreement.

2739 At its sole discretion, the Agency may elect not to exercise its rights under this  
2740 subsection. In such case, the Containers shall remain the property of the Contractor  
2741 upon the expiration or earlier termination of this Agreement. In such case, Contractor  
2742 shall be responsible for removing all Containers in service from Premises. Contractor  
2743 shall do so within ten (10) Business Days after such expiration or earlier termination  
2744 or in accordance with an alternative Container removal schedule agreed upon by the  
2745 Parties, provided that Agency has notified Contractor at least ninety (90) Days before  
2746 such expiration or earlier termination whether or not it intends to acquire the  
2747 Containers.

2748 G. **Lock Service (Key Service).** In order to promote security, respond to Customer  
2749 needs, and minimize the impact or occurrence of illegal dumping and theft of  
2750 Recyclable Materials, Contractor will provide to Customers, at no more than the  
2751 Agency-approved Maximum Rates specified in Attachment Q, locks for enclosures  
2752 used to store Containers or locks for Containers and ensure the enclosures or  
2753 Containers are locked after providing Collection Service.

2754 Only Contractor, Agency, and the participating Customers will be provided with a key  
2755 to the enclosures and access to the Containers. The Contractor shall prominently  
2756 display the service schedule on the enclosure and any changes in service shall be  
2757 displayed on the enclosure by Contractor within one (1) Business Day of making the  
2758 change. If the Carts or Bins are left "outside" in a designated area, each Container  
2759 will be locked (keyed alike), and only Contractor staff, Agency staff, and the  
2760 participating Customers will be provided with a key to access the Containers. At least  
2761 once each calendar year, Contractor's route supervisor shall visit each of the  
2762 participating Customers with shared Containers, respond to any questions or  
2763 concerns, check the areas for contamination, litter, or damage and change the lock  
2764 and distribute new "keyed alike" keys to Agency staff and Customers.

2765 **8.06 PERSONNEL**

2766 A. **General.** Contractor shall furnish such qualified drivers, mechanical, supervisory,  
2767 customer service, clerical, and other personnel as may be necessary to provide the  
2768 services required by this Agreement in a safe, thorough, professional, and efficient  
2769 manner and shall provide, at a minimum, the number and type of personnel listed in  
2770 Attachment O in total for the SBWMA Service Area. All personnel furnished by  
2771 Contractor shall be subject to the "relationship of parties" provisions of Section 15.01.

2772 B. **Reserved.**

2773 C. **Collective Bargaining Agreements.** If Contractor negotiates a new collective  
2774 bargaining agreement with a union representing its employees, or an amendment to

2775 a collective bargaining agreement currently in force, either of which increases wages  
2776 or benefits greater than wage and benefit costs included in Contractor's  
2777 Compensation (through adjustments described in Article 11), the Agency is not  
2778 required to include costs attributable to the increased wages or benefits in  
2779 Contractor's Compensation during the Term of the Agreement.

2780 D. **Approval of Management.** Contractor recognizes the importance of establishing a  
2781 successful relationship between its management and Agency and SBWMA staff.  
2782 Before extending an offer of employment for the position of general manager, both  
2783 initially and throughout the Term, Contractor shall provide the SBWMA with the  
2784 description of the proposed position; an opportunity to review and comment upon the  
2785 position description, the background, experience, and qualifications of each  
2786 candidate being considered for the position, and an opportunity to meet with each  
2787 candidate. Contractor shall give thoughtful consideration to the SBWMA's comments  
2788 on the descriptions of the proposed position and each candidate, but shall have the  
2789 ultimate right to make employment decisions in its best business judgment.

2790 If the Agency is dissatisfied with the performance of the management personnel, the  
2791 Agency shall contact the general manager to discuss the employee's performance.  
2792 If the Agency is dissatisfied with the general manager, the Agency shall contact the  
2793 group manager to discuss the general manager's performance.

2794 Contractor shall advise the affected management employee of any complaints made  
2795 by the Agency regarding the employee's performance. The Parties shall meet and  
2796 confer in good faith to address the Agency's concerns, and shall agree on a corrective  
2797 course of action to be implemented immediately. Contractor agrees to consider in  
2798 good faith, but shall not be bound by, any requests by the Agency to transfer or re-  
2799 assign a management employee should the Agency maintain in good faith that it can  
2800 no longer work constructively with said employee.

2801 E. **Provision of Field Supervision.** Contractor shall designate qualified employees as  
2802 supervisors of field operations. The field supervisor shall devote their time in the field  
2803 supervising, managing, and monitoring Collection operations for reliability, quality,  
2804 efficiency, safety, and for responding to Complaints. The number of field supervisors  
2805 is specified in Attachment O in total for the SBWMA Service Area.

2806 F. **Driver Qualifications.** All drivers shall be trained and qualified in the operation of  
2807 Collection vehicles, and must have in effect a valid license, of the appropriate class,  
2808 issued by the California Department of Motor Vehicles. Contractor shall use the Class  
2809 II California Department of Motor Vehicles employer "Pull Notice Program" to monitor  
2810 its drivers for safety.

2811 G. **Customer Service Representative Training.** Customer service representatives  
2812 shall be trained on specific Agency service requirements, a minimum of once per  
2813 quarter. An Agency information sheet shall be provided to each Customer service  
2814 representative for easy reference of Agency requirements and general Customer  
2815 needs. Contractor shall provide the information sheet, training agenda, and  
2816 associated documentation within five (5) Business Days of request from Agency.

2817 H. **Safety Training.** Contractor shall provide suitable operational and safety training for  
2818 all of its employees who operate Collection vehicles or equipment or who are  
2819 otherwise directly involved in such Collection. Contractor shall train its employees  
2820 involved in Collection to identify, and not to Collect, Hazardous Waste, or Infectious

2821 Waste. Upon the Agency's request, Contractor shall provide a copy of its safety policy  
2822 and safety training program, the name of its safety officer, and the frequency of its  
2823 trainings.

2824 I. **No Gratuities.** Contractor shall not permit its employees to demand or solicit, directly  
2825 or indirectly, any additional compensation or gratuity from members of the public for  
2826 Collection services or accept gratuities or compensation in exchange for additional  
2827 Collection services.

2828 J. **Employee Conduct and Courtesy.** Contractor shall employ only competent and  
2829 qualified personnel who serve the public in a courteous, helpful, and impartial  
2830 manner. Contractor shall use its best efforts to assure that all employees present a  
2831 neat appearance and conduct themselves in a courteous manner. Contractor shall  
2832 regularly train its employees in Customer courtesy, shall prohibit the use of loud or  
2833 profane language, and shall instruct Collection employees to perform the work as  
2834 quietly as possible. If any employee is found not to be courteous or not to be  
2835 performing services in the manner required by this Agreement, Contractor shall take  
2836 all appropriate corrective measures. The Agency may require Contractor to reassign  
2837 an employee, if the employee has conducted himself or herself inconsistently with the  
2838 terms of this Agreement.

2839 Contractor shall adopt policies and procedures consistent with State and federal law  
2840 that ensure a sober and drug-free workplace. This includes strictly prohibiting  
2841 unlawful manufacture, distribution, possession, or use of any controlled substance in  
2842 the workplace, regardless of whether the employee is on duty at the time. Further,  
2843 the policies and procedures shall prohibit an employee from operating either Agency  
2844 or Contractor equipment and vehicles (whether on or off duty) while under the  
2845 influence of alcohol or drugs. The purpose of these policies and procedures is to  
2846 ensure workplace safety, productivity, efficiency, and the quality of Contractor's  
2847 service to Customers.

2848 K. **Uniforms.** While performing services under this Agreement, all Contractor's  
2849 employees performing field service shall be dressed in clean uniforms and shall wear  
2850 visible identification that include the employee's name and/or employee number, and  
2851 Contractor's name. Uniform type, style, colors, and any modifications may be subject  
2852 to approval by the Agency.

2853 **8.07 HAZARDOUS WASTE INSPECTION AND HANDLING**

2854 A. **Inspection Program and Training.** Contractor is required to inspect Solid Waste,  
2855 Targeted Recyclable Materials, Organic Materials, and other materials put out for  
2856 Collection and may reject Solid Waste, Targeted Recyclable Materials, Organic  
2857 Materials, and other materials observed to be contaminated with Hazardous Waste  
2858 and not Collect Hazardous Waste put out with Solid Waste, Targeted Recyclable  
2859 Materials, and Organic Materials. Contractor shall develop a load inspection program  
2860 that includes the following components: (i) personnel and training; (ii) load checking  
2861 activities; (iii) management of wastes; and (iv) record keeping and emergency  
2862 procedures.

2863 Contractor's load checking personnel, including its Collection vehicle drivers, shall be  
2864 trained in: (i) the effects of Hazardous Substances on human health and the  
2865 environment; (ii) identification of prohibited materials; and (iii) emergency notification

2866 and response procedures. Collection vehicle drivers shall inspect Containers before  
2867 Collection when practical.

2868 **B. Response to Hazardous Waste Identified During Collection.** Under no  
2869 circumstances shall Contractor's employees knowingly Collect Hazardous Waste or  
2870 remove unsafe or poorly containerized Hazardous Waste from a Collection Container.  
2871 If Contractor determines that material placed in any Container for Collection is  
2872 Hazardous Waste or other material that may not legally be accepted or safely  
2873 processed at the Designated Transfer and Processing Facility or presents a hazard  
2874 to Contractor's employees, or those at the Designated Transfer and Processing  
2875 Facility, the Contractor shall have the right to refuse to accept such material. The  
2876 Generator shall be contacted by the Contractor and requested to arrange proper  
2877 Disposal. If the Generator cannot be reached immediately, the Contractor shall,  
2878 before leaving the Premises, leave a non-collection notice, which indicates the reason  
2879 for refusing to Collect the material and lists the phone number for the San Mateo  
2880 County Household Hazardous Waste Facility, or other resources as directed by  
2881 Agency. Contractor's environmental technician shall be notified to handle the issue  
2882 with the Generator. The Contractor's environmental technician shall be required to  
2883 guide the Generator to safely containerizing the Hazardous Waste and shall explain  
2884 the Generator's options for proper disposition of such material.

2885 If Hazardous Waste is found in a Collection Container or Collection area that could  
2886 possibly result in imminent danger to people or property, the Contractor shall  
2887 immediately notify the Agency's Fire Department using the nine-one-one (911)  
2888 emergency telephone number. The Contractor shall notify the Agency of any  
2889 Hazardous Waste identified in Containers or left at any Premises within twenty-four  
2890 (24) hours of identification of such material.

2891 **C. Response to Hazardous Waste Identified at Designated Transfer and**  
2892 **Processing Facility.** Contractor shall not knowingly deliver Unpermitted Material to  
2893 the Designated Transfer and Processing Facility. The Operator shall use reasonable  
2894 business efforts and standard industry practices to detect and discover Unpermitted  
2895 Material at the facility and shall not knowingly accept Unpermitted Material. In the  
2896 event that Unpermitted Material is delivered to the Designated Transfer and  
2897 Processing Facility, the Operator shall be entitled to pursue whatever remedies, if  
2898 any, it may have against the Generator or Person(s) bringing such Unpermitted  
2899 Material to the Designated Transfer and Processing Facility provided that in no case  
2900 shall the Agency be considered the Person bringing such Unpermitted Material to the  
2901 Designated Transfer and Processing Facility.

2902 Contractor acknowledges that in the event the operator identifies Unpermitted  
2903 Materials in the materials delivered by Contractor before the materials are unloaded  
2904 at the facility, the Operator has the right to reject the load and direct the Contractor to  
2905 cause removal and Disposal of the Unpermitted Material in a safe and lawful manner,  
2906 at the sole expense of the Contractor. If the Unpermitted Materials are delivered to  
2907 the Designated Transfer and Processing Facility by Contractor and unloaded at the  
2908 facility before their presence is detected, and the Generator cannot be identified or  
2909 fails to remove the material after being requested to do so, the Contractor shall  
2910 arrange for and/or pay for its proper Disposal. Contractor shall make reasonable  
2911 efforts to identify and notify the Generator. The Contractor shall make a good faith  
2912 effort to recover the cost of any transportation and Disposal from the Generator, and  
2913 the cost of this effort, as well as the cost of Disposal shall be chargeable to the

2914 Generator, if appropriate documentation, as deemed necessary by the Agency, is  
2915 provided to the Agency within five (5) Business Days of the occurrence.

2916 In the event Contractor delivers Unpermitted Materials on a frequent or continuous  
2917 basis to the Designated Transfer and Processing Facility and the Contractor refuses  
2918 to provide for the proper handling and disposition of such Unpermitted Material, the  
2919 Operator may provide written notice to Agency of such refusal by Contractor.

2920 **D. Reporting, Regulations, and Record Keeping.** Contractor shall comply with  
2921 emergency notification procedures required by Applicable Laws and regulatory  
2922 requirements. Contractor shall notify all appropriate agencies, including the California  
2923 Department of Toxic Substances Control and Local Emergency Response Providers  
2924 and the National Response Center of reportable quantities of Hazardous Waste found  
2925 or observed in Solid Waste, Targeted Recyclable Materials, Organic Materials,  
2926 Electronic Waste, Universal Waste, and Construction and Demolition Debris  
2927 anywhere within Service Area. In addition to other required notifications, if Contractor  
2928 observes any substances which it or its employees reasonably believe or suspect to  
2929 contain Hazardous Wastes unlawfully Disposed of or released on any Agency  
2930 property, including storm drains, streets or other public rights of way, Contractor will  
2931 immediately notify the Agency and SBWMA.

2932 All records required by regulations shall be maintained at the Contractor's Facility.  
2933 These records shall include: waste manifests, waste inventories, waste  
2934 characterization records, inspection records, incident reports, and training records.  
2935 Contractor shall maintain records showing the types and quantities, if any, of  
2936 Hazardous Waste found in Solid Waste, Targeted Recyclable Materials, and Organic  
2937 Materials, which was inadvertently Collected from Customers within the Service Area,  
2938 but diverted from landfilling.

## 2939 **8.08 COMMUNICATION AND COOPERATION WITH AGENCY AND SBWMA**

2940 **A. Communications.** The Contractor's general manager shall have e-mail capabilities  
2941 to enable the Agency, SBWMA, and the Contractor's general manager to  
2942 communicate via e-mail. Contractor's general manager shall respond to Agency and  
2943 SBWMA email correspondence within twenty-four (24) hours.

2944 **B. Monthly Meetings.** Upon request from Agency, beginning on the Commencement  
2945 Date, and then on a monthly basis thereafter, Contractor shall meet with the Agency  
2946 and SBWMA to discuss progress of each active diversion program, quality, and  
2947 reliability of Collection services, and compliance with the terms of the Agreement.  
2948 SBWMA may attend and participate in these meetings. At each monthly meeting, the  
2949 Agency, Contractor, and SBWMA, if attending, shall have the opportunity to present  
2950 and discuss proposed changes in service such as changing program requirements or  
2951 modifying Collection methods.

2952 **C. Inspection by Agency.** Agency shall have the right, but not the obligation, to  
2953 observe and inspect all of the Contractor's operations under this Agreement. In  
2954 connection therewith, Agency and SBWMA shall have the right to enter facilities used  
2955 by Contractor during operating hours, speak to any of Contractor's employees, and  
2956 receive cooperation from such employees in response to inquiries. In addition, upon  
2957 reasonable notice and without interference with Contractor's operations, Agency and  
2958 SBWMA may review and copy any of Contractor's operational and business records  
2959 related to this Agreement. If Agency or SBWMA so requests, Contractor shall make

2960 specified personnel available to accompany Agency and SBWMA employees on  
2961 inspections and shall provide electronic copies of records stored in electronic media.

2962 **8.09 COOPERATION WITH DESIGNATED TRANSFER AND PROCESSING FACILITY**  
2963 **OPERATOR**

2964 A. **Communications.** If requested by SBWMA, the Contractor shall meet with the  
2965 SBWMA and Operator at least once each month to discuss issues related to the  
2966 interaction of operations between Contractor and Operator including, but not limited  
2967 to:

- 2968 1. Traffic flow;
- 2969 2. Vehicle weighing procedures;
- 2970 3. Targeted Recyclable Materials and Organic Materials Contamination;
- 2971 4. Hazardous Waste screening and safety policies;
- 2972 5. Receiving hours;
- 2973 6. Billing and payment of gate fees for delivery of materials;
- 2974 7. Vehicle parking;
- 2975 8. Employee facilities; and,
- 2976 9. Maintenance facilities.

2977 The Contractor's general manager shall have e-mail capabilities to enable the  
2978 Operator and the Contractor's general manager to communicate via e-mail.  
2979 Contractor's general manager shall respond to the Operator's email correspondence  
2980 within twenty-four (24) hours.

2981 B. **Coordination of Hours.** Contractor shall plan its Collection routes to be compatible  
2982 with the Designated Transfer and Processing Facility receiving hours, which shall be,  
2983 at a minimum, Monday through Friday from 3:00 a.m. to 6:00 p.m. and Saturday and  
2984 Sunday from 6:00 a.m. to 5:00 p.m. Contractor shall deliver Collected materials to  
2985 the Designated Transfer and Processing Facility during the receiving hours of the  
2986 Designated Transfer and Processing Facility.

2987 C. **Compliance with Facility Rules.** Contractor shall cooperate with Operator and  
2988 comply with Operator's requirements Including: (i) how and where to unload  
2989 Collection vehicles; (ii) respecting operations and construction of new facilities; and,  
2990 (iii) the Operator's Hazardous Waste exclusion program. Contractor shall also  
2991 cooperate with the Contamination assessment procedures specified in Attachment E-  
2992 1. All costs charged by the SBWMA for acceptance of Contractor's materials shall  
2993 be paid by Contractor. Contractor shall receive compensation for transfer and  
2994 processing costs in accordance with Article 11.

2995 **8.10 BUY-RECYCLED POLICY**

2996 The Contractor shall comply with the purchasing requirements described in this Section,  
2997 and shall document its on-going compliance with these requirements upon Agency  
2998 request.

2999 A. **Recycled Paper.** The Contractor shall use recycled paper for invoices, Bills, reports,  
3000 and public education materials. The recycled paper shall have at least thirty percent

3001 (30%) post-consumer recycled content for uncoated paper and ten percent (10%)  
3002 post-consumer recycled content for coated paper based on federal standards.  
3003 Contractor shall state on all materials prepared with post-consumer recycled content  
3004 the following: "Printed on Recycled Paper."

3005 B. **Re-Refined Motor Oil.** Contractor shall be encouraged but not required to use re-  
3006 refined motor oil for its Collection vehicles.

3007 C. **Recycled Plastic.** Contractor shall purchase Carts and Kitchen Pails that contain  
3008 the minimum post-consumer content as specified in Attachment D. All Carts and  
3009 Kitchen Pails shall be one hundred percent (100%) recyclable.

3010 **8.11 ANNUAL PERFORMANCE HEARING**

3011 A. **Objectives.** Agency or SBWMA may hold a public performance hearing in April or  
3012 May of each Rate Year, at which time Contractor shall be present and shall participate  
3013 by making a presentation and responding to questions. Agency or SBWMA shall  
3014 convene the hearing to address the positive and negative aspects of Contractor's  
3015 overall performance. The purpose of the hearing may also involve discussion and  
3016 review of technological, economic, and regulatory changes in Collection, waste  
3017 reduction, Recycling, processing, and Disposal practices that can improve quality of  
3018 service; increase waste reduction and diversion; and ensure services are being  
3019 provided effectively and economically. Topics for discussion and review at the  
3020 performance hearing shall include, but not be limited to: Contractor's  
3021 accomplishments and compliance with various provisions of the Agreement, services  
3022 provided, feasibility of providing new services, application of new technologies,  
3023 Customer Complaints, possible amendments to this Agreement, developments in the  
3024 Applicable Laws and regulations, new initiatives for meeting or exceeding waste  
3025 reduction and Recycling goals, regulatory constraints, and Contractor performance.  
3026 Agency or SBWMA and Contractor may each select additional topics for discussion  
3027 at the performance hearing.

3028 B. **Process.** Within sixty (60) Days of notification provided by Agency or SBWMA to  
3029 Contractor of its intent to conduct a performance hearing, Agency or SBWMA will  
3030 submit questions to Contractor pertaining to Contractor's performance and Contractor  
3031 shall submit its written response within thirty (30) Days. Agency or SBWMA and  
3032 Contractor shall meet to discuss the questions and Contractor's response prior to  
3033 submittal by Contractor. Agency or SBWMA and Contractor may request from one  
3034 another information or documents related to the scheduled public hearing and Agency  
3035 or SBWMA and Contractor shall provide such information promptly.

3036 In addition to Contractor's responses to the questions submitted by Agency or  
3037 SBWMA, Contractor may be required to submit a self-assessment report of  
3038 Contractor's performance and information pertaining to the following:

3039 1. Recommended Changes or New Services. Changes and/or new services  
3040 recommended to improve Agency's or SBWMA's ability to meet and/or exceed  
3041 the Agency's or SBWMA's waste reduction and recycling goals and those of the  
3042 Act and other State legislation/regulations (such as, but not limited to, AB 341,  
3043 AB 901, AB 1594, AB 1826, SB 1061, and SB 1383).

3044 2. Complaint Records. The reports required by this Agreement regarding  
3045 Complaints shall be used as one basis for review. Contractor may submit other  
3046 relevant performance information and reports for consideration. Agency or

3047 SBWMA may request Contractor to submit specific information for the hearing.  
3048 In addition, any Person may submit comments or Complaints during or before  
3049 the hearing, either orally or in writing, and these shall be considered.

3050 3. Action Plan. Contractor shall prepare and submit an action plan for improving  
3051 and/or modifying its Collection services and other services if requested.

3052 Not less than ten (10) Business Days prior to the scheduled hearing date, Agency or  
3053 SBWMA and Contractor shall exchange any written reports and other documents that  
3054 will be provided or presented at the hearing. Not less than five (5) Business Days  
3055 before the scheduled hearing date, Agency or SBWMA and Contractor shall ensure  
3056 their availability to discuss the content and underlying support for such reports.

3057 Agency or SBWMA and Contractor shall attend and participate in the performance  
3058 hearing. Contractor may be required to present an oral report on its performance at  
3059 the performance hearing. Contractor's failure to attend and participate in the  
3060 performance hearing and provide an oral presentation upon request; provide a written  
3061 response to the questions or request for a self-assessment report submitted by  
3062 Agency or SBWMA; or submit an action plan if requested by Agency or SBWMA may  
3063 result in Liquidated Damages pursuant to Attachment J.

3064 Within sixty (60) Days after the conclusion of each performance hearing, Agency or  
3065 SBWMA may issue a report. As a result of the review, Agency or SBWMA may  
3066 require Contractor to provide expanded or new services within a reasonable time  
3067 frame and for reasonable compensation; and Agency or SBWMA may direct  
3068 Contractor to take corrective actions for any performance inadequacies.

3069



3070  
3071

## ARTICLE 9 RECORD KEEPING AND REPORTING

---

3072 **9.01 GENERAL**

3073 Contractor shall compile and maintain records related to its performance as necessary to  
3074 develop the reports required by this Agreement. Contractor agrees to conduct data  
3075 collection, record keeping, and reporting activities necessary to meet the reasonable  
3076 reporting and Solid Waste, Recyclable Materials, and Organic Materials program  
3077 management needs of the Agency, and to comply with Contractor's obligations under the  
3078 Act and other State legislation/regulations (such as, but not limited to, AB 341, AB 1826,  
3079 and SB 1383), other Applicable Laws, and the requirements of this Agreement.

3080 Record keeping and reporting requirements specified in this Agreement shall not be  
3081 considered a comprehensive list of reporting requirements. In particular, Article 9 is  
3082 intended to highlight the general nature of records and reports and their minimum content  
3083 and is not meant to comprehensively define the scope and content of the records and  
3084 reports. Upon written direction or approval of Agency, the records and reports required  
3085 by Contractor in accordance with this and other Articles of the Agreement shall be adjusted  
3086 in number, format, or frequency.

3087 Contractor shall maintain all records necessary to allow the Agency to determine  
3088 Contractor's compliance with the terms of the Agreement and compliance with the  
3089 Performance Standards and Performance Incentives/Disincentives presented in this  
3090 Agreement including, but not limited to, those related to the quality of Collection services  
3091 and customer service and those identified in Attachments I and J. The records shall be  
3092 maintained in a manner that allows for easy verification of Contractor's performance.

3093 **9.02 GENERAL RECORD KEEPING PROVISIONS**

3094 A. **General.** Contractor shall maintain records required to conduct its operations, to  
3095 support requests it may make to Agency, and to respond to requests from Agency.  
3096 All records shall be maintained for five (5) years after the expiration or early  
3097 termination of this Agreement.

3098 In order to set Contractor's Compensation pursuant to Article 11, it is necessary for  
3099 Contractor to maintain accurate, detailed financial and operational information in a  
3100 consistent format and to make such information available to the Agency in a timely  
3101 fashion, and in accordance with reporting requirements specified in this Article.

3102 B. **Inspection of Records.** Agency shall have the right to inspect or review the payroll  
3103 tax reports, specific documents or records required expressly or by inference  
3104 pursuant to this Agreement, or any other similar records or reports of Contractor that  
3105 Agency shall deem, in its sole discretion, reasonably necessary to evaluate reports,  
3106 compensation applications provided for in this Agreement, and Contractor's  
3107 performance or other matters related to this Agreement.

3108 The Agency, its auditors, and other agents selected by the Agency, shall have the  
3109 right, during regular business hours, to conduct unannounced on-site inspections and  
3110 review of the records and accounting systems of Contractor and to make copies of  
3111 any of Contractor's documents relevant to this Agreement. Upon request, Contractor  
3112 shall arrange for records of Related Party Entities to be made available to Agency  
3113 and its official representatives for review, to the extent such records are reasonably

3114 necessary to evaluate reports, compensation applications, Contractor's performance,  
3115 or other matters related to this Agreement.

3116 C. **Retention of Records.** Unless otherwise herein required, Contractor shall retain all  
3117 records and data required to be maintained by this Agreement for the Term plus at  
3118 least five (5) years after expiration or early termination of the Agreement. Records,  
3119 and data shall be in a chronological and organized form and readily and easily  
3120 interpreted. At the Agency's request, records and data required to be retained shall  
3121 be retrieved in a timely manner (which shall not exceed more than ten (10) Business  
3122 Days unless Contractor obtains prior written approval from the Agency) by Contractor  
3123 and made available to the Agency.

3124 Contractor shall maintain copies of all Billings and Billing Collections (e.g., Customer  
3125 payments) records or copies of Billing summary reports (that document all Billings  
3126 and Billing Collections for each Customer) for five (5) years, following the date of  
3127 Billings, for inspection and verification by Agency.

3128 Records and data required to be maintained that are not specifically directed to be  
3129 retained that are, in the sole opinion of the Agency, material to the determination of  
3130 Contractor's Compensation or Rates or to determination of Contractor's performance,  
3131 shall be retrieved by Contractor and made available to the Agency in a timely manner  
3132 (which shall not exceed ten (10) Business Days unless Contractor obtains prior  
3133 written approval from the Agency). When records and data are not retained or  
3134 provided by the Contractor, the Agency may make reasonable assumptions regarding  
3135 what information is contained in such records and data, and such assumption(s) shall  
3136 be conclusive in whatever action the Agency takes.

3137 D. **Record Security.** Contractor shall maintain adequate record security to preserve  
3138 records from events that can be reasonably anticipated such as a fire, theft, and an  
3139 earthquake. Electronically-maintained data and/or records shall be protected,  
3140 backed up, and stored at a separate site from the original data.

3141 **9.03 RECORD KEEPING REQUIREMENTS**

3142 A. **Maintenance of Financial and Operational Records**

3143 1. General. In order to effectuate Contractor's Compensation pursuant to Article  
3144 11, it is necessary for Contractor to maintain accurate, detailed financial and  
3145 operational information in a consistent format and to make such information  
3146 available to the Agency and the SBWMA in a timely fashion.

3147 2. Contractor's Accounting Records. Contractor shall maintain accurate and  
3148 complete accounting records containing the underlying financial and operating  
3149 data relating to, and showing the basis for computation of, all costs associated  
3150 with providing services under this Agreement. The accounting records shall be  
3151 prepared in accordance with Generally Accepted Accounting Principles (GAAP)  
3152 consistently applied.

3153 B. **Collection Service Records**

3154 Records shall be maintained and retained by Contractor for Agency relating to:

3155 1. Customer and Billing information including, but not limited to, the following for  
3156 each Customer.

- 3157 a. Names, addresses, and phone numbers of Customer, Billing contact  
3158 Person, and, if appropriate, for property manager or on-site contact Person.
- 3159 b. Solid Waste service level, Targeted Recyclable Materials service level, and  
3160 Organic Materials service level (where service level includes the number of  
3161 Containers, size of each Container, and the Collection frequency of each  
3162 Container).
- 3163 c. Number of tenant or living units at Multi-Family Residential Complexes.
- 3164 d. Service exemptions for SFD Premises (if applicable).
- 3165 e. Special services (e.g., Backyard and Special Handling Collection for SFD  
3166 Premises, push/pull service, lock/unlock service, Container Relocation  
3167 Service, Long Distance Service, etc.).
- 3168 2. Contractor's Customer and Billing system shall allow for information to be  
3169 compiled easily and separately for each Service Sector.
- 3170 3. Weight and volume of material Collected by type (e.g., Solid Waste, Targeted  
3171 Recyclable Materials, Organic Materials). Where possible, information shall be  
3172 provided separately for each Service Sector.
- 3173 4. Route sheets and route maps identifying the accounts serviced by each  
3174 Collection vehicle on a daily basis (e.g., detailed GPS reports).
- 3175 5. Facilities, equipment, and personnel used.
- 3176 6. Facilities and equipment operations, maintenance, and repair.
- 3177 7. Tonnage of Solid Waste, Targeted Recyclable Materials, Universal Waste, and  
3178 Organic Materials listed separately by materials type and Service Sector and the  
3179 facility where materials were delivered (e.g., Designated Transfer and  
3180 Processing Facility).
- 3181 8. Monthly Overall Diversion Level, monthly SFD Diversion Level, and the monthly  
3182 Commercial Diversion Level (each stated as a percentage) and calculated in  
3183 accordance with Attachment I.
- 3184 9. Targeted Recyclable Materials, Used Motor Oil and Used Motor Oil Filters,  
3185 Household Batteries, Cell Phones, and Organic Materials Collection participation  
3186 and set-out rates.
- 3187 10. Tonnage of materials Collected from On-Call Bulky Item Collection services  
3188 described in Sections 5.05, 5.06 and 5.12, community collection events as  
3189 described in Sections 5.13 and 5.14, and abandoned waste clean-up events  
3190 described in Section 5.09, reported separately by material type Collected and  
3191 listing destination where materials were delivered (e.g., Goodwill Industries,  
3192 Designated Transfer and Processing Facility, etc.).
- 3193 11. Tonnage of Solid Waste, Recyclable Materials, and Organic Materials Collected  
3194 from Venues and Community Events as described in Section 5.08 reported  
3195 separately by material type Collected and reported separately for each Venue  
3196 and Community Event as the total Tonnage of each material type for each Venue  
3197 or Community Event monthly.

3198 12. Volume of Used Motor Oil and number of Used Motor Oil Filters Collected by  
3199 Contractor reported separately for each facility where materials were delivered.

3200 **C. Other Programs Records**

3201 Records for other programs shall be tailored to specific needs. In general, Contractor  
3202 shall maintain and retain the following records:

- 3203 1. Plans, tasks, and milestones; and,  
3204 2. Accomplishments including activities conducted, dates, quantities of products  
3205 used, produced or distributed, and numbers of participants and responses.

3206 **D. Customer Service Records.** Daily logs of all Complaints and Inquiries shall be  
3207 retained for a minimum of thirty-six (36) months. Contractor shall maintain and retain  
3208 customer service center records which include, but are not limited to, the following  
3209 statistics:

- 3210 1. Number of calls received on a daily and monthly basis;  
3211 2. Number of calls answered on a daily and monthly basis;  
3212 3. Number of abandoned (dropped) calls on a daily and monthly basis;  
3213 4. Average abandoned time (i.e., Hold Time before abandoning call);  
3214 5. Number of delayed calls (i.e., calls where caller is placed on hold before speaking  
3215 with a customer service agent) on a daily and monthly basis;  
3216 6. Average Hold Time for incoming calls on a daily and monthly basis;  
3217 7. Percentage of calls answered by a Person within thirty (30) seconds on a daily  
3218 and monthly basis;  
3219 8. Percentage of calls answered within three (3) minutes on a daily and monthly  
3220 basis;  
3221 9. Number of e-mail responses sent from the customer service department to  
3222 Customers on a monthly basis;  
3223 10. Number and percentage of Complaint and Inquiry e-mails or submissions  
3224 through Contractor website that received responses before close of business on  
3225 the Day received on a monthly basis;  
3226 11. Number and percentage of Complaint and Inquiry e-mails that received  
3227 responses by the close of business on the Day following the receipt of the  
3228 Complaint or Inquiry;  
3229 12. Number of Complaints and Inquiries received through Contractor's website on a  
3230 daily and monthly basis;  
3231 13. Names of all Customer service representatives employed; and,  
3232 14. Minimum, average, and maximum number of customer service representatives  
3233 employed during each month.

3234 **E. CERCLA Defense Records.** Agency views the ability to defend against CERCLA  
3235 and related litigation as a matter of great importance. For this reason, the Agency  
3236 regards the ability to prove where Solid Waste Collected in the Agency area was  
3237 taken for transfer or Disposal, to be matters of concern. Contractor shall maintain

3238 data retention and preservation systems which can establish where Solid Waste  
3239 Collected in the Service Area was delivered for transfer or Disposal. This provision  
3240 shall survive the expiration of this Agreement.

3241 F. **Compilation of Information for State Law Purposes.** Contractor shall compile  
3242 information on amounts of Solid Waste delivered to the Designated Transfer and  
3243 Processing Facility and to other locations, as well as other information which the  
3244 Agency may reasonably request.

3245 Contractor shall maintain these records for a minimum of ten (10) years after  
3246 expiration or earlier termination of the Agreement. Contractor shall provide these  
3247 records to Agency (upon request or at the end of the record retention period) in an  
3248 organized and indexed manner rather than destroying or Disposing of them.

3249 **9.04 GENERAL REPORTING REQUIREMENTS**

3250 A. **Purpose.** Records shall be maintained and retained in forms, on media, and by  
3251 methods that facilitate flexible use of data contained in them to structure reports, as  
3252 needed. Reports are intended to compile recorded data into useful forms of  
3253 information that can be used to, among other things:

- 3254 1. Evaluate Diversion performance  
3255 2. Evaluate Contractor's performance  
3256 3. Monitor Customer participation in Targeted Recyclable Materials and Organic  
3257 Materials Collection programs and in other programs using several different  
3258 performance measures  
3259 4. Monitor changes in the number of Customers and Customers' service levels  
3260 5. Determine needs for adjustment to programs and cost for such changes  
3261 6. Evaluate customer service and Complaints  
3262 7. Determine and set Contractor's Compensation and Rates

3263 B. **Report Format.** Contractor may propose report formats that are responsive to the  
3264 objectives and audiences for each report. The format of each report shall be  
3265 approved by Agency. The Agency may review and request changes to Contractor's  
3266 report formats and content and Contractor shall not unreasonably deny such  
3267 requests. Contractor agrees to submit all reports by e-mail in a format compatible  
3268 with the Agency's software and computers so the Agency can sort and analyze data.  
3269 Contractor shall provide a certification statement, under penalty of perjury by the  
3270 responsible Contractor official, that the report being submitted is true and correct to  
3271 the best knowledge of such official after their reasonable inquiry.

3272 C. **Submittal Schedule and Instructions.** Contractor shall submit monthly reports  
3273 within fifteen (15) Days after the end of the reporting month, quarterly reports within  
3274 thirty (30) Days after the end of the reporting quarter, and annual reports within forty-  
3275 five (45) Days after the end of the reporting year. Contractor shall submit (via e-mail)  
3276 all reports to the person(s) designated by SBWMA and Agency. Each quarterly report  
3277 shall be in lieu of the monthly report for the third month of the quarter; thus, Contractor  
3278 shall submit a total of thirteen (13) periodic reports per year: eight (8) monthly reports,  
3279 four (4) quarterly reports, and one (1) annual report.

3280 D. **Failure to Report.** The refusal or failure of Contractor to file any required reports, or  
3281 to provide required information to Agency, or the inclusion of any materially false or

3282 misleading statement or representation by Contractor in such report shall be deemed  
3283 a Contractor default as described in Section 14.01 subject to the notice and cure  
3284 provisions of that section and shall subject Contractor to all remedies which are  
3285 available to the Agency under the Agreement or otherwise.

3286 E. **Accuracy of Reports.** The failure of Contractor to file accurate and timely reports,  
3287 proposal(s), information, or correspondence to Agency or SBWMA, or the inclusion  
3288 of any inaccurate or misleading data, statement or representation by Contractor in  
3289 such report(s), proposal(s), information, or correspondence to Agency or SBWMA,  
3290 shall be subject to Liquidated Damages as set forth in Attachment J. In addition, the  
3291 inclusion of any materially false or misleading statement or representation by  
3292 Contractor in such report shall be deemed a Contractor default as described in  
3293 Section 14.01 subject to the notice and cure provisions of that Section and shall  
3294 subject Contractor to all remedies which are available to the Agency under the  
3295 Agreement or otherwise.

3296 F. **Source Files.** Contractor shall provide the SBWMA the following information: (i) with  
3297 each monthly or quarterly report, a spreadsheet provided by Operator showing all  
3298 Tonnages Collected by Contractor and delivered to the Shoreway Recycling and  
3299 Disposal Center from Member Agencies during the reporting month, listed separately  
3300 by Member Agency, material type, and Service Sector; (ii) with each monthly or  
3301 quarterly report, a spreadsheet containing the information required by Sections  
3302 9.06.B, 9.06.D, and 9.06.E; and, (iii) with each annual report, a spreadsheet  
3303 containing the information required by Section 9.07.B. Such information need not be  
3304 included in the published reports provided to Agency.

3305 **9.05 MONTHLY REPORTS**

3306 Monthly reports shall present the information described in this Section in a format agreed  
3307 upon by the Agency.

3308 A. **Tonnage Information.** Contractor shall provide the Tonnage information requested  
3309 below by Service Sector on a monthly and year-to-date basis, with a comparison to  
3310 the prior year. However, the Agency reserves the right to request the monthly  
3311 Tonnage data by route.

3312 1. Solid Waste. Total Solid Waste Tonnage Collected and Disposed by Service  
3313 Sector.

3314 2. Targeted Recyclable Materials Services. Total Targeted Recyclable Materials  
3315 Tonnage Collected and delivered for processing by Service Sector listed  
3316 separately by material type Collected (e.g., Single-Stream Recyclable Materials,  
3317 Source Separated cardboard, Source Separated paper, Used Motor Oil, Used  
3318 Motor Oil Filters, etc.).

3319 3. Organic Materials Services. Total Organic Materials Tonnage Collected and  
3320 delivered for processing by Service Sector listed separately by material type  
3321 (e.g., Plant Materials, Food Scraps, or Organic Materials).

3322 B. **Diversions Level.** Contractor shall provide the monthly and year-to-date Calculated  
3323 Overall Diversion Level, the monthly and year-to-date Residential Diversion Level,  
3324 and the monthly and year-to-date Commercial Diversion Level (each stated as a  
3325 percentage) calculated in accordance with Attachment I, with a comparison to the

3326 prior year. In addition, Contractor shall present the calculations used to determine  
3327 the diversion levels.

3328 C. **Complaint, Inquiry and Service Requests Data.** Contractor shall provide  
3329 information on the number of Complaints, Inquiries service requests received from  
3330 Customers, Generators, or other Person by category (e.g., missed pickups, noise  
3331 Complaints, scheduled On-Call Bulky Item Collection events, Overage events, Billing  
3332 concerns, property damage claims, requests for information, delivery of Recycling  
3333 Tote-Bags, inventory of Recycling Tote-Bags, etc.). Complaint summary, for each  
3334 month, summarized by nature of Complaint, Inquiry, and service request on a  
3335 compatible computer disc or other memory device approved by Agency. The  
3336 categorization of Complaints, Inquiries, and service requests shall be agreed upon by  
3337 the Agency, SBWMA, and Contractor prior to the Commencement Date, and shall be  
3338 adjusted during the Term upon agreement between Agency, SBWMA and Contractor.

3339 D. **Call Center Data.** Number of calls received, number of calls answered, number of  
3340 dropped calls, percentage of dropped calls, Average Hold Time, percentage of calls  
3341 answered in thirty (30) seconds.

3342 E. **Monthly Gross Revenues and Fee Reports.** Pursuant to Article 10, a statement  
3343 itemizing each fee paid by Contractor to Agency in the month; detailing calculation of  
3344 each monthly fee amount; and stating monthly Gross Revenue Billed, by Service  
3345 Sector, for all operations conducted or permitted by this Agreement.

3346 F. **Abandoned Waste Collection.** Contractor shall provide a list of all abandoned waste  
3347 Collection events performed identifying the address of each Collection location.

3348 G. **Multi-Family Tote Bag Distribution.** Contractor shall provide a report on Multi-  
3349 Family Tote Bag Distribution as required by Article 5, Collection Service, Section  
3350 5.03.C.2.

3351 H. **Other Information.** Other information or reports that Agency may reasonably  
3352 request or require be added to reporting. These requests may include, but shall not  
3353 be limited to, information regarding on-call Bulky Item Collection programs,  
3354 abandoned waste Collection, Used Motor Oil and Used Motor Oil Filter Collection,  
3355 and Community Events and Venues Collection.

3356 **9.06 QUARTERLY REPORTS**

3357 Quarterly reports shall present the information described in this Section, in addition to the  
3358 monthly information required under Section 9.05.

3359 A. **On-Site Customer Assessments and Visual Audits.** Contractor shall report the  
3360 number of site assessments and visual audits conducted for Multi-Family Dwelling,  
3361 Commercial, and Agency Customers, which are required by Sections 7.04 and 7.05.  
3362 SBWMA may request additional statistics as necessary.

3363 B. **Public Education Activities.** Contractor shall report the following public education  
3364 activity information.

3365 1. Public education materials produced and total number of each distributed.

3366 2. Dates, times, and names of meetings or events attended.

3367 3. Dates, times, and names of school(s) where presentations were performed.

- 3368 4. Completion of other activities specified in the then-current Three-Year Public  
3369 Education Plan.
- 3370 5. Other educational activities as may be requested by Agency.
- 3371 C. **Determination and Payment of Liquidated Damages.** In accordance with the  
3372 requirements of Section 14.07, Contractor shall provide a report that identifies any  
3373 non-compliance with performance measures listed in Attachment J and include  
3374 calculation of the Liquidated Damages due. Contractor may include with its report a  
3375 written request to meet with Agency's Manager or his or her designee to discuss  
3376 Contractor's evidence refuting the basis for assessing Liquidated Damages  
3377 pertaining to unacceptable employee behavior. In such cases, Contractor shall  
3378 include with its report evidence in writing and written testimony of its employees and  
3379 others relevant to the incident(s)/non-performance. Agency's Manager or his or her  
3380 designee will provide Contractor with a written explanation of his or her determination  
3381 on each incident(s)/non-performance. The decision of Agency's Manager or his or  
3382 her designee shall be final.
- 3383 D. **Account Summary.** Provide the following account summary information in table  
3384 format:
- 3385 1. Number of Customers in each Rate category.
- 3386 2. Total number of Residential, Commercial, and Drop Box Customers subscribing  
3387 to Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection  
3388 service listed separately by Service Sector and material type.
- 3389 3. Percentage of Customers subscribing to Targeted Recyclable Materials  
3390 Collection service (listed separately for Multi-Family, Commercial, and Drop Box  
3391 Customers), which shall be equal to the total number of Targeted Recyclable  
3392 Materials Customers divided by the total number of Solid Waste Customers.
- 3393 4. Percentage of Customers subscribing to Organic Materials Collection service  
3394 (listed separately for Multi-Family, Commercial, and Drop Box Customers), which  
3395 shall be equal to the total number of Organic Materials Customers divided by the  
3396 total number of Solid Waste Customers.
- 3397 5. Weekly gallons or cubic yards of service provided to Residential, Commercial,  
3398 and Drop Box Customers subscribing to Solid Waste, Targeted Recyclable  
3399 Materials, and Organic Materials Collection service listed separately by Service  
3400 Sector and material type for one week.
- 3401 E. **Operational Data.** Contractor shall submit the following:
- 3402 1. A summary of Collection route operational data including: average number of  
3403 Customers and Containers serviced per route per Day for each Collection route;  
3404 average number of actual both on-route and off-route hours per Day by route  
3405 (distinguishing between Standard Collection Vehicle Routes and Special  
3406 Collection Vehicle Routes, if appropriate);
- 3407 2. List of the one hundred (100) largest generators based on weekly Solid Waste  
3408 volumes (listed in descending order) within Agency for both Commercial and  
3409 Multi-Family Customers. This reporting shall include, at a minimum: the name  
3410 of the Customer; the name of the business; the address of the business; the  
3411 type(s) of service received (e.g. Collection of Solid Waste, Single-Stream



3412 Targeted Recyclable Materials, Plant Materials, Food Scraps, Organic Materials,  
3413 Source Separated cardboard, Source Separated paper, etc.); the volume of  
3414 service received weekly measured in cubic yards; the frequency of service  
3415 received measured in number of Collections per week; the diversion volume  
3416 measured as total service level volume divided by Targeted Recyclables  
3417 Materials and/or Organic Materials Collection volume; and, the change in service  
3418 level from the prior quarter.

3419 F. **Recycling Technical Assistance Plan Status Report.** Contractor must prepare and  
3420 submit to Agency and SBWMA, a Recycling Technical Assistance Plan Status Report  
3421 providing required reporting information identified in the then-current Three-Year Plan  
3422 (prepared in accordance with Section 7.03.B).

3423 G. **Determination and Payment of Performance Incentives and Disincentives.**  
3424 Contractor shall provide on a quarterly basis a report that identifies compliance with  
3425 the performance standards listed in Attachment I and includes calculation of the  
3426 performance incentive payments and disincentive assessments due. Performance  
3427 incentives (in the form of increased compensation to Contractor) will be awarded by  
3428 Agency for excellent performance on aspects of diversion and Customer service as  
3429 specified in Attachment I.

3430 All performance incentives and disincentives payments are to be included in  
3431 Contractor's annual Rate Application and Contractor's Compensation for the next  
3432 Rate Year will be increased or decreased by the net amount of performance incentive  
3433 payments and disincentive assessments calculated in the Application. Performance  
3434 incentives and disincentives for Diversion and Average Speed of Answer and  
3435 performance disincentives for Ninety (90) Second Maximum Hold Time shall be  
3436 calculated in aggregate for the SBWMA Service Area and Agency's share shall be  
3437 proportional based on the Tons of Solid Waste Collected by Contractor for the  
3438 previous Rate Year.

3439 H. **Quality Assurance Program.** Contractor shall report quarterly on quality of the  
3440 Customer service experience when Customer was interacting with Contractor,  
3441 described in Section 7.02.F, during the prior month. The report shall include (i) name  
3442 and Service Sector of each Customer contacted, (ii) date and time, (iii) name of  
3443 Customer service representative placing call, (iv) summary of Customer's responses  
3444 to questions and other information provided, and (v) follow-up actions taken, if any,  
3445 in response to calls. The actual surveys shall be kept by the Contractor compliant  
3446 with the record keeping requirements of the Agreement and such surveys shall be  
3447 made available to the Agency or SBWMA upon request.

## 3448 **9.07 ANNUAL REPORTS**

3449 Annual reports shall present the information described in this Section, in addition to the  
3450 monthly and quarterly report information required under Sections 9.05 and 9.06. The  
3451 monthly and quarterly report information shall be presented as well as the annual totals  
3452 for the Rate Year, when applicable (e.g., for Tonnage data, Diversion Level, Complaint  
3453 and Inquiry data, Gross Revenue Billed, and Franchise Fees, etc.)

### 3454 **A. Operational Information**

3455 1. Routes by Service Sector

3456 a. Number of routes per Day

- 3457 b. Types of vehicles
- 3458 c. Crew size per route
- 3459 e. Number of full-time equivalent routes
- 3460 f. Number of accounts per route
- 3461 g. Total hours per Service Sector per Day and per year
- 3462 h. Average cost per route
- 3463 i. Route sheets and maps
- 3464 2. Personnel
  - 3465 a. Organizational chart
  - 3466 b. Job classifications and number of full-time equivalent positions for each (e.g. administrative, customer service representatives, drivers, supervisors, educational staff, etc.)
  - 3467
  - 3468
  - 3469 c. Annual wages by job classification including benefits
- 3470 3. Productivity Statistics
  - 3471 a. Number of accounts per Service Sector
  - 3472 b. Number of set-outs per Service Sector
  - 3473 c. Tons per route per Day by Service Sector
- 3474 4. Operational Changes
  - 3475 a. Number of routes
  - 3476 b. Staffing
  - 3477 c. Supervision
  - 3478 d. Collection services
- 3479 5. Equipment - An inventory of equipment in accordance with Section 8.04.D.
- 3480 6. Billing - Billing review report in accordance with Section 7.01.F.
- 3481 **B. Customer Account Information.** As part of the annual reporting requirement,
  - 3482 Contractor shall make available to Agency detailed Customer account information in
  - 3483 tabular format and in electronic format (in computer software format that is compatible
  - 3484 with the Agency's) Including the following information for each Customer: account
  - 3485 number; service address; assessor parcel number for Accounts agreed to by
  - 3486 Contractor and Agency; Customer's name, address, and phone number; Billing
  - 3487 contact name, Billing address, and phone number; Solid Waste, Targeted Recyclable
  - 3488 Materials, and Organic Materials Collection service level (i.e., number of Containers,
  - 3489 size of Containers, frequency of Collection, and Day(s) of Collection), and Rate billed.
  - 3490 For Multi-Family Customers, the Customer account information shall also include the
  - 3491 number of dwelling units at each Multi-Family Residential Complex.
- 3492 **C. Customer Service Operations.** Contractor shall annually prepare and submit, to
  - 3493 Agency and SBWMA, a Customer Service Operations Plan that shall include, at a
  - 3494 minimum, the following sections:
    - 3495 1. Customer Service Call Center
      - 3496 a. Provide the number CSR supervisory staff and describe their
      - 3497 responsibilities.

- 3498                    b. Contractor must describe its training strategy for CSR and CSR supervisory  
3499                    staff.
- 3500                    c. Contractor must describe its strategy and overall approach to attracting and  
3501                    retaining a high quality CSR staff.
- 3502                    2. Website
- 3503                    a. Number of on-line payments made
- 3504                    b. Number of On-Call Collection Services scheduled
- 3505                    c. Number of On-Call Bulky Goods Collections scheduled
- 3506                    d. Number of extra Solid Waste pick-ups scheduled
- 3507                    e. Number of service changes requested
- 3508                    f. Number of Complaints documented and resolved
- 3509                    3. Customer Information System
- 3510                    a. Status of any changes or upgrades made to system software
- 3511                    b. Description of proposed changes to system software
- 3512                    c. Explanation and schedule of training activities
- 3513                    4. Staffing
- 3514                    5. Commercial customer service
- 3515                    D. **Related Party Entities.** Contractor agrees that all financial transactions with all  
3516                    Related Party Entities shall be approved in advance in writing and disclosed annually  
3517                    (coinciding with Contractor's annual audited financial statements referred to in this  
3518                    Section 9.07) to the Agency in a separate disclosure letter to the Agency. This letter  
3519                    shall include the following information: a general description of the nature of each  
3520                    transaction, or type of (for many similar) transaction, as applicable. Such description  
3521                    shall include for each (or similar) transaction, amounts, specific Related Party Entity,  
3522                    basis of amount (how amount was determined), and description of the allocation  
3523                    methodology used to allocate any common costs. Amounts shall be reconciled to the  
3524                    Related Party Entity disclosures made in Contractor's annual audited financial  
3525                    statements referred to in this Section.
- 3526                    At the Agency's request, Contractor shall provide the Agency with copies of working  
3527                    papers or other documentation deemed relevant by the Agency relating to information  
3528                    shown in the annual disclosure letter. The annual disclosure letter shall be provided  
3529                    to the Agency within sixty (60) Business Days of Contractor's Fiscal Year end.
- 3530                    E. **Contractor's Review of Billings.** Pursuant to the requirements described in Section  
3531                    7.01.F, Contractor shall submit a report on its review of Billings.
- 3532                    F. **Determination and Payment of Liquidated Damages.** In accordance with the  
3533                    requirements of Sections 14.07 and 11.07.D, Contractor shall provide with its annual  
3534                    report, a report that identifies any non-compliance with the performance standards  
3535                    listed in Attachment J and includes calculation of the Liquidated Damages due. This  
3536                    report shall be accompanied by supporting documentation identifying Contractor's  
3537                    compliance or non-compliance with the specified performance standards. The report  
3538                    submittal shall be accompanied by a check from Contractor in the amount of the  
3539                    Liquidated Damages due (per Contractor's calculation and self-reporting) for the  
3540                    reporting period.

3541 G. **Determination and Payment of Performance Incentives and Disincentives.**  
3542 Contractor shall provide with its annual report, a report that identifies any non-  
3543 compliance with the performance standards listed in Attachment I and includes  
3544 calculation of the performance incentive payments and disincentive assessments  
3545 due. Performance Incentives (in the form of increased compensation to Contractor)  
3546 will be awarded by Agency for excellent performance on aspects of Solid Waste  
3547 diversion, Collection service delivery and customer service as specified in Attachment  
3548 I. Performance disincentives will be assessed by Agency for substandard  
3549 performance on aspects of Solid Waste diversion, Collection service delivery and  
3550 customer service specified in Attachment I.

3551 Payment related to performance incentives and disincentives are to be included in  
3552 Contractor's annual Rate Application and Contractor's Compensation for the next  
3553 Rate Year will be increased or decreased by the net amount of performance incentive  
3554 payments and disincentive assessments calculated. Performance incentives and  
3555 disincentives shall be calculated as specified in Attachment I.

3556 **9.08 REQUIRED SPECIFIC REPORTING**

3557 Event-specific reports shall be submitted following the occurrence of the event as  
3558 described in this Section.

3559 A. **Report of Accumulated Solid Waste; Unauthorized Dumping.** As required by  
3560 Section 7.07, Contractor shall report: (i) the addresses of any Premises at which the  
3561 driver observes that Solid Waste, Targeted Recyclable Materials, and/or Organic  
3562 Materials is accumulating; and (ii) the address, or other location description, at which  
3563 Solid Waste, Targeted Recyclable Materials, and/or Organic Materials has been  
3564 dumped in an apparently unauthorized manner. The report shall be delivered to the  
3565 Agency within one (1) Business Day of such observation.

3566 B. **Hazardous Waste.** As required by Section 8.07, the Contractor shall notify the  
3567 Agency of any Hazardous Waste identified in Containers or left at any Premises within  
3568 twenty-four (24) hours of identification of such material.

3569 C. **Reporting Adverse Information.** Contractor shall provide Agency two (2) copies  
3570 (one (1) to the Agency Manager, one (1) to the Agency Attorney) of all reports,  
3571 pleadings, applications, notifications, Notices of Violation, communications or other  
3572 material relating specifically to Contractor's performance of services pursuant to this  
3573 Agreement, submitted by Contractor to, or received by Contractor from, the United  
3574 States or California Environmental Protection Agency, the California Department of  
3575 Resources Recycling and Recovery (CalRecycle), the Securities and Exchange  
3576 Commission or any other federal, State, County, or local agency, including any  
3577 federal or State court. Copies shall be submitted to Agency simultaneously with  
3578 Contractor's filing or submission of such matters with said agencies. Contractor's  
3579 routine correspondence to said agencies need not be submitted to Agency, but shall  
3580 be made available to Agency promptly upon Agency's written request.

3581 **9.09 UPON-REQUEST REPORTING**

3582 A. **Holiday Tree Services.** Within ten (10) Business Days of Agency's request,  
3583 Contractor shall report the Tonnage of Holiday Trees Collected at the Drop Box sites  
3584 or at drop-off sites (if drop-off sites were established).

- 3585  
3586  
3587
- B. **Summary Assessment.** Within thirty (30) Days of Agency’s request, highlight significant accomplishments and problems. Identify recommendations and/or plans to improve services.
- 3588  
3589
- C. **Hazardous Waste Records.** A summary or copy of the Hazardous Waste records required under Section 8.07.D.
- 3590  
3591
- D. **GPS Route Reports.** Contractor shall provide GPS reports as reasonably requested by Agency or SBWMA.
- 3592  
3593  
3594  
3595  
3596  
3597  
3598  
3599  
3600
- 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.
- 3601  
3602  
3603  
3604  
3605  
3606  
3607
- 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.
- 3608

3609  
3610

## ARTICLE 10 FRANCHISE FEE AND OTHER FEES

---

3611 **10.01 GENERAL**

3612 The fees described in this Article shall be treated as pass-through costs for the purposes  
3613 of determining the Maximum Rates and shall be recoverable through the Agency-  
3614 approved Maximum Rates pursuant to which Contractor bills Customers. Contractor shall  
3615 separately identify any of the fees established under this Article on Customer bills if  
3616 directed to do so by Agency.

3617 **10.02 FRANCHISE FEE**

3618 In consideration of the exclusive franchise granted to Contractor by this Agreement, and  
3619 to reimburse Agency for costs incurred in administering this Agreement, Contractor shall  
3620 pay to Agency a Franchise Fee specified in Attachment M.

3621 **10.03 OTHER FEES**

3622 Agency has adopted other fees, which are intended to recover the costs of services related  
3623 to Solid Waste management, Recycling, and cleanliness of public streets and/or public  
3624 litter and Recycling containers through inclusion in the Maximum Rates. The other fees  
3625 currently in effect, or which are expected to be in effect as of January 1, 2021 are listed in  
3626 Attachment M. The TRSF Fee provided for in Section 11.02 shall be deemed an other  
3627 Agency fee under this Section 10.03, but since it is held by Contractor for Agency's benefit  
3628 until approved by the Agency for disbursement, it shall not be subject to the payment  
3629 provisions of Section 10.04.

3630 **10.04 TIME AND METHOD OF PAYMENT**

3631 On or before the twentieth (20<sup>th</sup>) Day of each month, Contractor shall pay to Agency (i) the  
3632 amount of the Franchise Fees due on Gross Revenues Billed during the immediate  
3633 previous month, and (ii) one-twelfth of any other fee established by Agency unless Agency  
3634 directs a different payment schedule for such other fees.

3635 Contractor shall provide, concurrently with the payment of fees, a statement showing the  
3636 calculation of each fee, including the Gross Revenues Billed from Customers in each  
3637 Service Sector for that month. The statement shall be in a format, and contain the level  
3638 of detail, specified by Agency. Payments from Contractor to Agency shall be made by  
3639 wire transfer or other method authorized by Agency.

3640 If a fee is not paid on time, Contractor shall pay a late payment charge to the Agency equal  
3641 to two percent (2%) of the fees due for that month. In addition, Contractor shall pay an  
3642 additional two percent (2%) on any unpaid balance for each thirty (30) Day period a portion  
3643 of the fee due remains unpaid. Late payment charges are not included in Contractor's  
3644 Compensation and may not be recovered through Rates. Changes to Contractor's  
3645 Compensation to reflect increases or decreases in fees, or the addition of new fees, are  
3646 not subject to the Special Compensation Review provisions in Section 11.07.

3647 **10.05 ADJUSTMENTS TO FEES; ADDITIONAL FEES**

3648 Agency may from time to time adjust the amount of the fees described in this Article and  
3649 may establish other fees. Changes in the total amount of fees to be collected by  
3650 Contractor and remitted to Agency shall not become effective until they are reflected in an

3651 adjustment to Contractor's Maximum Rates in accordance with the methodology specified  
3652 in Article 11.04.D., Table 2, item 12.  
3653

3654  
3655

## **ARTICLE 11**

### **CONTRACTOR'S COMPENSATION AND RATES**

---

3656 **11.01 GENERAL**

- 3657 A. Contractor shall set its own Rates for services provided to Customers under this  
3658 Agreement. However, no rate for a service shall exceed the amount set forth for that  
3659 service in Attachment L ("Schedule of Contractor's Maximum Rates for Regularly  
3660 Scheduled Services") and Attachment Q ("Schedule of Contractor's Maximum Rates  
3661 for Additional Services"), each as amended from time to time in accordance with this  
3662 Article 11. Contractor shall bill and collect payment of rates from Customers as set  
3663 forth in Article 7. The Parties agree that, except as otherwise expressly provided in  
3664 this Agreement, such rates are the only payment to which Contractor is entitled for  
3665 services provided under this Agreement.
- 3666 B. For purposes of this Agreement, each amount set forth in Attachment L or Attachment  
3667 Q (as from time to time amended) shall be referred to as a "Maximum Rate." Contractor  
3668 shall not set (or charge) a rate for a service for which a "Maximum Rate" has not been  
3669 established.

3670 **11.02 TRANSITIONAL RATE MATTERS (SFD 20-GALLON RATE & TRANSITIONAL RATE**  
3671 **STABILIZATION FUND)**

- 3672 A. General. The Parties agree that the 2018 Maximum Rate for SFD 20-gallon service  
3673 does not adequately reflect the true cost of that service. To bring the SFD 20-gallon  
3674 rate into line with its cost, the Parties wish to increase the Maximum Rate for that  
3675 service, over and above any other adjustments, over the three-year period from 2019  
3676 through 2021. In addition, the Parties anticipate that Maximum Rates for 2021 will be  
3677 noticeably higher than Maximum Rates for 2020. To minimize the likelihood that  
3678 customers will experience a sudden, significant rate change in 2021, the Parties wish  
3679 to spread the expected 2021 adjustment over several years, beginning in 2019 and  
3680 continuing until as late as 2022. To achieve the above two goals, the Parties have  
3681 agreed to the following provisions of this Section 11.02.
- 3682 B. SFD 20-Gallon Rate. For Rate Year 2019, the Maximum Rate for SFD 20-gallon cart  
3683 service shall be increased by \$3.00/month, over and above any other increase  
3684 required for Rate Year 2019 under the 2009 Franchise Agreement. For Rate Year  
3685 2020, the Maximum Rate for SFD 20-gallon cart service shall be increased by an  
3686 additional \$2.00/month, over and above the \$3.00/month increase referred to in the  
3687 preceding sentence, and over and above any other increase required for Rate Year  
3688 2020 under the 2009 Franchise Agreement. For Rate Year 2021, the Maximum Rate  
3689 for SFD 20-gallon cart service shall be increased by an additional \$3.00/month, over  
3690 and above the \$3.00/month and \$2.00/month increases referred to in the preceding  
3691 two sentences, and over and above any other increase required for Rate Year 2021  
3692 under this Agreement. Thus, as a result of the above adjustments, the Maximum Rate  
3693 for SFD 20-gallon cart service will increase by a minimum of \$8.00/month between  
3694 2019 and 2021, over and above any other required adjustments.
- 3695 C. Transitional Rate Stabilization Fund. In order to spread the expected Maximum Rate  
3696 adjustment for 2021 over several years, a Transitional Rate Stabilization Fund shall  
3697 be established. The Transitional Rate Stabilization Fund shall be funded by proceeds





3745  
 3746  
 3747  
 3748  
 3749  
 3750  
 3751  
 3752  
 3753  
 3754  
 3755  
 3756  
 3757  
 3758  
 3759

Disposal Fees will be calculated as set forth below in Table 2, number 14, and Agency Payments required by Article 10 will be calculated as set forth below in Table 2, number 12. For Rate Year 2021, Contractor has projected Disposal Costs of \$1,732,663 and Agency Payments of \$2,051,120 for 2021 for Belmont (see Table 1 below). The parties agree that the Contractor has used the best available information to establish these projected 2021 costs, and that this projection of costs reflects a reasonable good faith projection and, as such, shall be used as the basis to establish the Maximum Rates for 2021. Thus, Total Contractor's Compensation for Rate Year Eleven (2021) shall be \$7,888,920. Maximum Rates shall be adjusted, effective as of January 1, 2021, to a level sufficient to achieve such Total Contractor's Compensation, minus the amount (if any) directed by Agency to be applied to Rate Year 2021 from the Transitional Rate Stabilization Fund. The intent is to establish Maximum Rates for Rate Year Eleven (2021) at a level which is reasonably related to the cost of providing the service and fairly compensates the Contractor.

Table 1

#	Name of Component	Projected Component Value for Rate Year 2021 (Prior To Adjustment)
1	Wages for CBAs	\$1,256,552
2	Benefits for CBAs	\$584,394
3	Payroll Taxes	\$104,545
4	Workers Compensation Insurance	\$89,525
5	Direct Fuel Costs	\$132,595
6	General Expenses – Direct & Indirect Sum of following items from p. 2 of Att. N: Other Direct Costs (\$183,886) Allocated Indirect Costs – General & Administrative (\$580,446) Allocated Indirect Costs – Operations (\$122,058) Allocated Indirect Costs – Vehicle Maintenance (\$233,281) Allocated Indirect Costs – Container Maintenance (\$84,432)	\$1,204,108
7	Depreciation – Vehicles	\$193,109
8	Depreciation – Containers	\$77,090
9	Depreciation – Indirect	\$7,409
10	Profit	\$383,078
11	Interest	\$72,732
<b>BASE CONTRACTOR'S COMPENSATION (= Sum of Components #1 - #11)</b>		<b>\$4,105,137</b>
12	Agency Payments	\$2,051,120
13	Performance Incentives & Disincentives	\$0
14	Disposal Costs	\$1,732,663
<b>TOTAL CONTRACTOR'S COMPENSATION (= Sum of Components #1 - #14)</b>		<b>\$7,888,920</b>

3760

3761 C. To assist Agency in establishing Maximum Rates for Rate Year 2021, in 2020  
3762 Contractor shall submit, with its rate application for Rate Year 2021, a revenue model  
3763 that sets forth the actual number of subscribers, and annual revenue, for each type of  
3764 service.

3765 **11.04 ESTABLISHMENT OF MAXIMUM RATES FOR 2022 AND AFTER FOR REGULARLY**  
3766 **SCHEDULED SERVICES**

3767 A. Adjustment Multiplier. Beginning with the adjustment for Rate Year 2022, each  
3768 Maximum Rate set forth in Attachment L shall be adjusted annually by multiplying the  
3769 then-effective Maximum Rate by the Adjustment Multiplier. The Adjustment Multiplier  
3770 used to calculate the Maximum Rates that will be effective in a given Rate Year (the  
3771 "Adjustment Year") shall be calculated by dividing Total Target Revenue for the  
3772 Adjustment Year (calculated pursuant to Table 2 below) by Total Target Revenue for  
3773 the Rate Year prior to the Adjustment Year (the "Current Year"). For example, the  
3774 Adjustment Multiplier used to calculate the Maximum Rates that will be effective in  
3775 2025 (the Adjustment Year) shall be calculated during 2024 (the Current Year) by  
3776 dividing the Total Target Revenue for 2025 (calculated during 2024) by the Total  
3777 Target Revenue for 2024 (calculated during 2023). Each Maximum Rate effective in  
3778 2024 shall be multiplied by such Adjustment Multiplier to obtain the Maximum Rate for  
3779 that service effective in 2025. For purposes of determining Maximum Rates for Rate  
3780 Year 2022, Total Target Revenue for Rate Year 2021 shall be the same as Total  
3781 Contractor's Compensation for that year (i.e. \$7,888,920).

3782 B. SBWMA Adjustment for 2021. It is acknowledged that, as part of the SBWMA-wide  
3783 Maximum Rate adjustment process, figures for Base Contractor's Compensation (and  
3784 its subcomponents) will be calculated each year for Belmont using the SBWMA-wide  
3785 methodology, even though the methodology set forth in this Agreement is different. As  
3786 part of that SBWMA-wide process, Contractor's projections for Contractor's  
3787 Compensation (and its subcomponents) for Rate Year 2021 will be adjusted, in Rate  
3788 Year 2020, to reflect certain specified factors beyond Contractor's control, including  
3789 changes in customer account and service levels, and changes in fuel prices.

3790 C. 2021 Differential Allocated at the Agency's Request. In order to account for the  
3791 difference between the SBWMA and Belmont methodologies for Rate Year 2021, and  
3792 to provide for the payment of Performance Incentives and Disincentives payable in  
3793 Rate Year 2021, the one-time procedure in this subsection C shall be followed. The  
3794 Base Contractor's Compensation for Agency for Rate Year 2021 as calculated under  
3795 this Agreement (\$4,105,137) shall be subtracted from the Base Contractor's  
3796 Compensation for Agency for Rate Year 2021 as calculated and adjusted in Rate Year  
3797 2020 under the SBWMA-wide methodology. From the calculated difference, whether  
3798 positive or negative, add any Performance Incentives that should have been paid to  
3799 the Contractor in 2021 and subtract any Performance Disincentives that should have  
3800 been owed by the Contractor in 2021. The resulting number, whether positive or  
3801 negative, referred to as the "2021 Differential," shall be added to Total Contractor's  
3802 Compensation under this Agreement. At Agency's request, the 2021 Differential can  
3803 be either applied entirely to Rate Year 2022 or Rate Year 2023, or split between Rate  
3804 Year 2022 and Rate Year 2023.

3805 D. Rate Year Calculation for 2022 and Subsequent Years. The parties agree that the  
3806 adjusted Rate Year 2021 projections, with respect to Belmont, calculated as part of  
3807 the SBWMA-wide process described in Section 11.04.B above (the "SBWMA-Adjusted

3808  
 3809  
 3810  
 3811  
 3812  
 3813  
 3814  
 3815

2021 Values”), will be the starting point for calculating certain components of Base Contractor’s Compensation in Table 2 below for Rate Year 2022 and subsequent Rate Years. As indicated in Table 2, these components are: Wages for CBAs, Benefits for CBAs, Workers Compensation Insurance, Direct Fuel Costs, and General Expenses - Direct & Indirect. Each of the SBWMA-Adjusted 2021 Values for these components will be further adjusted, using the methodology set forth in Table 2, to arrive at the value of each of these components for Rate Year 2022 and subsequent Rate Years.

Table 2

#	Name of Component	Component Value for Rate Year 2021	How To Calculate Component Value for Rate Years 2022 and After	Example Calculation for Rate Year 2025
1.	Wages for CBAs	SBWMA-Adjusted 2021 Value	Take 2021 value of Wages for CBAs, multiply by CPI-W-Wages <sup>1</sup> for April of Current Year, and divide by CPI-W-Wages for April 2020.	If published CPI-W-Wages for April 2024 is 113.1, and published CPI-W-Wages for April of 2020 is 111.7, and Wages for CBAs are \$1,256,552 in 2021, then the value of Wages for CBAs for 2025 (to be used in calculating Contractor’s Compensation for 2025) is: $\$1,256,552 \times (113.1/111.7) = \$1,272,301$
2	Benefits for CBAs	SBWMA-Adjusted 2021 Value	Take 2021 value of Benefits for CBAs, multiply by CPI-W-Medical <sup>2</sup> for April of Current Year, and divide by CPI-W-Medical for April 2020.	If published CPI-W-Medical for April 2024 is 113.1, and published CPI-W-Medical for April of 2020 is 111.7, and Benefits for CBAs are \$584,394 in 2021, then the value of Benefits for CBAs for 2025 (to be used in calculating Contractor’s Compensation for 2025) is: $\$584,394 \times (113.1/111.7) = \$591,719$ .
3	Payroll Taxes	Calculated	Take Wages for CBAs for the Adjustment Year (calculated per #1) and multiply by then-applicable effective payroll tax rate (EPTR).	Continuing above example, if EPTR for 2025 is 8.1%, and the value for Wages for CBAs for 2025 from component #1 above is

<sup>1</sup> “CPI-W-Wages” means the Consumer Price Index, Urban Wage Earners and Clerical Workers, All Items, San Francisco-Oakland-Hayward, Not Seasonally Adjusted, 1982-84=100, Series ID: CWURS49BSA0, published by the U.S. Department of Labor, Bureau of Labor Statistics, or its successor agency (“BLS”). If this index or any other index used in this table is discontinued, it shall be replaced with the index that most closely approximates it.

<sup>2</sup> “CPI-W-Medical” means the Consumer Price Index, All Urban Consumers, Medical Care, U.S. City Average, Not Seasonally Adjusted, 1982-84=100, Series ID: CUUR0000SAM, published by the BLS.

#	<u>Name of Component</u>	<u>Component Value for Rate Year 2021</u>	<u>How To Calculate Component Value for Rate Years 2022 and After</u>	<u>Example Calculation for Rate Year 2025</u>
			The initial EPTR (as of 2017) is 8.1%. <sup>3</sup>	\$1,272,301, then the value of the Payroll Taxes component for 2025 is: (\$1,272,301 X 8.1%) = \$103,056.
4	Workers Compensation Insurance	SBWMA-Adjusted 2021 Value	Take 2021 value of Workers Compensation Insurance, multiply by CPI-W-Wages for April of Current Year, and divide by CPI-W-Wages for April 2020.	If published CPI-W-Wages for April 2024 is 113.1, and published CPI-W-Wages for April of 2020 is 111.7, and Workers Compensation Insurance is \$89,525 in 2021, then the value of Workers Compensation for 2025 (to be used in calculating Contractor's Compensation for 2025) is: \$89,525 x (113.1/111.7) = \$90,647.
5	Direct Fuel Costs	SBWMA-Adjusted 2021 Value	Take 2021 value of Direct Fuel Costs, multiply by CPI-U-Motor Fuel <sup>4</sup> for April of Current Year, and divide by CPI-U-Motor Fuel for April 2020.	If published CPI-U-Motor Fuel for April 2024 is 113.1, and published CPI-U-Motor Fuel for April of 2020 is 111.7, and Direct Fuel Costs are \$132,595 in 2021, then the value of Direct Fuel Cost for 2025 (to be used in calculating Contractor's Compensation for 2025) is: \$132,595 x (113.1/111.7) = \$134,257.
6	General Expenses - Direct & Indirect	Sum of SBWMA-Adjusted 2021 Values for the following items (see p. 2 of Att. N for format): <ul style="list-style-type: none"> <li>▪ Other Direct Costs</li> </ul>	Take 2021 value of General Expenses - Direct & Indirect (calculated as provided at left), multiply by CPI-U-General <sup>5</sup> for April	If published CPI-U-General for April 2024 is 113.1, and published CPI-U-General for April of 2020 is 111.7, and General Expenses –

<sup>3</sup> If federal and/or state employer payroll tax rates or limits are changed, Contractor shall submit to SBWMA a new EPTR for review and approval (not to be unreasonably withheld). If approved by SBWMA, the new EPTR shall be used.

<sup>4</sup> “CPI-U-Motor Fuel” means the Consumer Price Index, All Urban Consumers, Motor Fuel, San Francisco-Oakland-Hayward, Not Seasonally Adjusted, Series ID: CUURS49BSETB, published by the BLS.

<sup>5</sup> “CPI-U-General” means the Consumer Price Index, All Urban Consumers, All Items, San Francisco-Oakland-Hayward, Not Seasonally Adjusted, 1982-84=100, Series ID: CUURS49BSA0, published by the BLS.

#	<u>Name of Component</u>	<u>Component Value for Rate Year 2021</u>	<u>How To Calculate Component Value for Rate Years 2022 and After</u>	<u>Example Calculation for Rate Year 2025</u>
		<ul style="list-style-type: none"> <li>▪ Allocated Indirect Costs – General &amp; Administrative</li> <li>▪ Allocated Indirect Costs – Operations</li> <li>▪ Allocated Indirect Costs – Vehicle Maintenance</li> <li>▪ Allocated Indirect Costs – Container Maintenance</li> </ul>	of Current Year, and divide by CPI-U-General for April 2020.	Direct & Indirect are \$1,204,107 (\$183,886 + \$580,446 + \$122,058 + \$233,281 + \$84,436 = \$1,204,107) in 2021, then the value of General Expenses Direct & Indirect Cost for 2025 (to be used in calculating Contractor's Compensation for 2025) is: \$1,204,107 x (113.1/111.7) = \$1,219,199.
7	Depreciation – Vehicles	\$193,109	Value remains fixed at \$193,109 for Rate Years 2022-2026. Values for Rate Years 2027-2035 shall be determined as part of SBWMA-wide rate application for Rate Year 2027. <sup>6</sup>	N/A
8	Depreciation – Containers	\$77,090	Value remains fixed at \$77,090 for Rate Years 2022-2035, unless additional Containers are purchased. <sup>7</sup>	N/A

<sup>6</sup> The “Truck Depreciation & Interest Schedule” table on page 120 of Attachment N is a Contractor-prepared vehicle replacement schedule for all Contractor vehicles, including collection, support and supervisor vehicles. It shows the timing of anticipated vehicle purchases during Rate Years 2021-2026, estimated vehicle acquisition costs, and estimated annual depreciation and interest expenses over Rate Years 2021-2035. In preparing this schedule, Contractor estimated vehicle acquisition costs in 2017 dollars and escalated the amounts annually by 2%. The Depreciation – Vehicles component in Table 2 reflects only the depreciation portion of these costs; the interest portion is reflected in the Interest component. The value of the Depreciation – Vehicles component shall remain fixed at \$193,109 for Rate Years 2021-2026. After the scheduled vehicle purchases are completed, the annual Depreciation – Vehicles and Interest amounts shall be adjusted to reflect Contractor’s actual vehicle acquisition costs and interest rates, such that the remaining undepreciated costs and related interest expense are spread evenly over Rate Years 2027-2035. The adjusted Depreciation – Vehicles and Interest amounts shall be calculated by Contractor and included in Contractor’s Application submitted in 2026 to adjust rates for Rate Year 2027, on a basis consistent with all other Member Agencies.

<sup>7</sup> Contractor has projected its Container replacement needs and costs and related depreciation and interest expenses for Rate Years 2021-2035. The Depreciation – Containers component in Table 2 reflects only the depreciation portion of these costs; the interest portion is reflected in the Interest component. The value of the Depreciation – Containers component shall remain fixed at \$77,090 for Rate Years 2021-2035, unless additional Containers are purchased beyond the estimated replacement quantities, in which case the annual Depreciation – Containers and Interest amounts shall be adjusted accordingly. Such adjustments shall require approval by the SBWMA (in the case of Container purchases for SBWMA-wide programs) or Agency (in the case of Agency-specific Container purchases), not to be unreasonably withheld. Any such additional Containers shall be depreciated over 10 years, or such other period as may be agreed.

#	<u>Name of Component</u>	<u>Component Value for Rate Year 2021</u>	<u>How To Calculate Component Value for Rate Years 2022 and After</u>	<u>Example Calculation for Rate Year 2025</u>
9	Depreciation – Indirect	\$7,409	Value remains fixed at \$7,409 for Rate Years 2022-2035. <sup>8</sup>	N/A
10	Profit	Calculated	Take the sum of components #1-#9 for the Adjustment Year (calculated as provided above), divide by 0.905, and subtract from the result the sum of components #1-#9 for the Adjustment Year. This calculation represents application of the 90.5% Operating Ratio to Contractor's calculated total annual cost of operations.	If the sum of components #1-#9 for 2025 is \$3,688,787 (\$1,272,301 + \$591,719 + \$103,056 + \$90,647 + \$134,257 + \$1,219,199 + \$193,109 + \$77,090 + \$7,409 = \$3,688,787), then the value of the Profit component for 2025 is: (\$3,688,787 / .905) = \$4,076,007 - \$3,688,787 = \$387,221.
11	Interest	\$72,732	Value remains fixed at \$72,732 for Rate Years 2022-2035, unless additional vehicles or Containers are purchased. <sup>9</sup>	N/A
<b>BASE CONTRACTOR'S COMPENSATION = Sum of Components #1 - #11</b>				<b>2025 Example \$4,148,739</b>
12	Agency Payments	Calculated	Assuming all franchise fees and other fees set forth in Article 10 and Attachment M are calculated as a percentage of Gross Revenue Billed, take the sum of components #1-#11, + #13 + #14 for the Adjustment Year (calculated as provided above); divide such sum by one (1) minus the total percentage rate of all such fees combined (expressed as a decimal); and multiply the result by such total percentage rate. If any such fees are calculated using a different method (e.g. fixed dollar amount), then this component shall equal Contractor's reasonable good faith projection of the total dollar amount of such fees payable in the Adjustment Year, calculated as set forth in Article 10 and Attachment M.	For 2025 if the sum of components #1 - #11 + #13 + #14 = \$5,924,739 (\$4,148,739 + (\$4,000) + \$1,780,000 = \$5,924,739), and if the total percentage rate for all franchise and other fees combined is 26% for 2025, then the value of the Agency Payments component for 2025 is \$2,081,665 [(\$5,924,739 / (1 - .26) ) * .26 = \$2,081,665.]

<sup>8</sup> This component reflects Contractor's projection of depreciation expense associated with equipment other than vehicles and Containers (e.g. shop and office equipment).

<sup>9</sup> See footnotes 6 and 7.

#	<u>Name of Component</u>	<u>Component Value for Rate Year 2021</u>	<u>How To Calculate Component Value for Rate Years 2022 and After</u>	<u>Example Calculation for Rate Year 2025</u>
13	Performance Incentives & Disincentives <sup>10</sup>	Calculated	Take the total amount of Performance Incentives payable to Contractor for the Prior Year, and subtract from it the total amount of Performance Disincentives payable by Contractor for the Prior Year, in each case calculated as provided in Attachment I. If total disincentives exceed total incentives, the value of this component will be negative.	If Performance Incentives for 2023 are \$11,000 and Performance Disincentives for 2023 are \$15,000, then the value of the Performance Incentives & Disincentives component for 2025 is negative (\$4,000).
14	Disposal Costs <sup>11</sup>	\$1,732,663 (equals Contractor's reasonable good faith projection of Disposal Costs for the period from April 1, 2020 through March 31, 2021)	Equals (i) Contractor's reasonable good faith projection of Disposal Costs for the period from April 1 of the Current Year through March 31 of the Adjustment Year, plus (ii) Contractor's actual Disposal Costs for the period from April 1 of the Prior Year through March 31 of the Current Year, and minus (iii) Contractor's previous projection of Disposal Costs for the period described in clause (ii) (i.e. the projection used in the prior Rate Year's index calculation).	If (i) projected Disposal Costs for April 1, 2024 through March 31, 2025 are \$1,815,000, and (ii) actual Disposal Costs for April 1, 2023 through March 31, 2024 are \$1,760,000, and (iii) Contractor's previous projection of Disposal Costs for the April 1, 2023 through March 31, 2024 is \$1,795,000, then the value of the Disposal Costs component for 2025 is \$1,780,000.
<b>TOTAL CONTRACTOR'S COMPENSATION = Sum of Components #1 - #14</b>				<b>2025 Example \$8,010,405</b>
15	2021 Differential	N/A	See Section 11.04.C. Applicable to Rate Years 2022 and 2023 only. May be positive or negative.	N/A

<sup>10</sup> Performance Incentives and Disincentives Costs are not included in Gross Revenue Billed and no profit is paid to Contractor.

<sup>11</sup> For purposes of this component, Disposal Costs for a given period equals the total dollar value (i.e., # tons x per-ton fee) of fees paid by Contractor to the SBWMA for Disposal (including transfer) of Solid Waste, processing of Recyclable Materials, and processing (including transfer) of Organic Materials. This assumes that all Solid Waste, Recyclable Materials and Organic Materials are delivered to the Designated Transfer and Processing Facility, that all Recyclable Materials are processed at the Designated Transfer and Processing Facility, and that all Solid Waste is Disposed of at the Designated Disposal Site. If Solid Waste, Recyclable Materials or Organic Materials are Disposed of, transferred or processed (with SBWMA's permission) at other facilities, the tonnages and fees paid with respect to such facilities and transfer thereto shall be included in the calculation of Disposal Costs. Disposal Costs shall not include fees payable by Contractor under Sections 6.02.D and 6.02.E for loads delivered to the Designated Transfer and Processing Facility that contain excess Contamination.



#	<u>Name of Component</u>	<u>Component Value for Rate Year 2021</u>	<u>How To Calculate Component Value for Rate Years 2022 and After</u>	<u>Example Calculation for Rate Year 2025</u>
16	Rate Stabilization Fund Amount	See Section 11.02.C	See Section 11.02.C. Applicable to Rate Years 2021 and 2022 only. If applicable, will be negative.	N/A
17	Cap Carry Forward	N/A	See Section 11.11. Applicable to Rate Years 2022 and after only. If applicable, will be positive for amounts carried forward from the previous Rate Year to the Adjustment Year, and negative for amounts carried forward from the Adjustment Year to the subsequent Rate Year.	N/A
TOTAL TARGET REVENUE = Sum of Components #1 - #17				2025 Example \$8,010,405

3816 **11.05 ANNUAL ADJUSTMENT OF MAXIMUM RATES FOR ADDITIONAL SERVICES**

3817 A. The Maximum Rates for Rate Year 2021 for the additional services described in  
3818 Attachment Q shall be the charges for those services determined under the SBWMA-  
3819 wide methodology, adjusted as necessary to pass through the Franchise Fee and any  
3820 other Agency fees under this Agreement. Beginning with the adjustment for Rate Year  
3821 2022, each Maximum Rate set forth in Attachment Q shall be adjusted annually by  
3822 multiplying the then-effective Maximum Rate by April CPI-U-General for the year in  
3823 which the calculation is made and dividing the result by April CPI-U-General for the  
3824 year prior to the year in which the calculation is made. For example, to calculate the  
3825 Maximum Rates set forth in Attachment Q effective in 2025, each such Maximum Rate  
3826 effective in 2024 shall be multiplied by CPI-U-General for April 2024 and divided by  
3827 CPI-U-General for April 2023.

3828 **11.06 RATE REVIEW PROCESS**

3829 A. **Application Date and Content.** Contractor shall prepare and submit to Agency by  
3830 July 31 of each year an Application proposing Maximum Rates to be effective the next  
3831 Rate Year. The Application shall include (i) Contractor’s calculation of Total Target  
3832 Revenue (and its subcomponents), the Adjustment Multiplier, and/or other applicable  
3833 adjustment factors, using the methodology set forth in this Article 11, (ii) Contractor’s  
3834 proposed revised Attachments L and Q, and (iii) information regarding any special  
3835 review of Contractor’s Maximum Rates requested by Contractor pursuant to Section  
3836 11.07.

3837 B. **Review of Application.** The Application shall be reviewed by Agency for accuracy  
3838 and consistency with the procedures for determining Maximum Rates specified in this  
3839 Agreement. Agency shall share with Contractor any factual or calculation errors  
3840 identified in the Application and Contractor shall have the opportunity to revise its  
3841 Application.

- 3842 C. **Approval by City Council.** Agency's staff report on the Application (which shall  
3843 include a complete copy of the Application) shall be submitted for approval by City  
3844 Council. Agency shall use good faith efforts to ensure that, prior to January 1, 2021,  
3845 and prior to January 1 of each subsequent year, City Council considers the  
3846 amendment of Attachments L and Q to reflect the adjustments calculated pursuant to  
3847 this Agreement.
- 3848 D. **Adoption of Rates.** The Agency shall by December 15 of each year either (i) adopt  
3849 the amendment described in paragraph C of this section or (ii) direct, pursuant to  
3850 Section 15.12, a reduction of services.

3851 **11.07 SPECIAL MAXIMUM RATE REVIEW**

- 3852 A. **Eligible Items.** The Contractor may apply to the Agency for consideration of a special  
3853 review of Maximum Rates, and the Agency may initiate such a review, if one or more  
3854 of the following occur and cause an increase in or decrease to Contractor's costs of  
3855 providing services by two percent (2%) or more for the then-current Rate Year:
- 3856 1. Provision of emergency services (other than services paid for directly by the  
3857 Agency and not recovered through rates collected from Customers) pursuant to  
3858 Section 7.08.
  - 3859 2. Flood, earthquake, or other similar catastrophic event affecting the Agency which  
3860 is beyond the control of and not the fault of the Contractor.
  - 3861 3. Change in Law occurring after January 1, 2011.
  - 3862 4. Changes in the rate charged for Backyard Collection Service altering the price  
3863 differential between backyard service and standard curbside service, thereby  
3864 causing Customers to migrate from one to the other, with the result of increasing  
3865 or decreasing Contractor's annual cost of operation by two percent (2%) or more.

3866

3867 A special review must be requested by Contractor, or initiated by Agency, within twelve  
3868 (12) months after one of the above-described events has occurred.

- 3869 B. **Ineligible Items.** A special review may not be initiated for any of the following reasons:
- 3870 1. Increases or decreases in Contractor's cost of operations other than as a result  
3871 of events described in Section 11.07(A).
  - 3872 2. Growth or decline in the number of Customers or their service levels.
  - 3873 3. Any other reason not specifically allowed as an Eligible Item in the preceding  
3874 paragraph.

3875 C. **Review of Costs.** Agency shall have the right to review any and all financial and  
3876 operating records of Contractor. Agency will take into account the net overall impact  
3877 of the event on Contractor's costs, including reductions in cost resulting from  
3878 curtailments in service levels or other factors.

3879 D. **Submittal of Request.** Contractor must submit its request for a special review in a  
3880 form and manner specified by the Agency, together with required cost and operational  
3881 data. Agency will review the request and determine the amount owed, if any, to  
3882 Contractor and the time period to be covered by the special circumstances. The  
3883 amount of any proposed Maximum Rate adjustment submitted as part of a special

3884 review shall be limited to the amount necessary to compensate Contractor for  
3885 additional costs solely resulting from an event described in paragraph A of this section,  
3886 offset by any cost savings resulting from the event.

3887 E. **Cost of Review.** Contractor shall bear all reasonable costs incurred by Agency of a  
3888 special review which it has requested up to a maximum of fifty-thousand dollars  
3889 (\$50,000) per special review. Costs of a review requested by Contractor may not be  
3890 included in Contractor's Maximum Rates, charged to Agency or Customers, nor  
3891 included in the calculation used as rationale to initiate a special Maximum Rate review.

3892 F. **Determination.** In a special Maximum Rate review under this section, Contractor shall  
3893 bear the burden of justifying to the Agency by substantial evidence its entitlement to  
3894 any increases in Maximum Rates. Based on evidence presented to it, including that  
3895 submitted by Contractor, the Agency may determine that some, all, or none of the  
3896 requested increase in Maximum Rates is justified.

3897 G. **Effect of Denial.** If the Agency determines that the Contractor has not met its burden  
3898 of justifying all or part of a rate adjustment pursuant to this section, it shall notify  
3899 Contractor that it is prepared to deny (in whole or in part) Contractor's request. Within  
3900 ten (10) days after such notice, Contractor may request a hearing before City Council  
3901 body to produce additional evidence. Upon such request, the Agency shall cause such  
3902 hearing to occur. Based on evidence presented to it, including that submitted by  
3903 Contractor, the City Council may determine that some, all, or none of the requested  
3904 increase in Maximum Rates is justified.

3905 H. **Resolution of Disputes Regarding Special Maximum Rate Reviews.** This Section  
3906 11.07(H) pertains only to special Maximum Rate reviews requested by the Contractor  
3907 under the provisions of this Section 11.07. If the Agency rejects a special Maximum  
3908 Rate adjustment requested by the Contractor, grants a special Maximum Rate  
3909 adjustment different than was requested by the Contractor, or fails to act in a timely  
3910 manner upon all or any part of the Contractor's application for a special Maximum Rate  
3911 adjustment, then Contractor shall not have a cause of action for damages against  
3912 Agency with respect to such event, but shall be entitled to file a petition for writ of  
3913 mandate with respect to such event. If Contractor is successful in obtaining a writ of  
3914 mandate from the trial court, Agency agrees not to ask the trial court for a stay of the  
3915 mandate pending appeal, if any. The Parties acknowledge that Contractor has a  
3916 contractual right to approval of a Maximum Rate adjustment under this Section 11.07  
3917 if Contractor satisfies the burden of justifying by substantial evidence that the events  
3918 described in Section 11.07(A) resulted in a net increase in Contractor's costs of  
3919 providing services (taking into account reductions in costs resulting from such events),  
3920 and that such contractual right may be enforced by a petition for writ of mandate under  
3921 Code of Civil Procedure Section 1094.5.

3922 I. **Effect of Approval of Special Maximum Rate Request.** If it is determined that a  
3923 Maximum Rate adjustment is warranted pursuant to this section, amendments to  
3924 Attachments L and Q as necessary to implement such adjustment shall be considered  
3925 by City Council in the manner set forth in Section 11.06(C) and City Council shall take  
3926 action as specified in Section 11.06(D).

3927 **11.08 MAXIMUM RATE ADJUSTMENTS FOR CHANGES IN SCOPE OF SERVICES OR**  
3928 **SERVICE LEVELS**

- 3929 A. In the event the Agency directs a change in accordance with Section 15.12 of this  
3930 Agreement, an equitable adjustment in Contractor's Maximum Rates will be made,  
3931 effective with the commencement of the change, to reflect increases or decreases, if  
3932 any, in Contractor's costs. The adjustment in Contractor's Maximum Rates will also  
3933 reflect the corresponding change in profit. The change in Contractor's Maximum Rates  
3934 will therefore consist of the sum of (i) the incremental change to costs, and (ii) profit  
3935 adjustment at the allowed operating ratio of ninety and one-half percent (90.5%).
- 3936 B. Within forty-five (45) Days of a request by Agency to initiate a change in service,  
3937 Contractor shall present a proposal to Agency containing a complete description of the  
3938 following, if and to the extent applicable:
- 3939 1. Collection methodology to be employed.
  - 3940 2. Equipment to be utilized (number of vehicles, types, capacity, age, etc.).
  - 3941 3. Labor requirements (number of employees by classification).
  - 3942 4. Type of Containers to be used.
  - 3943 5. Description of program publicity/education/marketing materials to be developed.
  - 3944 6. Estimated Tonnage to be diverted and the methodology for determining that  
3945 diverted Tonnage.
  - 3946 7. Anticipated impacts of the change, if any, on performance incentive and  
3947 disincentive measures included in Attachment I.
  - 3948 8. Description of end uses of collected material.
  - 3949 9. Three (3) year projection of the financial impact of the program's operations in a  
3950 balance sheet and operating statement format including documentation of the  
3951 key assumptions underlying the projections and the support for those  
3952 assumptions, giving full effect to the savings or costs to existing services and the  
3953 rate impact to affected Customers.
  - 3954 10. Monitoring tools and quantitative measures including: cost per Ton; annual  
3955 diversion; and pre-implementation as well as expected post-implementation  
3956 route information including cost per route and accounts or lifts per route per Day.
  - 3957 11. Other information which may be requested by Agency to complete its review.

3958 **11.09 PUBLIC PARTICIPATION**

- 3959 A. Contractor recognizes that Agency is committed to promoting public participation in  
3960 Agency's activities. Towards this end, it is Agency's practice to conduct notice, protest  
3961 and hearing proceedings with respect to solid waste franchise maximum rates in the  
3962 manner set forth in Article XIII D, Section 6(a) of the California Constitution and Section  
3963 53755 of the Government Code. Contractor is aware that such Agency proceedings  
3964 require that notice be mailed to solid waste Customers not less than 45 days prior to  
3965 any public hearing affecting any rate. Contractor is further aware that such  
3966 proceedings involve the possibility that a proposed increase may be rejected in the  
3967 event Agency receives written protests with respect to a majority of the parcels  
3968 affected by a rate increase and the possibility that, after consideration of testimony at

3969 the hearing, Agency may choose to direct a reduction in services in lieu of approving  
3970 all or part of a rate increase. Contractor will, at the request of Agency and at  
3971 Contractor's expense, cause notices (prepared by Agency) to be mailed to Customers,  
3972 or included with Contractor's billing statements to Customers, as directed by Agency.  
3973 If requested by Agency, Contractor shall provide Agency with a complete and current  
3974 list of its Customer names and addresses within ten (10) Days of the request.

3975 **11.10 POTENTIAL RATE CONSTRAINTS**

- 3976 A. The parties recognize that, as of the date this Agreement is entered into, there is no  
3977 authoritative judicial determination of whether Articles XIIC or XIID of the California  
3978 Constitution apply to charges imposed by private enterprises for Solid Waste handling  
3979 and Recycling services when those charges are regulated by a local government.
- 3980 B. The Agency will not be in default of this Agreement if (i) a majority protest or  
3981 referendum prevents the initial Maximum Rates or a proposed Maximum Rate  
3982 increase from being adopted, (ii) a court rules that Maximum Rates adopted by Agency  
3983 are not consistent with Article XIID, (iii) an initiative reduces Maximum Rates from  
3984 those in effect, or (iv) Agency lowers the Maximum Rates, based on the reasonable  
3985 opinion of the Agency's counsel that a Change in Law has occurred that renders the  
3986 existing Maximum Rates inconsistent with any statute or published judicial opinion.  
3987 After the occurrence of any event referred to in clauses (i)-(iv) above, the Parties shall  
3988 promptly meet and negotiate in good faith to adjust service levels commensurate with  
3989 the Rates that Contractor may legally charge, in a manner reasonably calculated  
3990 (given such Rates) to minimize any adverse effect on public health and safety.
- 3991 C. Nothing in this Agreement shall be deemed or construed to be an admission by Agency  
3992 or Contractor that Articles XIIC or XIID of the California Constitution apply to the rates  
3993 charged by Contractor under this Agreement.

3994 **11.11 POSSIBLE CARRY FORWARD OF ANNUAL COMPENSATION ADJUSTMENTS**  
3995 **ABOVE 5%**

- 3996 A. If Base Contractor's Compensation for the coming Rate Year (expressed in dollars)  
3997 exceeds Base Contractor's Compensation for the current Rate Year (expressed in  
3998 dollars) by more than five percent (5%), calculated as provided below, then Agency  
3999 may elect to defer (carry forward) the excess to the subsequent Rate Year in  
4000 accordance with this section. The purpose of the carry forward mechanism is to  
4001 smooth Rate adjustments, not to reduce the amount of compensation to which  
4002 Contractor is entitled.
- 4003 B. Agency's deferral right shall apply only to increases in Base Contractor's  
4004 Compensation resulting from application of the methodology set forth in numbers 1  
4005 through 11 of Table 2 and related provisions of Section 11.04. The following cost items  
4006 shall not be subject to deferral or included in deferral calculations:
- 4007 1. Costs associated with any Agency-specific costs (e.g. billing, street sweeping,  
4008 etc.) and annual adjustment thereof;
  - 4009 2. Costs associated with payment of Performance Incentives and Disincentives;
  - 4010 3. Cost increases under other sections of the Agreement including, but not limited  
4011 to, those resulting from Agency-directed changes (Section 15.12) or special  
4012 maximum rate review (Section 11.07); and,

- 4013 4. Increases in costs that are not part of Base Contractor's Compensation including,  
4014 but not limited to, Franchise Fees or other Agency fees, or processing and  
4015 Disposal fees paid by Contractor to SBWMA.
- 4016 5. Increases resulting from application of the 2021 Differential.
- 4017 C. Base Contractor's Compensation under this Agreement for a given Rate Year  
4018 (expressed in dollars), adjusted as necessary to comply with the foregoing  
4019 requirements, shall be referred to herein as "Adjusted Contractor's Compensation."  
4020 Adjusted Contractor's Compensation for a given Rate Year includes any Cap Carry  
4021 Forward from the previous Rate Year.
- 4022 D. In each of its Applications to establish Rates for Rate Years Twelve (2022) onward,  
4023 Contractor shall include its calculation of: (A) Adjusted Contractor's Compensation for  
4024 the coming Rate Year, (B) Adjusted Contractor's Compensation for the current Rate  
4025 Year, (C) the difference between the two (calculation:  $C = A - B$ ), and (D) the amount,  
4026 if any, by which such difference exceeds five percent (5%) of Adjusted Contractor's  
4027 Compensation for the current Rate Year (calculation:  $D = C - (B \times 0.05)$ ) (the "Potential  
4028 Cap Carry Forward"). If the calculation of the Potential Cap Carry Forward results in a  
4029 negative value, the Potential Cap Carry Forward shall equal zero.
- 4030 E. Agency may elect to carry forward any amount provided that the amount is less than  
4031 or equal to the Potential Cap Carry Forward. If Agency elects to defer some or all of  
4032 the Potential Cap Carry Forward, then:
- 4033 F. Contractor's Compensation for the coming Rate Year shall be deemed reduced by  
4034 such amount, for purposes of Agency's obligation to adjust Rates; and,
- 4035 G. Contractor's Compensation for the subsequent Rate Year shall be increased by such  
4036 amount (which shall be the "Cap Carry Forward") in the Contractor's Compensation  
4037 and Rate setting process for such subsequent Rate Year).
- 4038 H. Agency may not defer any amounts in the final Rate Year of the Term. All Contractor's  
4039 Compensation due to Contractor that was carried forward and not previously  
4040 compensated to Contractor shall be reflected in the Contractor's Compensation for the  
4041 final Rate Year of the Term, so that no Cap Carry Forward is calculated or applied for  
4042 recovery beyond the final Rate Year of the Term. For purposes of this Article, the final  
4043 Rate Year of the Term means Rate Year Twenty-Five (2035), or, if the Term is  
4044 extended under Section 3.03.A of the Agreement, the last Rate Year of the mutually  
4045 agreed Term. If the Term is extended for up to twelve (12) months under Section  
4046 3.03.B of the Agreement, no amounts may be deferred from or to that extension period.
- 4047 I. If the amount of the Potential Cap Carry Forward is greater than ten percent (10%) of  
4048 Adjusted Contractor's Compensation for the current Rate Year, the Parties shall meet  
4049 and confer to discuss the Agency's plan to reduce the amount of the Cap Carry  
4050 Forward with the goal of eliminating the Cap Carry Forward in the coming Rate Years.
- 4051
- 4052

4053  
4054  
4055

**ARTICLE 12**  
**AGENCY RIGHT TO USE EQUIPMENT AND**  
**FACILITIES**

---

4056 **12.01 PURPOSE**

4057 The Parties recognize (i) that frequent and continuous collection of Solid Waste, Targeted  
4058 Recyclable Materials, and Organic Materials is an essential public service and an  
4059 important element of public health in developed communities such as Agency, and (ii) that  
4060 even a temporary interruption in the Collection and transport services entrusted to  
4061 Contractor may threaten the public health and safety, as well as causing serious financial  
4062 harm to business operations in the Agency.

4063 The purpose of this Article is to provide the Agency the ability to respond to such threats  
4064 to the public health, safety, and welfare by making use of Contractor's Facilities and  
4065 equipment. This Article applies to any interruption of services, regardless of whether or  
4066 not Contractor's failure to perform is excused under Section 14.09.

4067 **12.02 CONDITIONS AUTHORIZING AGENCY'S RIGHT TO USE OF FACILITIES AND**  
4068 **EQUIPMENT**

4069 If Contractor, for any reason, fails, refuses or is unable to Collect Solid Waste, Targeted  
4070 Recyclable Materials, and Organic Materials at the times and in the manner required by  
4071 this Agreement, and transport them to the Designated Transfer and Processing Facility,  
4072 for more than two (2) Business Days, Agency may invoke this Article. Agency shall  
4073 provide Contractor written notice that it intends to consider invoking this Article at a public  
4074 meeting of its governing body, to be held two (2) or more Business Days from the date of  
4075 the notice.

4076 At the meeting, the governing body may invoke its rights under this Article if it determines  
4077 that there has been an interruption in Collection service and that such interruption may  
4078 continue, thereby threatening the public health, safety and welfare. If the governing body  
4079 makes that determination, it may also determine to exercise the Agency's right to (i)  
4080 perform Collection and transport services with its own personnel and/or those of other  
4081 Member Agencies which have invoked this right under their Franchise Agreements with  
4082 Contractor or authorize a third party to do so, and (ii) take possession of any of  
4083 Contractor's property, including vehicles and other equipment used or useful in providing  
4084 such services or in the Billing and collection of Rates billed for such services (collectively  
4085 "Properties").

4086 **12.03 NOTICE TO CONTRACTOR**

4087 Agency shall deliver written notice to Contractor of its determination to exercise its right to  
4088 provide Collection services and to make use of Contractor's Properties to do so. Upon  
4089 receipt of the notice, Contractor shall immediately take all steps necessary to make  
4090 available to Agency any of its vehicles and equipment that are requested by Agency.  
4091 Contractor shall also cooperate in any other way requested by Agency to assist Agency  
4092 in providing Collection services on a temporary basis.

4093 **12.04 RIGHTS AND RESPONSIBILITIES OF PARTIES**

4094 Agency will be responsible for the proper use and operation of Contractor's Properties,  
4095 including maintenance and repair of vehicles and equipment. Agency will defend,  
4096 indemnify and hold Contractor harmless from claims by third parties that are due solely to  
4097 Agency's negligence in operating Contractor's vehicles or equipment, and not due in whole  
4098 or in part to defects in the design or manufacture of the vehicles or equipment or to  
4099 Contractor's failure to maintain them in good and safe operating condition.

4100 If the interruption in service is excused under Section 14.09, Agency will pay Contractor  
4101 one hundred dollars (\$100) per Business Day per vehicle, which will constitute full  
4102 compensation for use of all Properties. If the interruption in service constitutes a breach  
4103 of contract or default, no payment is required.

4104 Revenue received from Customers that is attributable to the period of time during which  
4105 Agency provides temporary Collection service shall accrue to Agency rather than  
4106 Contractor.

4107 Agency may delegate the use and operation of any or all of Contractor's Properties to a  
4108 third party.

4109 If the interruption of Collection service is caused by a breach of contract or default by  
4110 Contractor, Liquidated Damages and performance disincentives will continue to accrue  
4111 until Contractor resumes the provision of Collection services in full compliance with the  
4112 Agreement.

4113 **12.05 DURATION OF AGENCY'S RIGHT TO POSSESSION AND USE OF**  
4114 **VEHICLES/EQUIPMENT**

4115 Agency may retain possession of Contractor's Properties and provide Collection services  
4116 until the Contractor demonstrates to Agency's satisfaction that it is ready, willing, and able  
4117 to resume providing such services, or one hundred eighty (180) Days from the notice given  
4118 under Section 12.03, whichever occurs first.

4119 Agency has no obligation to exercise its rights under this Article or, having done so, to  
4120 continue to provide Collection services. It may at any time, in its sole discretion, relinquish  
4121 possession of Contractor's Properties to Contractor.

4122 Contractor's Properties shall be returned to Contractor in a condition substantially the  
4123 same as that which existed at the time the Agency took possession of them, ordinary wear  
4124 and tear excepted.

4125 **12.06 GENERAL**

4126 The Agency's exercise of its rights under this Article, (i) does not constitute taking or  
4127 damaging of property for which compensation (other than as provided in this Article) must  
4128 be paid, and (ii) does not exempt Contractor from its indemnity obligations under Article  
4129 13, which are meant to extend to circumstances arising under this Article, provided that  
4130 Contractor is not required to indemnify Agency against claims arising from the sole  
4131 negligence of Agency's employees or agents in the operation and use of Contractor's  
4132 Properties during the time the Agency has sole possession of them.

4133 The Agency's exercise of its rights under this Article does not limit its ability to seek any  
4134 of the remedies available to it under Article 14.



4135 The Agency's rights under this Article do not preclude its permanent acquisition of  
4136 Contractor's vehicles and equipment used in providing service to Agency through the  
4137 exercise of eminent domain.  
4138

4139  
4140

## ARTICLE 13 INDEMNITY, INSURANCE, BOND, GUARANTY

---

4141 **13.01 INDEMNIFICATION**

4142 Contractor shall indemnify, defend, and hold harmless Agency, its officers, employees and  
4143 agents (collectively, the "Indemnitees"), from and against (i) any and all liability, penalty,  
4144 claim, demand, action, proceeding, or suit, of any and every kind and description, whether  
4145 judicial, quasi-judicial, or administrative in nature, (ii) any and all loss including, but not  
4146 limited to, injury to and death of any person and damage to property, and (iii) contribution  
4147 or indemnity demanded by third parties (collectively, the "Claims"), arising out of or  
4148 occasioned in any way by, directly or indirectly, Contractor's performance of, or its failure  
4149 to perform, its obligations under this Agreement. The foregoing indemnity shall not apply  
4150 to the extent that a Claim is caused solely by the active negligence or intentional  
4151 misconduct of the Indemnitees, but shall apply if the Claim is caused by the joint  
4152 negligence of Contractor and other Persons, including an Indemnitee. Upon the  
4153 occurrence of any Claim, Contractor shall defend (with attorneys reasonably acceptable  
4154 to Agency) the Indemnitees. Contractor's duty to defend and indemnify shall survive the  
4155 expiration or earlier termination of this Agreement.

4156 **13.02 INSURANCE**

4157 A. **Types and Amounts of Coverage.** Contractor shall procure from an insurance  
4158 company or companies admitted or authorized to do business in the State of  
4159 California, and shall maintain in force at all times during the Term, the following types  
4160 and amounts of insurance:

4161 1. **Workers' Compensation and Employer's Liability.** Contractor shall maintain  
4162 workers' compensation insurance covering its employees in statutory amounts and  
4163 otherwise in compliance with the laws of the State of California. Contractor shall  
4164 maintain employer's liability insurance in an amount not less than one million  
4165 dollars (\$1,000,000) per accident or disease. Contractor shall not be obligated to  
4166 carry workers compensation insurance if (i) it qualifies under California law and  
4167 continuously complies with all statutory obligations to self-insure against such  
4168 risks; (ii) furnishes a certificate of Permission to Self Insure issued by the  
4169 Department of Industrial Relations; and (iii) furnishes updated certificates of  
4170 Permission to Self Insure periodically to evidence continuous self insurance.

4171 2. **Comprehensive General Liability.** Contractor shall maintain comprehensive  
4172 general liability insurance with a combined single limit of not less than ten million  
4173 dollars (\$10,000,000) per occurrence covering all claims and all legal liability for  
4174 personal injury, bodily injury, death, and property damage, including the loss of  
4175 use thereof, arising out of, or occasioned in any way by, directly or indirectly,  
4176 Contractor's performance of, or its failure to perform, services under this  
4177 Agreement.

4178 The insurance required by this subsection shall include:

4179 (i) Premises Operations (including use of owned and non-owned  
4180 equipment);

4181 (ii) Personal Injury Liability with employment exclusion deleted;

4182 (iii) Broad Form Blanket Contractual with no exclusions for bodily injury,  
4183 personal injury or property damage (including coverage for the indemnity  
4184 obligations contained herein);

4185 (iv) Owned, Non-Owned, and Hired Motor Vehicles;

4186 (v) Broad Form Property Damage.

4187 The comprehensive general liability insurance shall be written on an “occurrence”  
4188 basis (rather than a “claims made” basis) in a form at least as broad as the most  
4189 current version of the Insurance Service Office commercial general liability  
4190 occurrence policy form (CG0001). If occurrence coverage is not obtainable,  
4191 Contractor must arrange for “tail coverage” on a claims made policy to protect  
4192 Agency from claims filed within four (4) years after the expiration or earlier  
4193 termination of this Agreement relating to incidents that occurred prior to such  
4194 expiration or termination.

4195 3. Automobile Liability. Contractor shall maintain automobile liability insurance  
4196 covering all vehicles used in performing service under this Agreement with a  
4197 combined single limit of not less than ten million dollars (\$10,000,000) per  
4198 occurrence for bodily injury and property damage.

4199 4. Pollution (Environmental Impairment) Liability. Contractor shall maintain pollution  
4200 liability insurance coverage of not less than ten million dollars (\$10,000,000) per  
4201 occurrence covering claims for on-site, under-site, or off-site bodily injury and  
4202 property damage as a result of pollution conditions arising out of its operations  
4203 under this Agreement.

4204 B. Acceptability of Insureds. The insurance policies required by this section shall be  
4205 issued by an insurance company or companies admitted to do business in the State  
4206 of California, subject to the jurisdiction of the California Insurance Commissioner, and  
4207 with a rating in the most recent edition of Best’s Insurance Reports of size category  
4208 XV or larger and a rating classification of A+ or better.

4209 C. Required Endorsements. Without limiting the generality of Sections 13.02.A and  
4210 13.02.B, the policies shall contain endorsements in substantially the following form:

4211 1. Workers’ Compensation and Employers’ Liability Policy.

4212 (a) “Thirty (30) Days prior written notice shall be given to the City of Belmont in  
4213 the event of cancellation or non-renewal of this policy.” Such notice shall be  
4214 sent to:

4215 City of Belmont  
4216 One Twin Pines Lane  
4217 Belmont, CA 94002  
4218 ATTN: Risk Manager

4219  
4220 (b) “Insurer waives all right of subrogation against the City of Belmont and its  
4221 officers and employees for injuries or illnesses arising from work performed  
4222 for the City of Belmont.”

- 4223 2. Comprehensive General Liability Policy; Automobile Liability Policy; Pollution  
4224 Liability Policy; and Hazardous Materials Policy.
- 4225 (a) "Thirty (30) Days prior written notice shall be given to the City of Belmont in  
4226 the event of cancellation, reduction of coverage, or non-renewal of this policy."  
4227 Such notice shall be sent to:
- 4228 City of Belmont  
4229 One Twin Pines Lane  
4230 Belmont, CA 94002  
4231 ATTN: Risk Manager  
4232
- 4233 (b) "The City of Belmont, its officers, employees, and agents are additional  
4234 insureds on this policy."
- 4235 (c) "This policy shall be considered primary insurance as respects any other valid  
4236 and collectible insurance maintained by the City of Belmont, including any  
4237 self-insured retention or program of self-insurance, and any other such  
4238 insurance shall be considered excess insurance only."
- 4239 (d) "Inclusion of the City of Belmont as an insured shall not affect the City of  
4240 Belmont's rights as respects any claim, demand, suit or judgment brought or  
4241 recovered against the Contractor. This policy shall protect Contractor and the  
4242 City of Belmont in the same manner as though a separate policy had been  
4243 issued to each, but this shall not operate to increase the company's liability as  
4244 set forth in the policy beyond the amount shown or to which the company  
4245 would have been liable if only one party had been named as an insured."
- 4246 D. Deductibles and Self-Insured Retentions. The liability policies described in  
4247 Sections 13.02.A(2) and 13.02.A(3) may contain a deductible or self-insured retention  
4248 not to exceed \$500,000 per occurrence. This amount may not be increased without  
4249 Agency's prior written consent.
- 4250 Contractor remains responsible for the payment of all losses and investigation, claim  
4251 administration and defense expenses, including those of the Agency.
- 4252 E. Delivery of Proof of Coverage. No later than ninety (90) Days before the  
4253 commencement of operations, Contractor shall furnish Agency one or more  
4254 certificates of insurance on a standard ACORD form substantiating that each of the  
4255 coverages required hereunder is in force, in form and substance satisfactory to  
4256 Agency. Such certificates shall show the type and amount of coverage, effective  
4257 dates and dates of expiration of policies and shall be accompanied by all required  
4258 endorsements. If Agency requests, copies of each policy, together with all  
4259 endorsements, shall also be promptly delivered to Agency. Contractor shall furnish  
4260 renewal certificates to Agency to demonstrate maintenance of the required coverages  
4261 throughout the Term.
- 4262 F. Other Insurance Requirements
- 4263 1. In the event performance of any services is delegated to a Subcontractor,  
4264 Contractor shall require such subcontractor to provide statutory workers'  
4265 compensation insurance and employer's liability insurance for all of the  
4266 Subcontractor's employees engaged in the work. The liability insurance required  
4267 by Section 13.02.A(2) and the automobile liability policy required by Section

4268 13.02.A(3) shall cover all Subcontractors or the Subcontractor must furnish  
4269 evidence of insurance provided by it meeting all of the requirements of this  
4270 Section 13.02.

4271 2. Contractor shall comply with all requirements of the insurers issuing policies.  
4272 The carrying of insurance shall not relieve Contractor from any obligation under  
4273 this Agreement, including those imposed by Section 13.01. If any claim is made  
4274 by any third Person against Contractor or any Subcontractor on account of any  
4275 occurrence related to this Agreement, other than claims by employees for work-  
4276 related incidents, Contractor shall promptly report the facts in writing to the  
4277 insurance carrier and to the Agency.

4278 3. If Contractor fails to procure and maintain any insurance required by this  
4279 Agreement, Agency may take out and maintain such insurance as it may deem  
4280 proper and may require Contractor to reimburse it for the cost incurred within  
4281 thirty (30) Days and/or deduct the cost from any monies due Contractor. Agency  
4282 may also treat the failure as a Contractor default.

4283 4. Agency is not responsible for payment of premiums for or deductibles under any  
4284 required insurance coverages.

4285 5. Any excess or umbrella policies shall be written on a "following form" basis.

4286 **13.03 FAITHFUL PERFORMANCE BOND**

4287 Pursuant to the 2009 Franchise Agreement, Contractor shall have a faithful performance  
4288 bond in effect until December 31, 2020. On or before the Commencement Date,  
4289 Contractor shall file with Agency a bond securing the Contractor's faithful performance of  
4290 its obligations under this Agreement. The principal sum of the bond shall be no less  
4291 than \$790,000. The form of the bond shall be as set out in Attachment F. The bond shall  
4292 be executed as surety by a corporation admitted to issue surety bonds in the State of  
4293 California, regulated by the California Insurance Commissioner, and with a financial  
4294 condition and record of service satisfactory to Agency.

4295 The term of the bond shall be twenty-four (24) months. The bond shall be extended, or  
4296 replaced by a new bond in the same principal sum (adjusted by the Annual Index Change  
4297 in CPI-U), for the same term (i.e., twenty-four (24) months) and in the same form, bi-  
4298 annually thereafter. Not less than ninety (90) Days before the expiration of the initial, or  
4299 any subsequent, bond, Contractor shall furnish either a replacement bond or a  
4300 continuation certificate substantially in the form attached as Attachment F, executed by  
4301 the surety.

4302 It is the intention of this Section that there be in full force and effect at all times a bond  
4303 securing the Contractor's faithful performance of the Agreement, throughout its Term.

4304 For the purposes of this Section, the Consumer Price Index shall be "CPI-U" means the  
4305 All Urban Consumers Index (CPI-U) compiled and published by the U.S. Department of  
4306 Labor, Bureau of Labor Statistics or its successor agency, using the following parameters.

4307 CPI-U Parameters:

- 4308 Area – San Francisco-Oakland-San Jose Metropolitan Area
- 4309 Item – All Items
- 4310 Base Period – Current 1982-84=100
- 4311 Not seasonally adjusted
- 4312 Periodicity – Bi-monthly

4313

4314 **13.04 ALTERNATIVE SECURITY**

4315 Agency may, in its sole discretion, allow Contractor to provide alternative security in the  
4316 amount set forth in Section 13.03, in the form of (a) a prepaid irrevocable standby letter of  
4317 credit in form and substance satisfactory to Agency, approved by the Agency's Attorney  
4318 and issued by a financial institution acceptable to Agency, or (b) a certificate of deposit in  
4319 the name of the Agency and in a form and with a term satisfactory to Agency, accompanied  
4320 by an agreement giving Agency the right to draw on the funds deposited satisfactory to  
4321 Agency and with a financial institution acceptable to Agency. Interest on the certificate of  
4322 deposit will be payable to Contractor.

4323 **13.05 HAZARDOUS WASTE INDEMNIFICATION**

4324 Contractor shall indemnify, defend, and hold harmless the Indemnitees against all claims,  
4325 of any kind whatsoever paid, incurred, or suffered by, or asserted against Indemnitees  
4326 arising from or attributable to any repair, cleanup or detoxification, or preparation and  
4327 implementation of any removal, remedial, response, closure. or other plan (regardless of  
4328 whether undertaken due to governmental action) concerning any Hazardous Wastes  
4329 released, spilled. or disposed of by Contractor pursuant to this Agreement. The foregoing  
4330 indemnity is intended to operate as an agreement pursuant to Section 107(e) of the  
4331 Comprehensive Environmental Response, Compensation and Liability Act, ("CERCLA"),  
4332 42 U.S.C. Section 9607(e), and California Health and Safety Code Section 25364, to  
4333 defend, protect, hold harmless. and indemnify Indemnitees from liability and shall survive  
4334 the expiration or earlier termination of this Agreement. Notwithstanding the foregoing,  
4335 Contractor is not required to indemnify the Indemnitees against claims arising from  
4336 Contractor's delivery of Solid Waste, Recyclable Materials, and Organic Materials to the  
4337 Designated Transfer and Processing Facility, or their subsequent delivery to other  
4338 processing locations or the ultimate Disposal Site, unless such claims are due to  
4339 Contractor's negligence or willful misconduct.

4340 **13.06 INDEMNIFICATION RELATED TO VARIOUS STATE REQUIREMENTS**

4341 Contractor agrees to indemnify and hold harmless the Indemnitees against all fines and/or  
4342 penalties imposed by the California Department of Resources Recycling and Recovery  
4343 (CalRecycle) or the Local Enforcement Agency (LEA) based on Contractor's failure to  
4344 comply with laws, regulations. or permits issued or enforced by CalRecycle or the LEA or  
4345 caused or contributed to by the Contractor's failure to perform obligations under this  
4346 Agreement. This indemnity obligation is subject to the limitations and conditions in Public  
4347 Resource Code Section 40059.1 but is enforceable to the maximum extent allowable by  
4348 that Section. This indemnity shall survive the termination or earlier expiration of this  
4349 Agreement. The indemnity shall pertain to the Act, AB 341, AB 901, AB 1826, AB 1594,  
4350 SB 1016, SB 1383, and other laws, regulations. or permits issued or enforced by the  
4351 CalRecycle or the LEA.

4352 **13.07 GUARANTY**

4353 Concurrently with execution of the 2009 Franchise Agreement, Contractor furnished a  
4354 Guaranty of its performance thereunder, in the form of Attachment G, properly executed  
4355 by Recology Inc., a California corporation. Said Guaranty by its terms applies to any  
4356 amendment to the 2009 Franchise Agreement, including this Agreement. Recology Inc.

4357 then owned and as of the date hereof continues to own all of the issued and outstanding  
4358 common stock of Contractor.

4359

4360  
4361

## ARTICLE 14 DEFAULT AND REMEDIES

---

4362 **14.1 EVENTS OF DEFAULT**

4363 Each of the following shall constitute an event of default ("Contractor default"):

- 4364 A. Contractor fails to perform its obligations under Article 5, 6, or 7 of this Agreement  
4365 and its failure to perform is not cured within ten (10) Business Days after written notice  
4366 from Agency.
- 4367 B. Contractor fails to perform its obligations under any other Article of this Agreement  
4368 and its failure to perform is not cured within ten (10) Days after written notice from  
4369 Agency, provided that if the nature of the failure is such that it will reasonably require  
4370 more than ten (10) Days to cure, Contractor shall not be in default so long as it  
4371 promptly commences the cure and diligently proceeds to completion of the cure, and  
4372 provided further that neither notice nor opportunity to cure applies to events described  
4373 in subsections C through H.
- 4374 C. Contractor ceases to provide Collection and transportation services for a period of  
4375 two (2) Business Days for any reason within the Contractor's control, including labor  
4376 unrest such as strike, work stoppage or slowdown, sickout, picketing, or other  
4377 concerted job action by Contractor's employees.
- 4378 D. Contractor files a voluntary petition for relief under any bankruptcy, insolvency, or  
4379 similar law.
- 4380 E. An involuntary petition is brought against Contractor under any bankruptcy,  
4381 insolvency, or similar law which remains un-dismissed or un-stayed for ninety (90)  
4382 Days.
- 4383 F. Contractor fails to furnish a replacement bond or a continuation certificate of the  
4384 existing bond not less than ten (10) Days before expiration of the performance bond,  
4385 as required by Section 13.03 or fails to maintain all required insurance coverage in  
4386 force.
- 4387 G. Contractor fails to provide reasonable assurance of performance when required  
4388 under Section 14.10.
- 4389 H. A representation or warranty contained in Article 2 proves to be false or misleading  
4390 in a material respect as of the date such representation or warranty was made.

4391 **14.02 RIGHT TO SUSPEND OR TERMINATE UPON DEFAULT**

- 4392 A. Upon any Contractor default, Agency may terminate this Agreement or suspend it, in  
4393 whole or in part. Such suspension or termination shall be effective thirty (30) Days  
4394 after Agency has given notice of suspension or termination to Contractor, except that  
4395 such notice may be effective in a shorter period of time, or immediately, if the  
4396 Contractor default is one which endangers the health, welfare, or safety of the public,  
4397 such as the failure to Collect Solid Waste, Recyclable Materials, or Organic Materials  
4398 for the period of time specified in Section 14.01.C. Notice may be given orally in  
4399 person or by telephone to the representative of Contractor designated in or under  
4400 Section 15.10 (or, if he/she is unavailable, to a responsible employee of Contractor)  
4401 and shall be effective immediately. Written confirmation of such oral notice of



4402 suspension or termination shall be sent by personal delivery, facsimile, or other  
4403 expedited means of delivery to Contractor within twenty-four (24) hours of the oral  
4404 notification at the address shown in Section 15.09. Contractor shall continue to  
4405 perform the portions of the Agreement, if any, not suspended, in full conformity with its  
4406 terms.

4407 B. Agency may also suspend or terminate this Agreement, upon the same notice  
4408 provisions, if Contractor's ability to perform is prevented or materially interfered with  
4409 by a cause which excuses nonperformance under Section 14.09, despite the fact that  
4410 nonperformance in such a case is neither a breach nor a Contractor default.

#### 4411 **14.03 SPECIFIC PERFORMANCE**

4412 By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-  
4413 quality service, the lead time required to effect alternative service, and the rights granted  
4414 by Agency to Contractor, the remedy of damages for a breach hereof by Contractor is  
4415 inadequate and Agency shall be entitled to injunctive relief.

#### 4416 **14.04 RIGHT TO PERFORM; USE OF CONTRACTOR PROPERTY**

4417 If this Agreement is suspended and/or terminated due to a Contractor default, Agency  
4418 shall have the right to perform, by contract, in conjunction with other Member Agencies,  
4419 or otherwise, the work herein or such part thereof as it may deem necessary. In the event  
4420 of Contractor's default, Agency shall have the right to use any of Contractor's equipment,  
4421 Facilities, and other property reasonably necessary for the provision of services hereunder  
4422 and for the Billing and collection of Rates billed for those services, upon the terms provided  
4423 in Article 12. Agency shall have the right to continue use of such property until other  
4424 suitable arrangements can be made for the provision of such services, which may include  
4425 the award of a contract to another service provider.

#### 4426 **14.05 DAMAGES**

4427 Contractor shall be liable to Agency for all direct, indirect, special, and consequential  
4428 damages arising out of Contractor's default. This Section is intended to be declarative of  
4429 existing California law.

#### 4430 **14.06 AGENCY'S REMEDIES CUMULATIVE**

4431 Agency's rights to suspend or terminate the Agreement under Section 14.02, to obtain  
4432 specific performance under Section 14.03, and to perform under Section 14.04 are not  
4433 exclusive, and Agency's exercise of one such right shall not constitute an election of  
4434 remedies. Instead, they shall be in addition to any and all other legal and equitable rights  
4435 and remedies that Agency may have, including a legal action for damages under Section  
4436 14.05 or imposition of Liquidated Damages under Section 14.07.

#### 4437 **14.07 LIQUIDATED DAMAGES**

4438 The Parties acknowledge that consistent, courteous, and efficient Collection of Solid  
4439 Waste, Targeted Recyclable Materials, and Organic Materials is of utmost importance and  
4440 Agency has considered and relied on Contractor's representations as to its quality of  
4441 service commitment in entering into this Agreement. The Parties further recognize that  
4442 quantified standards of performance are necessary and appropriate to ensure consistent  
4443 and reliable service. The Parties further recognize that if Contractor fails to achieve the  
4444 performance standards, Agency and its residents will suffer damages and that it is and will  
4445 be impracticable and extremely difficult to ascertain and determine the exact amount of

4446 damages that Agency will suffer. Therefore, the Parties agree that the Liquidated Damage  
4447 amounts listed in Attachment J and the Performance Disincentive amounts listed in  
4448 Attachment I represent a reasonable estimate of the amount of such damages considering  
4449 all of the circumstances existing on the date of this Agreement, including the relationship  
4450 of the sums to the range of harm to Agency that reasonably could be anticipated and  
4451 recognition that proof of actual damages would be costly or inconvenient. By initialing the  
4452 places provided, each Party specifically confirms the accuracy of the statements made  
4453 above and the fact that each Party had ample opportunity to consult with legal counsel  
4454 and obtain an explanation of this liquidated damage provision at the time that this  
4455 Agreement was made.

4456 Contractor Initial Here: \_\_\_\_\_ Agency Initial Here: \_\_\_\_\_

4457 Contractor agrees to pay (as liquidated damages and not as a penalty) the amount set  
4458 forth in Attachments J and I.

4459 In addition to considering the reports submitted by Contractor pursuant to Article 9, Agency  
4460 may determine the occurrence of events giving rise to Liquidated Damages or  
4461 Performance Disincentives through the observation of its own employees or agents,  
4462 through discussions with Customers, and through investigation of Customer Complaints  
4463 made directly to Agency. Prior to assessing Liquidated Damages or Performance  
4464 Disincentives based on such observations or investigations, Agency shall give Contractor  
4465 notice of its intention to do so. The notice will include a brief description of the  
4466 incident(s)/non-performance. Contractor may review (and make copies at its own  
4467 expense) all non-confidential information in the possession of Agency relating to  
4468 incident(s)/non-performance. Contractor may, within ten (10) Days after receiving the  
4469 notice, request a meeting with Agency's Manager or his or her designee. Contractor may  
4470 present evidence in writing and through testimony of its employees and others relevant to  
4471 the incident(s)/non-performance. Agency's Manager or his or her designee will provide  
4472 Contractor with a written explanation of his or her determination on each incident(s)/non-  
4473 performance prior to authorizing the assessment of Liquidated Damages or Performance  
4474 Disincentives. The decision of Agency's Manager or his or her designee shall be final.

4475 Agency's right to recover Liquidated Damages for Contractor's failure to meet the service  
4476 performance standards shall not preclude Agency from obtaining equitable relief for  
4477 persistent failures to meet such standards nor from terminating the Agreement for such  
4478 persistent failures.

4479 **14.08 AGENCY DEFAULT**

4480 Agency shall be in default under this Agreement ("Agency default") in the event Agency  
4481 commits a material breach of the Agreement and fails to cure such breach within thirty  
4482 (30) Days after receiving notice from the Contractor specifying the breach, provided that  
4483 if the nature of the breach is such that it will reasonably require more than thirty (30) Days  
4484 to cure, Agency shall not be in default so long as Agency promptly commences the cure  
4485 and diligently proceeds to completion of the cure.

4486 In the event of an asserted Agency default, Contractor shall continue to perform all of its  
4487 obligations hereunder until a court of competent jurisdiction has issued a final judgment  
4488 declaring that Agency is in default.

4489 **14.09 EXCUSE FROM PERFORMANCE**

4490 A. **Force Majeure.** Neither Party shall be in default of its obligations under this  
4491 Agreement in the event, and for so long as, it is impossible or extremely impracticable  
4492 for it to perform its obligations due to an “act of God” (including, but not limited to,  
4493 flood, earthquake, or other catastrophic events), war, insurrection, riot, labor unrest  
4494 of other than the Party’s employees (including strike, work stoppage, slowdown, sick  
4495 out, picketing, or other concerted job action), or other similar cause not the fault of,  
4496 and beyond the reasonable control of, the Party claiming excuse. A Party claiming  
4497 excuse under this Section must (i) have taken reasonable precautions, if possible, to  
4498 avoid being affected by the cause, and (ii) notify the other Party in writing as provided  
4499 in Subsection C.

4500 B. **Obligation to Restore Ability to Perform.** Any suspension of performance by a  
4501 Party pursuant to this Section shall be only to the extent, and for a period of no longer  
4502 duration than, required by the nature of the event, and the Party claiming excuse shall  
4503 use its best efforts to remedy its inability to perform as quickly as possible and to  
4504 mitigate damages that may occur as result of the event.

4505 C. **Notice.** The Party claiming excuse shall deliver to the other Party a written notice of  
4506 intent to claim excuse from performance under this Agreement by reason of an event  
4507 of Force Majeure. Notice required by this Section shall be given promptly in light of  
4508 the circumstances, but in any event not later than five (5) Days after the occurrence  
4509 of the event of Force Majeure. Such notice shall describe in detail the event of Force  
4510 Majeure claimed, the services impacted by the claimed event of Force Majeure, the  
4511 expected length of time that the Party expects to be prevented from performing, the  
4512 steps which the Party intends to take to restore its ability to perform, and such other  
4513 information as the other Party reasonably requests.

4514 D. **Agency’s Rights in the Event of Force Majeure.** The partial or complete  
4515 interruption or discontinuance of Contractor’s services caused by an event of Force  
4516 Majeure shall not constitute a Contractor default. Notwithstanding the foregoing: (i)  
4517 Agency shall have the right to make use of Contractor’s Facilities and equipment in  
4518 accordance with Article 12 in the event of non-performance excused by Force  
4519 Majeure; (ii) if Contractor’s failure to perform by reason of Force Majeure continues  
4520 for a period of thirty (30) Days or more, Agency shall have the right to immediately  
4521 terminate this Agreement; (iii) if Contractor is unable to Collect and transport Solid  
4522 Waste as required by this Agreement for a period of two (2) or more consecutive  
4523 Business Days or for any three (3) Business Days in a seven (7) Day period as a  
4524 result of Force Majeure, Agency shall have the right to make use of Contractor’s  
4525 Facilities and equipment in accordance with Article 12, and (iv) if Contractor’s inability  
4526 to Collect and transport Solid Waste continues for two (2) Days or more from the date  
4527 by which Contractor gave or should have given notice under Subsection C, Agency  
4528 may terminate this Agreement.

4529 **14.10 ASSURANCE OF PERFORMANCE**

4530 If Contractor (i) persistently suffers the imposition of Liquidated Damages under Section  
4531 14.07; (ii) is the subject of any labor unrest including work stoppage or slowdown, sickout,  
4532 picketing, or other concerted job action; (iii) appears in the reasonable judgment of Agency  
4533 to be unable to regularly pay its bills as they become due; (iv) is the subject of a civil or

4534 criminal proceeding brought by a federal, State, regional, or local agency for violation of  
4535 an Environmental Law in the performance of this Agreement, or (v) performs in a manner  
4536 that causes Agency to be uncertain about Contractor's ability and intention to comply with  
4537 this Agreement, Agency may, at its option and in addition to all other remedies it may  
4538 have, demand from Contractor reasonable assurances of timely and proper performance  
4539 of this Agreement, in such form and substance as Agency may require.

4540

4541  
4542

**ARTICLE 15**  
**OTHER AGREEMENTS OF THE PARTIES**

---

4543 **15.01 RELATIONSHIP OF PARTIES**

4544 The Parties intend that Contractor shall perform the services required by this Agreement  
4545 as an independent contractor engaged by Agency and not as an officer or employee of  
4546 Agency nor as a partner of or joint venturer with Agency. No employee or agent of  
4547 Contractor shall be deemed to be an employee or agent of Agency. Except as expressly  
4548 provided herein, Contractor shall have the exclusive control over the manner and means  
4549 of conducting the services performed under this Agreement, and over all Persons  
4550 performing such services. Contractor shall be solely responsible for the acts and  
4551 omissions of its officers, employees, Subcontractors, and agents. Neither Contractor nor  
4552 its officers, employees, Subcontractors, and agents shall obtain any rights to retirement  
4553 benefits, workers' compensation benefits, or any other benefits which accrue to Agency  
4554 employees by virtue of their employment with Agency.

4555 **15.02 COMPLIANCE WITH LAW**

4556 In providing the services required under this Agreement, Contractor shall at all times  
4557 comply with all Applicable Laws of the United States, the State and Agency, with all  
4558 applicable ordinances, regulations promulgated by federal, state, regional, or local  
4559 administrative and regulatory agencies, and by Agency, now in force and as they may be  
4560 enacted, issued, or amended during the Term, and with all permits affecting the services  
4561 to be provided.

4562 **15.03 ASSIGNMENT**

4563 Contractor acknowledges that this Agreement involves rendering a vital service to  
4564 Agency's residents and businesses, and that Agency has selected Contractor to perform  
4565 the services specified herein based on (i) Contractor's experience, skill, and reputation for  
4566 conducting its operations in a safe, effective, and responsible fashion, and (ii) Contractor's  
4567 and the Guarantor's financial resources to maintain the required equipment and to support  
4568 its indemnity obligations to Agency under this Agreement. Agency has relied on each of  
4569 these factors, among others, in choosing Contractor to perform the services to be  
4570 rendered by Contractor under this Agreement.

4571 A. **Agency Consent Required.** Contractor shall not assign its rights or delegate or  
4572 otherwise transfer its obligations under this Agreement to any other Person without  
4573 the prior written consent of Agency. Any such assignment made without the consent  
4574 of Agency shall be void and the attempted assignment shall constitute a Contractor  
4575 default.

4576 B. **Assignment Defined.** For the purpose of this Section, "assignment" shall include,  
4577 but not be limited to, (i) a sale, exchange, or other transfer to a third party of  
4578 substantially all of Contractor's assets dedicated to service under this Agreement; (ii)  
4579 a sale, exchange, or other transfer of outstanding common stock of Contractor to a  
4580 Person who is not a shareholder as of the Effective Date which results in a change in  
4581 control of Contractor; (iii) any dissolution, reorganization, consolidation, merger, re-  
4582 capitalization, stock issuance or reissuance, voting trust, pooling agreement, escrow  
4583 arrangement, liquidation, or other transaction which results in a change of ownership  
4584 or control of Contractor; (iv) any assignment by operation of law, including insolvency

4585 or bankruptcy, an assignment for the benefit of creditors, a writ of attachment for an  
4586 execution being levied against this Agreement, appointment of a receiver taking  
4587 possession of Contractor's property, or transfer occurring in the event of a probate  
4588 proceeding; and (v) any combination of the foregoing (whether or not in related or  
4589 contemporaneous transactions) which has the effect of any such transfer or change  
4590 of ownership, or change of control of Contractor.

4591 C. **Consent Requirements.** If Contractor requests Agency's consideration of and  
4592 consent to an assignment, Agency may deny or approve such request in its complete  
4593 discretion. No request by Contractor for consent to an assignment need be  
4594 considered by Agency unless and until Contractor has met the following  
4595 requirements:

4596 1. Contractor shall pay Agency its reasonable expenses for attorneys' fees and  
4597 investigation costs necessary to investigate the suitability of any proposed  
4598 assignee, and to review and finalize any documentation required as a condition for  
4599 approving any such assignment;

4600 2. Contractor shall furnish Agency with audited financial statements of the proposed  
4601 assignee's operations for the immediately preceding three (3) operating years;

4602 3. Contractor shall furnish Agency with satisfactory proof: (i) that the proposed  
4603 assignee has at least ten (10) years of Solid Waste/Recycling management  
4604 experience on a scale equal to or exceeding the scale of operations conducted by  
4605 Contractor under this Agreement; (ii) that in the last five (5) years, the proposed  
4606 assignee has not been the subject of any administrative or judicial proceedings  
4607 initiated by a federal, State, or local agency having jurisdiction over its operations  
4608 due to an alleged failure to comply with federal, State, or local laws or that the  
4609 proposed assignee has provided Agency with a complete list of such proceedings  
4610 and their status; (iii) that the proposed assignee conducts its operations in a safe  
4611 and environmentally conscientious manner, in accordance with sound Solid Waste  
4612 management practices in full compliance with all federal, State, and local laws  
4613 regulating the Collection and Disposal of Solid Waste and all Environmental Laws;  
4614 and (iv) of any other information required by Agency to ensure the proposed  
4615 assignee can fulfill the terms of this Agreement in a timely, safe, and effective  
4616 manner.

4617 D. **No Obligation to Consider.** Agency will not be obligated to consider a proposed  
4618 assignment if Contractor is in default.

4619 **15.04 AFFILIATED ENTITY**

4620 Contractor will not form or use any Affiliate to perform any of the services or activities  
4621 which Contractor is required or allowed to perform under this Agreement, other than as a  
4622 Subcontractor approved by Agency under Section 15.04.

4623 If Contractor enters into any financial transactions with an Affiliate for the provision of labor,  
4624 equipment, supplies, services, or capital related to the furnishing of service under this  
4625 Agreement, that relationship shall be disclosed to Agency, and in the financial reports  
4626 submitted to Agency. In such event, Agency's rights to inspect records and obtain financial  
4627 data shall extend to records and data of such Affiliate that are relevant to those specific  
4628 financial transactions.

4629 **15.05 CONTRACTOR'S INVESTIGATION**

4630 Contractor has made an independent investigation, satisfactory to it, of the conditions and  
4631 circumstances surrounding the Agreement and the work to be performed by it. Contractor  
4632 has had the opportunity to inspect the Designated Transfer and Processing Facility and to  
4633 review the permits governing its operation, as well as the Source Reduction and Recycling  
4634 Element adopted by Agency as required by the Act. Contractor has taken such matters  
4635 into consideration in agreeing to provide the services required by, for the compensation to  
4636 be provided under, this Agreement.

4637 **15.06 RESERVED**

4638 **15.07 CONDEMNATION**

4639 Agency reserves the rights to acquire the Contractor's property utilized in the performance  
4640 of this Agreement through the exercise of eminent domain.

4641 **15.08 NOTICE**

4642 All notices, demands, requests, proposals, approvals, consents, and other  
4643 communications which this Agreement requires, authorizes or contemplates shall, except  
4644 as provided in Article 14, be in writing and shall either be personally delivered to a  
4645 representative of the Parties at the address below or be deposited in the United States  
4646 mail, first class postage prepaid, addressed as follows:

4647 If to Agency:

4648 City of Belmont  
4649 One Twin Pines Lane  
4650 Belmont, CA 94002  
4651 ATTN: City Manager

4652

4653 If to Contractor:

4654 General Manager  
4655 Recology San Mateo County  
4656 225 Shoreway Rd.  
4657 San Carlos, CA 94070

4658

4659 The address to which communications may be delivered may be changed from time to  
4660 time by a notice given in accordance with this Section.

4661 Contact information for Contractor's General Manager is as follows:

4662 General Manager  
4663 Recology San Mateo County  
4664 225 Shoreway Rd.  
4665 San Carlos, CA 94070

4666 Contact information for Contractor's Environmental Technician is as follows:

4667 Environmental Technician  
4668 Recology San Mateo County  
4669 225 Shoreway Rd.  
4670 San Carlos, CA 94070

4671 Contractor shall promptly provide Agency the name and contact information for the above  
4672 employees if there is a change during the Term.

4673 **15.09 REPRESENTATIVES OF THE PARTIES**

4674 A. **Representatives of Agency.** References in this Agreement to “Agency” shall mean  
4675 the City and all actions to be taken by Agency shall be taken by the City Council  
4676 except as provided below. The City Council may delegate authority to the City  
4677 Manager, and/or to other Agency officials and may permit such officials, in turn, to  
4678 delegate in writing some or all of such authority to subordinate officers. Contractor  
4679 may rely upon actions taken by such delegates if they are within the scope of the  
4680 authority properly delegated to them.

4681 B. **Representative of Contractor.** Contractor shall, by the Commencement Date,  
4682 designate in writing a responsible officer who shall serve as the representative of  
4683 Contractor in all matters related to the Agreement and shall inform Agency in writing  
4684 of such designation and of any limitations upon his or her authority to bind Contractor.  
4685 Agency may rely upon action taken by such designated representative as actions of  
4686 Contractor unless they are outside the scope of the authority delegated to him/her by  
4687 Contractor as communicated to Agency.

4688 **15.10 DUTY OF CONTRACTOR NOT TO DISCRIMINATE**

4689 In the performance of this Agreement Contractor shall not discriminate, nor permit any  
4690 subcontractor to discriminate, against any employee, applicant for employment, or  
4691 Customer on account of race, color, national origin, ancestry, religion, sex, age, physical  
4692 disability, medical condition, sexual orientation, marital status, or other characteristic, in  
4693 violation of any Applicable Law.

4694 **15.11 RESERVED**

4695 **15.12 RIGHT OF AGENCY TO MAKE CHANGES IN SERVICES AND SERVICE LEVELS**

4696 A. Agency may, without amending this Agreement, direct Contractor to cease  
4697 performing one or more types of service described in Articles 5 or 6, or may direct  
4698 Contractor to modify the scope of one or more such services, may direct Contractor  
4699 to perform additional Solid Waste, Targeted Recyclable Materials, Organic  
4700 Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries and Cell  
4701 Phones or Plant Materials handling services, or may otherwise direct Contractor to  
4702 modify its performance under any other Section of this Agreement. In addition,  
4703 SBWMA may, without amendment of this Agreement, direct a change in the number  
4704 of Waste Zero Specialists as provided in Section 7.04.A, or a change in Other  
4705 Services as provided in Section 7.13. Contractor shall promptly and cooperatively  
4706 comply with such direction.

4707 B. If such changes cause an increase or decrease in the cost of performing the  
4708 services, an equitable adjustment in the Contractor’s Compensation shall be made  
4709 pursuant to Section 11.08. Contractor will continue to perform the new or changed  
4710 service while the appropriate adjustment in Contractor’s Compensation is being  
4711 determined.

4712 C. The Agency shall have the right to terminate a program if, in its discretion, the  
4713 Contractor is not cost-effectively achieving the program’s goals and objectives.  
4714 Thereafter, the Agency may utilize a third party to perform these services if the



4715 Agency reasonably believes the third party can improve on Contractor's  
4716 performance and cost effectiveness. Notwithstanding these changes, Contractor  
4717 shall continue the program during the meet and confer period and, thereafter, until  
4718 the third party takes over the program. This subsection C applies to programs  
4719 initiated at Agency's direction after the Commencement Date that are beyond the  
4720 basic scope of services described in Section 4.01.A.

4721 **15.13 TRANSITION TO NEXT SERVICE PROVIDER**

4722 At the expiration of the Term or the earlier termination of the Agreement, or upon Agency's  
4723 approval of a proposed assignment, Contractor shall cooperate fully with Agency to ensure  
4724 an orderly transition to any and all new service providers. Contractor shall provide, within  
4725 ten (10) Days of a written request by Agency, then-current route lists, which identify each  
4726 Customer on the route, its service level (number of Containers, Container sizes, frequency  
4727 of Collection, scheduled Collection day), any special Collection notes, and detailed then-  
4728 current Customer account and Billing information. Contractor may, but is not required to,  
4729 sell Collection vehicles and Containers to the next service provider.

4730 Contractor shall upon Agency request, at least one-hundred-eighty (180) Days prior to the  
4731 transition of services, attend meetings with the next service provider and with Agency and  
4732 SBWMA staff and consultants to plan the recovery of Contractor's Containers and  
4733 placement of the new Containers. Contractor shall perform in accordance with such plan  
4734 and direct route supervisors to provide "ride-alongs" so that the new service provider's  
4735 employees may ride with drivers in Collection vehicles during Collection operations.  
4736 Contractor shall direct its drivers and other employees to provide accurate information to  
4737 the new provider about routing and Customers.

4738 **15.14 REPORTS AS PUBLIC RECORDS**

4739 The reports, records, and other information submitted or required to be submitted by  
4740 Contractor to Agency (and documents copied pursuant to Section 9.02) are public records  
4741 within the meaning of that term in the California Public Records Act, Government Code  
4742 Section 6250 *et seq.* Unless a particular record is exempted from disclosure by the  
4743 California Public Records Act, it must be disclosed to the public by Agency upon request.

4744 Contractor will not object to Agency making available to the public any information  
4745 submitted by the Contractor, or required to be submitted in connection with the  
4746 Contractor's Compensation, including but not limited to records described in Article 11.

4747

4748  
4749

## **ARTICLE 16**

### **MISCELLANEOUS PROVISIONS**

---

4750 **16.01 GOVERNING LAW**

4751 This Agreement shall be governed by, and construed and enforced in accordance with,  
4752 the laws of the State of California.

4753 **16.02 JURISDICTION**

4754 Any lawsuits between the Parties arising out of this Agreement shall be brought and  
4755 concluded in the courts of the State of California, which shall have exclusive jurisdiction  
4756 over such lawsuits. With respect to venue, the Parties agree that this Agreement is made  
4757 in and will be performed in San Mateo County.

4758 **16.03 BINDING ON SUCCESSORS**

4759 The provisions of this Agreement shall inure to the benefit of and be binding on the  
4760 successors and permitted assigns of the Parties.

4761 **16.04 PARTIES IN INTEREST**

4762 Nothing in this Agreement is intended to confer any rights on any Persons other than the  
4763 Parties to it and their permitted successors and assigns.

4764 **16.05 WAIVER**

4765 The waiver by either Party of any breach or violation of any provisions of this Agreement  
4766 shall not be deemed to be a waiver of any breach or violation of any other provision nor of  
4767 any subsequent breach or violation of the same or any other provision.

4768 **16.06 ATTACHMENTS**

4769 Each of the attachments, identified as Attachments "A" through "S," is attached hereto and  
4770 incorporated herein and made a part hereof by this reference.

4771 **16.07 ENTIRE AGREEMENT**

4772 This Agreement, including the attachments, represents the full and entire agreement  
4773 between the Parties with respect to the matters covered herein and supersedes all prior  
4774 negotiations and agreements, either written or oral.

4775 **16.08 SECTION HEADINGS**

4776 The article headings and section headings in this Agreement are for convenience of  
4777 reference only and are not intended to be used in the construction of this Agreement nor  
4778 to alter or affect any of its provisions.

4779 **16.09 INTERPRETATION**

4780 This Agreement shall be interpreted and construed reasonably and neither for nor against  
4781 either Party, regardless of the degree to which either Party participated in its drafting.

4782 **16.10 AMENDMENT**

4783 This Agreement may not be modified or amended in any respect except by a writing signed  
4784 by the Parties.

4785 **16.11 SEVERABILITY**

4786 If a court of competent jurisdiction holds any non-material provision of this Agreement to  
4787 be invalid and unenforceable, the invalidity or unenforceability of such provision shall not  
4788 affect any of the remaining provisions of this Agreement which shall be enforced as if such  
4789 invalid or unenforceable provision had not been contained herein.

4790 **16.12 COSTS AND ATTORNEYS' FEES**

4791 The prevailing Party in any action brought to enforce the terms of this Agreement or arising  
4792 out of this Agreement may recover its reasonable costs expended in connection with such  
4793 an action from the other Party, not to exceed \$50,000.

4794 **16.13 NO DAMAGES FOR INVALIDATION OF AGREEMENT**

4795 If a final judgment of a court of competent jurisdiction determines that this Agreement is  
4796 illegal or was unlawfully entered into by Agency, neither Party shall have any claim against  
4797 the other for damages of any kind (including but not limited to loss of profits) on any theory.

4798 **16.14 REFERENCES TO LAWS**

4799 All references in this Agreement to laws and regulations shall be understood to include  
4800 such laws and regulations as they may be subsequently amended or recodified, unless  
4801 otherwise specifically provided. In addition, references to specific governmental agencies  
4802 shall be understood to include agencies that succeed to or assume the functions they are  
4803 currently performing.

4804 **16.15 INDEMNITY AGAINST CHALLENGES TO AGREEMENT**

4805 Contractor shall indemnify, defend, and hold harmless SBWMA, Agency, and its and their  
4806 officers, employees, and agents (collectively, the "Indemnitees") from and against any and  
4807 all liability, claim, demand, action, proceeding, or suit of any and every kind and description  
4808 brought by a third party challenging the process by which proposals were solicited and  
4809 evaluated, or this Agreement was negotiated or awarded to the extent that such liability,  
4810 claim, demand, action, proceeding, or suit was caused by Contractor's failure to comply  
4811 with Applicable Law or the instructions of any indemnitee with respect to such process.

4812 **16.16 DISPUTE RESOLUTION**

4813 Should any dispute between the Parties arise out of this Agreement and should the Parties  
4814 be unable to resolve the issue, the Parties shall, at the written request of either Party, meet  
4815 in mediation and attempt to reach a resolution with the assistance of a mutually acceptable  
4816 mediator. Neither Party shall be permitted to file legal action without first meeting in  
4817 mediation and making a good faith attempt to reach a mediated resolution, provided that  
4818 this limitation shall not apply to a Party if the other Party fails to comply with this section.  
4819 The costs of the mediator, if any, shall be paid equally by the Parties. If a mediated  
4820 settlement is reached, neither Party shall be deemed the prevailing Party for purposes of  
4821 the settlement and each Party shall bear its own legal costs. The mediation shall be  
4822 completed within sixty (60) days of the written request of a Party for mediation unless both  
4823 Parties agree to extend this timeframe. If litigation is filed regarding any dispute arising  
4824 under this Agreement, the action shall be filed in San Mateo County Superior Court and  
4825 the court shall award reasonable attorney's fees and costs to the prevailing Party. To the  
4826 maximum extent permitted by law, all offers, promises, conduct and statements, whether  
4827 oral or written, made in the course of the mediation by any of the Parties, their agents,  
4828 employees, experts or attorneys, or by the mediator or any employees of the mediation

4829 service, are confidential, privileged and inadmissible for any purpose, including  
4830 impeachment, in any arbitration or other proceeding involving the Parties, provided that  
4831 evidence that is otherwise admissible or discoverable shall not be rendered inadmissible  
4832 or non-discoverable as a result of its use in the mediation. All applicable statutes of  
4833 limitation and defenses based upon the passage of time shall be tolled until the end of the  
4834 sixty (60) day period referred to above. The Parties will take such action, if any, required  
4835 to effectuate such tolling.

4836  
4837

4838

LAST PAGE OF AGREEMENT

4839  
4840


IN WITNESS WHEREOF, Agency and Contractor have executed this Contract as of the day and year first above written.


4841  
4842  
4843

CITY OF BELMONT

RECOLOGY SAN MATEO COUNTY

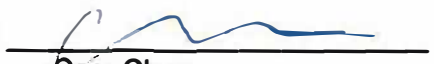
4844  
4845  
4846

By:   
Afshin Oskoui  
City Manager

By:   
Michael J. Sangiacomo  
President and CEO

4847  
4848  
4849

ATTEST:   
Terri Cook  
City Clerk

By:   
Cary Chen  
Secretary

4850

APPROVED AS TO FORM:

**Recology**  
Reviewed by:  
  
Legal

4851  
4852

  
Scott Rennie, City Attorney

4853

---

4854  
4855  
4856  
4857  
4858  
4859

1 **ATTACHMENT A**  
2 **DEFINITIONS**

3 Unless the context otherwise requires, capitalized terms used in this Agreement will have the  
4 meanings specified in this Article.

5 **2009 Franchise Agreement**

6 "2009 Franchise Agreement" means the exclusive franchise agreement between Agency and  
7 Recology San Mateo County for Solid Waste, Recyclable Materials, and Organic Materials  
8 Collection Services for services provided over a ten-year (10-year) period from January 1, 2011  
9 through December 31, 2020, as amended through 2013.

10 **AB 341**

11 "AB 341" means the California Jobs and Recycling Act of 2011 (Chapter 476, Statutes of 2011  
12 [Chesbro, AB 341]), also commonly referred to as "AB 341", as amended, supplemented,  
13 superseded, and replaced from time to time. Of particular significance to the Collection services  
14 provided under the terms of this Agreement, AB 341 requires businesses and Multi-Family  
15 properties to Recycle.

16 **AB 1826**

17 "AB 1826" means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014  
18 [Chesbro, AB 1826]), also commonly referred to as "AB 1826", as amended, supplemented,  
19 superseded, and replaced from time to time. Of particular significance to the Collection services  
20 provided under the terms of this Agreement, AB 1826 specifies Organic Materials Recycling  
21 requirements for businesses and Multi-family Properties, phased in through 2020.

22 **Act**

23 "Act" means the California Integrated Waste Management Act of 1989 (AB 939) Public Resources  
24 Code, Section 40000 et seq. as currently in force or as hereafter amended.

25 **Affiliate**

26 "Affiliate" means a Person which is related to Contractor by virtue of direct or indirect ownership  
27 interest or common management. An Affiliate includes a Person in which Contractor owns a  
28 direct or indirect ownership interest, a Person which has a direct or indirect ownership interest in  
29 Contractor and/or a Person which is also owned, controlled or managed by any Person or  
30 individual which has a direct or indirect ownership interest in Contractor.

31 **Agency**

32 "Agency" means the City of Belmont.

33 **Agency Manager**

34 "Agency Manager" means Agency's City Manager, as designated by Agency.

35 **Agreement**

36 "Agreement" means this Amended and Restated Franchise Agreement, including the  
37 attachments.  
38

39 **Annual Index Change**

40  
41 “Annual Index Change” in a given index means the average value of the index for the 12-month  
42 period ending April of the then-current Rate Year, minus the average value of the index for the  
43 12-month period ending April of the most-recently-completed Rate Year, divided by the average  
44 value of the index for the 12-month period ending April of the most-recently completed Rate Year.  
45 The Annual Index Change shall be rounded to the nearest thousandth. The Annual Index Change  
46 may have a positive or negative value.

47 **Applicable Law**

48 “Applicable Law” means all federal, State, and local laws, regulations, ordinances, rules, orders,  
49 judgments, decrees, permits, approvals, or other requirements of any governmental agency  
50 having jurisdiction over the Collection, transportation, Processing, and Disposal of Solid Waste,  
51 Targeted Recyclable Materials, Organic Materials and other materials Collected pursuant to this  
52 Agreement that are in force on January 1, 2011 and as they may be enacted, issued, or amended  
53 during the Term.

54 **Application**

55 “Application” means the application prepared and submitted by Contractor for determination of  
56 Contractor’s Compensation for the following Rate Year.

57 **Authority**

58 “Authority” means the South Bayside Waste Management Authority or “SBWMA.”

59 **Average Hold Time**

60 “Average Hold Time” means the sum of all call Hold Times divided by the number of calls  
61 answered by the agent or queue of agents over the same time interval.

62 **Average Speed of Answer**

63 “Average Speed of Answer” means the sum of time Customers wait for their calls to be answered  
64 after the call is queued (upon completion of the introductory voicemail message(s) or Customer  
65 bypassing the message(s)) divided by the total number of calls received over the same time  
66 interval.

67 **Backyard Collection Service**

68 “Backyard Collection Service” means the provision of Collection Service to a SFD in the rear or  
69 side Premises.

70 **Billings**

71 “Billings” or “Bills” means statements of charges for services rendered by Contractor, to Owners  
72 or Occupants of property, including Residential and Commercial Premises, for the Collection of  
73 Solid Waste, Targeted Recyclable Materials, Organic Materials, and other materials Collected  
74 pursuant to this Agreement.

75 **Bin**

76 “Bin” means a metal Container with capacity of approximately one (1) to six (6) cubic yards, with  
77 a hinged lid, with or without wheels, typically serviced by a front-loading Collection vehicle.

78 **Bulky Items**

79 "Bulky Items" means large items including, but not limited to, Major Appliances, furniture, tires  
80 (with rims removed), carpets, mattresses, and other oversize materials whose large size  
81 precludes or complicates their handling by normal Collection. Bulky Items do not include  
82 abandoned automobiles, large auto parts, or trees.

83 **Bulky Item Collection**

84 "Bulky Item Collection" means the Collection of Bulky Items pursuant to the requirements of this  
85 Agreement.

86 **Business Days**

87 "Business Days" means days (i.e., Monday through Friday) during which Contractor's office is  
88 open to do business with the public.

89 **Cart**

90 "Cart" means a plastic Container with a hinged lid and two wheels that is serviced by an automated  
91 or semi-automated Collection vehicle. A Cart has capacity of 20, 30, 60, or 90 gallons (or similar  
92 volumes specified in Attachment D).

93 **Cell Phones**

94 "Cell Phones" means all telephones used for mobile or cellular communications including batteries  
95 used to power cell phones.

96 **Change in Law**

97 "Change in Law" means any of the following events or conditions which has a material and  
98 adverse effect on the performance by the Parties of their respective obligations under this  
99 Agreement:

- 100 a. The enactment, adoption, promulgation, issuance, modification, or written change in  
101 administrative or judicial interpretation on or after January 1, 2011 of any Applicable Law;  
102 or
- 103 b. The order or judgment of any governmental body, on or after January 1, 2011, to the extent  
104 such order or judgment is not the result of willful or negligent action, error or omission or  
105 lack of reasonable diligence of the Agency, or of the Contractor, whichever is asserting  
106 the occurrence of a Change in Law; provided, however, that the contesting in good faith  
107 or the failure in good faith to contest any such order or judgment shall not constitute such  
108 a willful or negligent action, error or omission or lack of reasonable diligence.

109 **Collect/Collection**

110 "Collect" or "Collection" means to take physical possession, transport, and remove Solid Waste,  
111 Targeted Recyclable Materials, Organic Materials, or other materials pursuant to this Agreement  
112 within and from Agency.

113 **Collection Container**

114 "Collection Container" means any Container provided by Contractor to store and Collect Solid  
115 Waste, Targeted Recyclable Materials, Organics, or any other material targeted for Collection by  
116 Contractor or subcontractor of Contractor.



117 **Commencement Date**

118 "Commencement Date" means the date specified in Section 3.01 when the Contractor is to begin  
119 providing services under the terms and conditions of this Agreement.

120 **Commercial**

121 "Commercial" means a business activity including, but not limited to, retail sales, wholesale sales,  
122 services, research and development, government, education, non-profit, hospital, manufacturing,  
123 institutional and industrial operations, but excluding businesses conducted upon Residential  
124 Property which are permitted under applicable zoning regulations and are not the primary use of  
125 the property. Commercial Collection includes service provided to Multi-Family Dwelling  
126 Customers and Agency Facilities.

127 **Commercial Diversion Level**

128 "Commercial Diversion Level" means the sum of all Commercial Recyclable Materials Collected  
129 by Contractor divided by the sum of all Commercial materials Collected by Contractor. For the  
130 purposes of this definition, Recyclable Materials Collected shall include the sum of Targeted  
131 Recyclable Materials, Other Recyclable Materials, and Organic Materials Collected, without  
132 adjusting for Contamination. Materials Collected from Mixed Use Buildings shall be included in  
133 the calculation of the Commercial Diversion Level to the extent materials from such Customers  
134 are combined during Collection with materials from Commercial Premises.

135 **Commingle**

136 "Commingle" means to mix, mingle, or combine Targeted Recyclable Materials in a Collection  
137 Container.

138 **Community Event**

139 "Community Event" means Agency-sponsored or other community events that are one (1) or two  
140 (2) days in duration and have up to ten thousand (10,000) attendees per day. Community Events  
141 may include "large events" as defined in the Act (Public Resources Code Section 42648).

142 **Compactor**

143 "Compactor" means a mechanical apparatus that compresses materials and/or the Container that  
144 holds the compressed materials. Compactors include Bin compactors of any size serviced by  
145 front-loading Collection vehicles and Drop Box compactors of any size serviced by Drop Box  
146 Collection vehicles.

147 **Complaint**

148 "Complaint" means written or orally communicated statements made by members of the public,  
149 Customers, Owners, or Occupants of properties served by Contractor, by officers, employees or  
150 agents of Agency or SBWMA alleging non-performance of, or deficiencies in Contractor's  
151 performance of, its duties under this Agreement, or a violation by Contractor of this Agreement.

152 **Construction and Demolition Debris or C&D**

153 "Construction and Demolition Debris" and "C&D" means materials resulting from construction,  
154 renovation, remodeling, repair, or demolition operations on any Residential, Commercial or other  
155 structure or pavement.

156 **Container**

157 "Container" means any receptacle used for storage of Solid Waste, Targeted Recyclable  
158 Materials, Organic Materials and other materials Collected pursuant to this Agreement including,  
159 but not limited to, metal or plastic cans, Carts, Bins, tubs, Kitchen Pails, and Drop Boxes.

160 **Container Relocation Service**

161 "Container Relocation Service" means service rendered by Contractor for any Customer that  
162 requires relocation of their Collection Container(s) each service day to a location that is  
163 serviceable by the Contractor's regular Collection vehicles, and that requires Contractor to  
164 dispatch a secondary vehicle to relocate the Customer's Collection Container(s) to a serviceable  
165 location.

166 **Contamination**

167 "Contamination" means (i) all materials other than those defined as Targeted Recyclable Materials  
168 that were Collected by Contractor with Single-Stream or Source Separated Targeted Recyclable  
169 Materials; (ii) all materials other than those defined as Plant Materials Collected by Contractor  
170 with Plant Materials; or (iii) all materials other than those defined as Organic Materials Collected  
171 by Contractor with Organic Materials.

172 **Contamination Level**

173 "Contamination Level" means the percentage of Contamination in the Targeted Recyclable  
174 Materials, Plant Materials, or Organic Materials Collected by Contractor, which shall be calculated  
175 as the Tonnage of Contaminated Material or residual divided by the Tonnage of all the specific  
176 material Collected.

177 **Contamination Measurement Procedure**

178 "Contamination Measurement Procedure" means the procedure the SBWMA will use to determine  
179 the Contamination Level of loads of Targeted Recyclable Materials, Plant Materials, or Organic  
180 Materials Collected by Contractor and delivered to the Designated Transfer and Processing  
181 Facility.

182 **Contractor**

183 "Contractor" means Recology San Mateo County.

184 **Contractor's Compensation**

185 "Contractor's Compensation" means the monetary compensation owed to Contractor in return for  
186 providing services in accordance with this Agreement as described in Article 11.

187 **Contractor Pass-Through Costs**

188 "Contractor Pass-Through Costs" means regulatory agency fees, interest expense, Member  
189 Agency-specific changes to the Agreement, and Cap Carry Forward amounts, as described under  
190 the heading "Contractor Pass-Through Costs" on Attachment N.

191 **County**

192 "County" means the County of San Mateo.

193 **Curbside**

194 "Curbside" means the location for Collection, where Collection Containers or loose materials are  
195 placed on the street or alley against the face of the curb, or, where no curb exists, placed not  
196 more than five (5) feet from the outside edge of the street or alley.

197 **Customer**

198 "Customer" means the Person to whom Contractor (or Agency if Agency bills directly) submits  
199 billing invoices for Collection services provided to a Premises. The Customer may be the  
200 Occupant or Owner of the Premises provided that the Owner of the Premises shall be responsible  
201 for payment of Collection services if an Occupant of the Premises fails to make such payment.

202 **Day**

203 "Day" means calendar day unless otherwise specified.

204 **Designated Transfer and Processing Facility**

205 "Designated Transfer and Processing Facility" means the Shoreway Recycling and Disposal  
206 Center or "SRDC" at 225 and 333 Shoreway Road, San Carlos, California, which is owned by  
207 SBWMA.

208 **Designated Waste**

209 "Designated Waste" means non-Hazardous Waste which may pose special Disposal problems  
210 because of its potential to contaminate the environment and which may be disposed of only in  
211 Class II Disposal Sites or Class III Disposal Sites pursuant to a variance issued by the California  
212 Department of Health Services. Designated Waste consists of those substances classified as  
213 Designated Waste in California Code of Regulations Title 23, Section 2522.

214 **Discarded Material**

215 "Discarded Material" means Solid Waste, Targeted Recyclable Materials, and Organic Materials  
216 placed by a Generator in a Container and/or at a location that is designated for Collection pursuant  
217 to the Agency's Municipal Code. Discarded Material shall become the property of Contractor  
218 pursuant to California Public Resources Code Section 41950 until delivery to the Designated  
219 Transfer and Processing Facility.

220 **Disposal**

221 "Disposal" means the ultimate disposition of Solid Waste Collected at a Disposal Site.

222 **Designated Disposal Site**

223 "Designated Disposal Site" means the facility or facilities utilized for the landfill Disposal of Solid  
224 Waste Collected under the terms of this Agreement.

225 **Drop Box**

226 "Drop Box" means an open-top Container with a typical capacity of twenty (20) to forty (40) cubic  
227 yards that is serviced by a Drop Box or roll-off Collection vehicle. Drop boxes that contain  
228 putrescible solid waste require a lid. Drop Boxes are also referred to as Debris Boxes.

229 **Effective Date**

230 "Effective Date" means the date identified in Section 3.01 when this Agreement becomes binding  
231 and enforceable.

232 **Electronic Waste (or E-Scrap)**

233 "Electronic Waste" or "E-Scrap" means "Covered Electronic Wastes" as defined in the Act  
234 (Section 42463 of Public Resources Code) in addition to discarded electronic equipment such as,  
235 but not limited to, television sets, computer monitors, central processing units (CPUs), laptop  
236 computers, and peripherals (e.g., external computer hard drives, computer keyboards, computer  
237 mice, and computer printers). E-Scrap does not include those items defined herein as Targeted  
238 Recyclable Materials.

239 **Environmental Laws**

240 "Environmental Laws" means all federal and State statutes, County, and Agency ordinances  
241 concerning public health, safety and the environment including, by way of example and not  
242 limitation, the Act, the Comprehensive Environmental Response, Compensation and Liability Act  
243 of 1980, 42 USC §9601 et seq.; the Resource Conservation and Recovery Act, 42 USC §6902 et  
244 seq.; the Federal Clean Water Act, 33 USC §1251 et seq.; the Toxic Substances Control Act, 15  
245 USC §1601 et seq.; the Occupational Safety and Health Act, 29 USC §651 et seq.; the California  
246 Hazardous Waste Control Act, California Health and Safety Code §25100 et seq.; the California  
247 Toxic Substances Control Act, California Health and Safety Code §25300 et seq.; the Porter-  
248 Cologne Water Quality Control Act, California Water Code §13000 et seq.; the Safe Drinking  
249 Water and Toxic Enforcement Act, California Health and Safety Code §25249.5 et seq.; as  
250 currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

251 **Facility/Facilities**

252 "Facility/Facilities" means any plant or site, owned or leased and maintained, operated or used  
253 by Contractor for purposes of performing Contractor's obligations under this Agreement (e.g.,  
254 facilities for parking and maintaining vehicles, administration offices, and customer service offices,  
255 etc.). As of the Effective Date, Contractor's Facility(ies) are Shoreway Recycling and Disposal  
256 Center at 225 Shoreway Road, San Carlos, California.

257 **Fiscal Year**

258 "Fiscal Year" means the period commencing July 1 through June 30 each year.

259 **Food Scraps**

260 "Food Scraps" means a subset of Organic Materials including: (i) all kitchen and table food waste,  
261 and animal, or vegetable fruit, grain, dairy or fish waste that attends or results from the storage,  
262 preparation, cooking or handling of foodstuffs, with the exception of animal excrement, (ii) paper  
263 waste contaminated with putrescible material, and (iii) biodegradable BPI-certified<sup>1</sup> plastic food  
264 service ware (where BPI refers to the Biodegradable Products Institute and more information can  
265 be found at <http://www.bpiworld.org/science-of-composting>).

266 **Franchise Fee**

267 "Franchise Fee" means the fee paid by Contractor to Agency pursuant to Section 10.02.

268 **Generator**

269 "Generator" means any Person whose act or process produces Solid Waste, Targeted Recyclable  
270 Materials, or Organic Materials, or whose act first causes Solid Waste to become subject to  
271 regulation.

272 **Gross Revenue Billed**

273 "Gross Revenue Billed" means the total revenue recognized per generally accepted accounting  
274 principles by the Contractor for all services provided to Customers during the Rate Year in  
275 question. Revenues may be billed by the Contractor to Customers or may be billed by Agency to  
276 Customers.

277 **Guarantor**

278 "Guarantor" means Recology Inc.

279 **Guaranty**

280 "Guaranty" means the agreement to be executed by the Guarantor in the form of Attachment G.

281 **Hazardous Substance**

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

297 **Hazardous Waste**

298 "Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous  
299 Waste, or extremely Hazardous Waste by the State in Health and Safety Code §25110.02,  
300 §25115, and §25117 or in any future amendments to or recodifications of such statutes or  
301 identified and listed as Hazardous Waste by the US Environmental Protection Agency (EPA),  
302 pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all  
303 future amendments thereto, and all rules and regulations promulgated there under.

304 **Hold Time**

305 "Hold Time" means the amount of time per answered call that a Customer service agent (or  
306 agents) place a call on hold, plus the amount of time a call is left unanswered after Contractor's  
307 introductory voicemail message(s) is ended either by completion of the message(s) or by the  
308 Customer bypassing the message.

309 **Holidays**

310 “Holidays” for the purposes of Collection service means New Year’s Day and Christmas Day.  
311 Holidays for the purposes of local office operations means New Year’s Day, Martin Luther King  
312 Jr. Day, President’s Day, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving  
313 Day, and Christmas Day. When a Holiday falls on a Saturday, it may be observed on the Friday  
314 prior to the Holiday. When a Holiday falls on a Sunday may be observed on the Monday following  
315 the Holiday.

316 **Holiday Collection Schedule**

317 “Holiday Collection Schedule” means the modified Collection service schedule due to a  
318 recognized Holiday for Collection service. If a Collection service Holiday falls on Monday,  
319 Tuesday, Wednesday, Thursday, or Friday, the service shall be provided the immediately  
320 following Day. When a Holiday falls on a Saturday, it may be observed on the Friday prior to the  
321 Holiday. When a Holiday falls on a Sunday, it may be observed on the Monday following the  
322 Holiday.

323 **Holiday Trees**

324 “Holiday Trees” means trees targeted for diversion that were purchased and used in celebration  
325 of Christmas and other holidays in December and January.

326 **Household Batteries**

327 “Household Batteries” means disposable or rechargeable dry cells (e.g., A, AA, AAA, B, C, D, 9-  
328 volt, button-type) commonly used as power sources for household or consumer products  
329 including, but not limited to, nickel-cadmium, nickel metal hydride, alkaline, mercury, mercuric  
330 oxide, silver oxide, zinc oxide, nickel-zinc, nickel iron, lithium, lithium ion, magnesium,  
331 manganese, and carbon-zinc batteries, but excluding automotive lead acid batteries.

332 **Household Hazardous Waste**

333 “Household Hazardous Waste” means Hazardous Waste generated at Residential Premises.  
334 Household Hazardous Waste does not include those items defined as Targeted Recyclable  
335 Materials.

336 **Including**

337 “Including” means including but not limited to.

338 **Infectious Waste**

339 “Infectious Waste” means biomedical waste generated at hospitals, public or private medical  
340 clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries,  
341 veterinary facilities, and other similar establishments that are identified in State Health and Safety  
342 Code Section 25117.5.

343 **Inquiry**

344 “Inquiry” means a written or orally communicated request for information, request for Collection  
345 services, or request for change in service level made by members of the public, Customers,  
346 Owners, or Occupants of properties served by Contractor, or by officers, employees or agents of  
347 Agency or SBWMA.

348 **Kitchen Pail**

349 "Kitchen Pail" means a receptacle suitable for the storage of Food Scraps that has a capacity of  
350 1.5 to 2.5 gallons, a wire or plastic handle, and a lid.

351 **Line of Business**

352 "Line of Business" means the individual types of Collection service provided by Contractor to each  
353 Service Sector, including Recyclable Materials Collection service, Organic Materials Collection  
354 service, and Solid Waste Collection service.

355 **Liquidated Damages**

356 "Liquidated Damages" means the amounts owed by Contractor to the Agency for failure to meet  
357 specific standards of performance as described in Section 14.07.

358 **Long Distance Service**

359 "Long Distance Service" means service rendered at a Premises each service day by Contractor  
360 in which route personnel manually push or pull a wheeled Container more than fifty (50) feet from  
361 its storage location to a serviceable location and then return the Container to its storage location.

362 **Major Appliances**

363 "Major Appliances" means any device including, but not limited to, washing machines, clothes  
364 dryer, hot water heaters, dehumidifiers, conventional ovens, microwave ovens, stoves,  
365 refrigerators, freezers, air-conditioners, trash compactors, and residential furnaces discarded by  
366 Customers. Major Appliances are commonly referred to as White Goods.

367 **Maximum Rate**

368 "Maximum Rate" means the highest Rate Contractor may charge customers for a particular  
369 service, as determined in accordance with this Agreement.

370 **Materials Recovery Facility (MRF)**

371 "Materials Recovery Facility" means a permitted facility where Solid Waste, Targeted Recyclable  
372 Materials, Organic Materials, and other materials are processed, sorted or separated for the  
373 purposes of recovering reusable or Targeted Recyclable Materials. For the purposes of this  
374 Agreement, Agency has designated the Shoreway Recycling and Disposal Center, located at 225  
375 and 333 Shoreway Road, San Carlos, CA, owned by the SBWMA, as its Designated Transfer and  
376 Processing Facility.

377 **Measured Contamination Level**

378 "Measured Contamination Level" means the Contamination Level of the Targeted Recyclable  
379 Materials, Plant Materials, and Organic Materials delivered by Contractor to the Designated  
380 Transfer and Processing Facility determined in accordance with procedures contained in  
381 Attachment E.

382 **Member Agencies**

383 "Member Agencies" means the following jurisdictions: the cities of Belmont, Burlingame, East  
384 Palo Alto, Foster City, Menlo Park, Redwood City, San Carlos, and San Mateo; the towns of  
385 Atherton and Hillsborough; the County of San Mateo; and the West Bay Sanitary District.

386 **Member Agency Facilities**

387 “Member Agency Facilities” or “Agency Facilities” means any building, site, or open space, owned,  
388 or leased and maintained, operated or used by a Member Agency.

389 **Missed Pick-Up Collection Event**

390 “Missed Pick-Up Collection Event” means events whereby Contractor failed to Collect Solid  
391 Waste, Targeted Recyclable Materials, and Organic Materials on or before the Business Day  
392 following Contractor’s receipt of the Missed Pick-Up Initial Complaint. The only exceptions to this  
393 definition include: Missed Pick-Up Initial Complaints for which Contractor: (i) documented in its  
394 Customer service system the Customer’s failure to properly set out Container or that the  
395 Containers were blocked for Collection based on the route driver’s report; and, (ii) coded the call  
396 for a recollection request or courtesy pick-up prior to receiving a Missed Pick-Up Initial Complaint.

397 **Missed Pick-Up Initial Complaint**

398 “Missed Pick-Up Initial Complaint” means Complaints received by Contractor, Agency, or SBWMA  
399 for missed pick-up of Solid Waste, Targeted Recyclable Materials, and Organic Materials with the  
400 exception of Missed Pick-Up Complaints for which Contractor: (i) documented in its Customer  
401 service system the Customer’s failure to properly set out Container or that the Containers were  
402 blocked for Collection based on the route driver’s report; and, (ii) coded the call for a recollection  
403 request or courtesy pick-up prior to receiving a Missed Pick-Up Complaint on that same Day.

404 **Mixed Use Building or Mixed Use**

405 “Mixed Use Building” or “Mixed Use” means a Premises containing five (5) or more individual  
406 Residential Premises (dwelling units) and one (1) or more Commercial units.

407 **Multi-Family, Multi-Family Dwelling, or MFD**

408 “Multi-Family,” “Multi-Family Dwelling”, or “MFD” means an individual Residential Premises in a  
409 building that contains five (5) or more individual Residential Premises.

410 **Multi-Family Residential Complex or Multi-Family Premises**

411 “Multi-Family Residential Complex” or “Multi-Family Premises” means the building(s) containing  
412 five (5) or more individual Residential Premises. Such Premises normally have centralized Solid  
413 Waste and Targeted Recyclable Materials Collection service for all units in the building and are  
414 billed to one address (typically the Owner or property manager).

415 **Net Revenue Billed**

416 “Net Revenue Billed” means the amount determined in accordance with Attachment K, Section  
417 10.

418 **Occupant**

419 “Occupant” means a Person who occupies a Premises.

420 **On-Call Service**

421 “On-Call Service” means Collection service provided by Contractor that is not regularly scheduled  
422 or is scheduled more than twenty-four (24) hours in advance. On-Call Service is initiated by  
423 Customer or Owner by calling, emailing, or requesting the service in person at Contractor’s office.



424 **Operating Cost**

425 "Operating Cost" or "Cost of Operations" means those costs actually incurred by Contractor,  
426 reasonably necessary to perform under this Agreement, and not otherwise specifically excluded  
427 in this Agreement.

428 **Operating Ratio**

429 "Operating Ratio" means a factor used in the calculation of profit. Contractor's profit is determined  
430 by applying the Operating Ratio of ninety and one-half percent (90.5%) as described in Table 2  
431 of Section 11.04 .

432 **Operator**

433 "Operator" means the company contracted by the SBWMA to operate the Designated Transfer  
434 and Processing Facility.

435 **Organic Materials**

436 "Organic Materials" means those materials that will decompose and/or putrefy and that the  
437 Agency permits, directs, or requires Generators to separate from Solid Waste and Targeted  
438 Recyclable Materials for Collection in specially designated Containers for Organic Materials  
439 Collection. Organic Materials include Plant Materials, Food Scraps, paper contaminated with  
440 Food Scraps, biodegradable plastic food service ware, pieces of unpainted and untreated wood,  
441 and pieces of unpainted and untreated wallboard. No Discarded Material shall be considered  
442 Organic Materials, unless such material is separated from Solid Waste and Targeted Recyclable  
443 Material.

444 **Other Pass-Through Costs**

445 "Other Pass-Through Costs" means Member Agency Franchise Fees and other fees which are  
446 paid to each Member Agency, and fees paid by Contractor to SBWMA for processing and  
447 Disposal (including transfer) of materials delivered by Contractor to the Designated Transfer and  
448 Processing Facility.

449 **Other Recyclable Material**

450 "Other Recyclable Material" means a subset of Recyclable Materials that are Collected which  
451 include, but are not limited to: Household Batteries, Cell Phones, Used Motor Oil, Used Motor Oil  
452 Filters, Bulky Items that are Recycled, Major Appliances, E-Scrap, and U-Waste. The purpose of  
453 differentiating Other Recyclable Material is to describe a category used to calculate the Overall  
454 Diversion Level as specified in Attachment I.

455 **Overage**

456 "Overage" means the amount of Solid Waste placed in or adjacent to a Collection Container that  
457 is in excess of the Container capacity.

458 **Overall Diversion Level**

459 "Overall Diversion Level" means the sum of all Recyclable Materials Collected by Contractor  
460 divided by the sum of all materials Collected by Contractor in a Rate Year. For the purposes of  
461 this definition, Recyclable Materials Collected shall include the sum of Targeted Recyclable  
462 Materials, Other Recyclable Materials, and Organic Materials Collected, without adjusting for  
463 Contamination.

464 **Owner**

465 "Owner" means the Person holding legal title to the real property constituting the Premises to  
466 which Solid Waste, Targeted Recyclable Materials, and/or Organic Materials Collection service is  
467 provided.

468 **Party(ies)**

469 "Party(ies)" refers to the Agency and Contractor, individually or together.

470 **Pass-Through Cost**

471 "Pass-Through Cost" means a cost to which no element of overhead, administrative expense, or  
472 profit, is added, such that the specific amount of such cost is included without modification in the  
473 calculations or reports prepared in implementing this Agreement.

474 **Person**

475 "Person" means any individual, firm, company, association, organization, partnership,  
476 corporation, trust, joint venture, the United States, the State, the County, towns, cities, or special  
477 purpose districts.

478 **Plant Materials**

479 "Plant Materials" means a subset of Organic Materials consisting of grass cuttings, weeds, leaves,  
480 prunings, branches, dead plants, brush, tree trimmings, dead trees (not more than six (6) inches  
481 in diameter) and five (5) feet in length, and similar materials generated at Premises, separated  
482 and set out for Collection. Plant Materials does not include materials not normally produced from  
483 gardens or landscape areas, such as, brick, rock, gravel, large quantities of dirt, concrete, sod,  
484 non-organic wastes, oil, and painted or treated wood products. Diseased plants and trees may be  
485 excluded from Plant Materials upon mutual consent of Agency and Contractor.

486 **Premises**

487 "Premises" means any land or building where Solid Waste, Recyclable Materials, or Organic  
488 Materials is generated or accumulated.

489 **Previous Contractor**

490 "Previous Contractor" means Allied Waste Services of San Mateo County, a division of Republic  
491 Services, Inc., which provided Collection services through December 31, 2010.

492 **Rates**

493 "Rates" means the monetary amounts to be charged a Customer by Contractor for providing  
494 Collection of Solid Waste, Recyclable Materials, Organic Materials, and other materials.

495 **Rate Year**

496 "Rate Year" means the twelve-month (12-month) period, commencing January 1 of one year and  
497 concluding December 31 of the same year, for which Contractor's Compensation is calculated.  
498 For purposes of this Agreement, Rate Years are numbered consecutively starting with Rate  
499 Period Eleven (January 1, 2021 to December 31, 2021), thus reflecting a continuation of Rate  
500 Years One through Ten from the 2009 Franchise Agreement.

501 **Recycling**

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

505 **Recycling Blitz**

506 "Recycling Blitz" means a Contractor outreach campaign, undertaken pursuant to Section 7.09,  
507 to implement or enhance Recycling or Organics Collection service at Commercial, Mixed Use,  
508 and Multi-Family Dwelling Customers.

509 **Recycling Tote-Bag**

510 "Recycling Tote-Bag" means a durable, mesh plastic bag with handles and a carrying capacity of  
511 approximately eight (8) gallons distributed to Multi-Family Dwelling Residential Premises and  
512 Multi-Family Residential complexes for personal Recycling use.

513 **Recyclable Containers**

514 "Recyclable Containers" means food and beverage packaging receptacles including but not  
515 limited to packaging that has California Redemption Value.

516 **Recyclable Materials**

517 "Recyclable Materials" means Discarded Materials that can be re-used, remanufactured,  
518 reconstituted, or Recycled.

519 **Related Party Entity**

520 "Related Party Entity" means any Affiliate which has financial transactions with Contractor  
521 pertaining to this Agreement.

522 **Residential**

523 "Residential" means of, from, or pertaining to Single-Family Dwellings, Multi-Family Residential  
524 complexes, including single-family homes, apartments, condominiums, townhouse complexes,  
525 mobile home parks, cooperative apartments, and yacht harbors and marinas where residents live  
526 aboard boats.

527 **Residential Diversion Level**

528 "Residential Diversion Level" means the sum of all Residential Recyclable Materials Collected by  
529 Contractor divided by the sum of all Residential materials Collected by Contractor. For the  
530 purposes of this definition, Recyclable Materials Collected shall include the sum of Targeted  
531 Recyclable Materials, Other Recyclable Materials, and Organic Materials Collected, without  
532 adjusting for Contamination. Materials Collected from Mixed Use Buildings shall be included in  
533 the calculation of the Residential Diversion Level to the extent materials from such Customers are  
534 combined during Collection with materials from Residential Premises.

535 **Residential Premises**

536 "Residential Premises" means individual dwelling units such as Single-Family Dwelling units,  
537 Multi-Family Dwelling units (such as townhouses, apartments, and condominiums), mobile home  
538 park dwelling units, cooperative apartments, and dwelling units at yacht harbors and marinas  
539 where residents live aboard boats.

540 **Residential Property**

541 "Residential Property" means property used for residential purposes.

542 **Residential Recyclable Materials**

543 "Residential Recyclable Materials" means Targeted Recyclable Materials Collected from both  
544 Single-Family Dwelling Customers and Multi-Family Residential Complexes.

545 **Revenue Requirement**

546 As used in Attachment K, "Revenue Requirement" means the total projected amount of revenue  
547 that must be included in determination of Agency's Rates to cover all costs associated with  
548 Contractor's Compensation, Contractor Pass-Through Costs, and Other Pass-Through Costs for  
549 a Rate Year.

550 **SB 1383**

551 "SB 1383" means the Short-lived Climate Pollutants: Methane Emissions: Dairy And Livestock:  
552 Organic Waste: Landfills Act of 2016 (Chapter 395, Statues of 2016 [Lara, SB 1383]), also  
553 commonly referred to as "SB 1383", as amended, supplemented, superseded, and replaced from  
554 time to time. Of particular significance to the Collection services provided under the terms of this  
555 Agreement, SB 1383 establishes State-wide targets for the reduction of Organic Materials  
556 Disposal.

557 **SBWMA**

558 "SBWMA" means the South Bayside Waste Management Authority, which is a joint powers  
559 authority comprised of the Member Agencies.

560 **SBWMA Service Area**

561 "SBWMA Service Area" means the service area comprised of the SBWMA's Member Agencies,  
562 which include the following: Town of Atherton, City of Belmont, City of Burlingame, City of East  
563 Palo Alto, City of Foster City, Town of Hillsborough, City of Menlo Park, City of Redwood City,  
564 City of San Carlos, City of San Mateo, sections of unincorporated San Mateo County, and West  
565 Bay Sanitary District.

566 **Service Area**

567 "Service Area" means the area within, and, if applicable, outside Agency's jurisdictional  
568 boundaries with respect to which Agency exercises franchising authority for the Collection of Solid  
569 Waste, Targeted Recyclable Materials, Organic Materials, or other materials pursuant to this  
570 Agreement.

571 **Service Day**

572 "Service Day" means Monday through Sunday excluding Holidays specified in this Attachment A  
573 for the Collection services.

574 **Service Opportunity**

575 "Service Opportunity" means each individual opportunity the Contractor has to Collect Solid  
576 Waste, Targeted Recyclable Materials, and Organic Materials from a Customer's Container which  
577 is equivalent to the required Single-Family, Multi-Family, and Commercial lifts. For example, for  
578 a Single-Family Customer with regular weekly service, Contractor has three (3) Service

579 Opportunities per week – one (1) for Solid Waste Collection, one (1) for Targeted Recyclable  
580 Materials, and one (1) for Organic Materials.

581 **Service Sector**

582 “Service Sector” means Collection services for each of the following types of services: Single-  
583 Family; Multi-Family; Commercial; and Member Agency Facilities.

584 **Single-Family, Single-Family Dwelling, or SFD**

585 "Single-Family," "Single-Family Dwelling," or "SFD" means a Premises used as a Residential  
586 dwelling and includes each unit of a duplex, triplex, fourplex or townhouse condominium at which  
587 there are no more than four dwelling units where individual Solid Waste, Targeted Recyclable  
588 Materials, and Organics Materials Collection is provided separately to each dwelling unit.

589 **Single-Stream Targeted Recyclable Materials**

590 “Single-Stream Targeted Recyclable Materials” shall mean Targeted Recyclable Materials which  
591 have been Commingled by the Generator and placed in a Container for the purposes of Collection.

592 **Solid Waste**

593 “Solid Waste” means all putrescible and non-putrescible solid, semisolid, and liquid wastes, as  
594 defined in California Public Resources Code Section 40191. For the purposes of this Agreement,  
595 “Solid Waste” does not include abandoned vehicles and parts thereof, Hazardous Waste or low-  
596 level radioactive waste, medical waste, Source Separated Targeted Recyclable Materials, Source  
597 Separated Plant Materials, or Source Separated Organic Materials.

598 **Source Separated**

599 "Source Separated" means materials which otherwise would become Solid Waste, but have been  
600 segregated by the Generator, such as Targeted Recyclable Materials or Organic Materials, for  
601 the purpose of reuse, Recycling, or composting, to be Collected by Contractor or others.

602 **Special Handling Service**

603 “Special Handling Service” means the provision of Collection service to a SFD in the rear or side  
604 Premises. Customers eligible for this service include only those that submit documentation (e.g.,  
605 a form signed by a doctor) of their inability to perform the generally applicable Curbside Collection  
606 set-out requirements.

607 **Specialty Recyclable or Reusable Material**

608 “Specialty Recyclable or Reusable Material” means Recyclable Materials that are not Targeted  
609 Recyclable Materials but that may be collected for purposes of Recycling by any Person operating  
610 in accordance with the Agency Municipal Code. Such Specialty Recyclable or Reusable Materials  
611 include, but are not limited to, scrap metal weighing more than ten (10) pounds, Construction and  
612 Demolition Debris, pallets, plastic film, and reusable furniture.

613 **Speed of Answer**

614 “Speed of Answer” means the amount of time before a call is answered once that call is queued  
615 upon completion of the introductory voicemail message(s) or Customer bypassing the  
616 message(s).

617 **Shoreway Recycling and Disposal Facility**

618 “Shoreway Recycling and Disposal Facility” means the Shoreway Recycling and Disposal Center  
619 at 225 and 333 Shoreway Road, San Carlos, California, which is owned by SBWMA.

620 **State**

621 “State” means the State of California.

622 **Subcontractor**

623 “Subcontractor” means a Person which has entered into a contract with the Contractor for the  
624 performance of work that is necessary for the Contractor’s fulfillment of its obligations under this  
625 Agreement.

626 **Targeted Recyclable Materials**

627 “Targeted Recyclable Materials” means a subset of Recyclable Materials that includes:  
628 newspaper (including inserts, coupons, and store advertisements); mixed paper (including office  
629 paper, computer paper, magazines, junk mail, catalogs, brown paper bags, paperboard, paper  
630 egg cartons, telephone books, books, colored paper, construction paper, envelopes, legal pad  
631 backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard;  
632 paper milk cartons; glass containers of any color (including brown, blue, clear, and green);  
633 aluminum (including food and beverage containers, foil, small pieces of scrap metal); small pieces  
634 of scrap metal weighing less than ten (10) pounds and fitting into the Targeted Recyclable  
635 Materials Collection Container (excluding chain, cable, wire, banding, hand tools, and automotive  
636 parts); steel, tin or bi-metal containers; plastic containers (i.e., all plastic containers stamped with  
637 the Society for the Plastics Industry (SPI) code #1 through #7; and plastic containers that are not  
638 stamped but clearly can be identified as PET, HDPE, polypropylene). The list of “Targeted  
639 Recyclable Materials” may be modified as technology or commodity markets change during the  
640 term of the Agreement. Modifications to the list of “Targeted Recyclable Materials” shall be subject  
641 to mutual agreement between the SBWMA, Agency, and Contractor.

642 **Term**

643 “Term” shall have the meaning ascribed to it Section 3.02.

644 **Ton (or Tonnage)**

645 “Ton (or Tonnage)” means a unit of measure for weight equivalent to 2,000 pounds where each  
646 pound contains 16 ounces.

647 **Transfer Station**

648 “Transfer Station” means a Facility primarily used for the purpose of transferring Solid Waste from  
649 Collection vehicles to transfer vehicles (but which may include recovery operations) to more  
650 efficiently transport Solid Waste to the Disposal Site. For the purposes of this Agreement, Agency  
651 has designated the Shoreway Recycling and Disposal Center, located at 225 and 333 Shoreway  
652 Road, San Carlos, CA, as its designated Transfer Station.

653 **Spills of Discarded Materials**

654 “Spills of Discarded Materials” means any Solid Waste, Targeted Recyclable Materials, or Organic  
655 Materials spilled or left at established Collection sites by Contractor after Collection, other than

656 small particles of grass clippings and leaves of the size and volume that may be collected by  
657 regular street sweeping operations which may be left behind.

658 **Universal Waste (or U-Waste)**

659 “Universal Waste,” or “U-Waste,” means all wastes defined by Title 22, Subsections 66273.1  
660 through 66273.9 of the California Code of Regulations. These include, but are not limited to,  
661 batteries, fluorescent light bulbs, mercury switches, and Electronic Waste. U-Waste does not  
662 include those items defined herein as Targeted Recyclable Materials.

663 **Unpermitted Materials**

664 “Unpermitted Materials” mean wastes or other materials that the Designated Transfer and  
665 Processing Facility is not permitted to receive, including Hazardous Waste and Hazardous  
666 Substances.

667 **Used Motor Oil**

668 “Used Motor Oil” means used motor oil from automobiles and other light duty vehicles intended  
669 for personal use which is removed from cars at a Residential Premises and not as a part of a for-  
670 profit or other business activity.

671 **Used Motor Oil Filter**

672 “Used Motor Oil Filter” means a used motor oil filter from automobiles and other light duty vehicles  
673 intended for personal use which is removed from the vehicle at a Residential Premises and not  
674 as a part of a for-profit or other business activity.

675 **Venue**

676 “Venue” means a permanent facility that during any year seats or serves an average of more than  
677 2,000 individuals per day of operation. Both people attending the event and those working at it,  
678 including volunteers, are included in this number.

679 **Waste Zero Specialists**

680 “Waste Zero Specialists” are the Contractor’s staff members responsible for recycling promotion  
681 directed primarily to Commercial and Multi-Family customers in the SBWMA Service Area.

682 **Weekly Collection Service**

683 “Weekly Collection Service” means Collection Service that is scheduled in advance from Monday  
684 through Friday and provided once-per-week on the same day or days each week.

685 **White Goods**

686 “White Goods” means Major Appliances.

---

**ATTACHMENT B**  
**LIST OF AGENCY FACILITIES**  
**CITY OF BELMONT**

Customer Name	Service Address	Size		# of Units	MON	TUE	WED	THU	FRI	SAT	SUN
CITY OF BELMONT - LIBRARY	1110 ALAMEDA DE LAS PULGAS	2YARD	REC	1				X			
CITY OF BELMONT - LIBRARY	1110 ALAMEDA DE LAS PULGAS	2YARD	MSW	1					X		
CITY OF BELMONT - LIBRARY	1110 ALAMEDA DE LAS PULGAS	64GAL	MSW	2					X		
CITY OF BELMONT - LIBRARY	1110 ALAMEDA DE LAS PULGAS	64GAL	ORG	6				X			
CITY OF BELMONT - LIBRARY	1110 ALAMEDA DE LAS PULGAS	64GAL	MSW	4					X		
CITY OF BELMONT - LIBRARY	1110 ALAMEDA DE LAS PULGAS	64GAL	REC	6				X			
CITY OF BELMONT - CORP YARD	110 SEM LN	2YARD	REC	1		X					
MCDUGAL PARK (BEL)	SOLANA & CHULA VISTA	1YARD	MSW	2	ONCALL						
CITY OF BELMONT - CITY HALL	1 TWIN PINES LN	2YARD	REC	1			X				
CITY OF BELMONT - CITY HALL	1 TWIN PINES LN	C3YG1	MSW	1	X			X			
CITY OF BELMONT - CITY HALL	1 TWIN PINES LN	96GAL	REC	18			X				
CITY OF BELMONT	30 TWIN PINES LN	3YARD	MSW	1	X			X			
CITY OF BELMONT	30 TWIN PINES LN	2YARD	ORG	1				X			
CITY OF BELMONT	30 TWIN PINES LN	2YARD	REC	1				X			
CITY OF BELMONT	30 TWIN PINES LN	64GAL	MSW	30	X			X			
CITY OF BELMONT	30 TWIN PINES LN	64GAL	REC	28				X			
CITY OF BELMONT	30 TWIN PINES LN	64GAL	ORG	21	X			X			
CITY OF BELMONT	30 TWIN PINES LN	96 GAL	REC	3				X			
CITY CAN - BELMONT	900 RALSTON AVE	32GAL	MSW	2	X				X		
CITY CAN - BELMONT	1000 SIXTH AVE	32GAL	MSW	2	X				X		
CITY CAN - BELMONT	1000 SIXTH AVE	32GAL	REC	2	X				X		
CITY CAN - BELMONT	995 RALSTON AVE	32GAL	MSW	1	X				X		
CITY CAN - BELMONT	2100 RALSTON AVE	32GAL	MSW	1	X				X		
CITY CAN - BELMONT	2900 RALSTON AVE	32GAL	MSW	2	X				X		
CITY CAN - BELMONT	1090 ALAMEDA DE LAS PULGAS	32GAL	MSW	1	X				X		
CITY CAN - BELMONT	2045 RALSTON AVE	32GAL	MSW	1	X				X		
CITY OF BELMONT - FIRE DEPT	2701 CIPRIANI BLVD	1YARD	MSW	1			X				
CITY OF BELMONT - FIRE DEPT	2701 CIPRIANI BLVD	96GAL	REC	2			X				
BELMONT SPORT COMPLEX	550 ISLAND PKWY	96GAL	MSW	18					X		
BELMONT SPORT COMPLEX	550 ISLAND PKWY	96GAL	REC	6					X		
BELMONT SPORT COMPLEX	550 ISLAND PKWY	96GAL	ORG	5				X			
BELMONT SPORT COMPLEX	550 ISLAND PKWY	64GAL	REC	9					X		
BELMONT SPORT COMPLEX	550 ISLAND PKWY	64GAL	ORG	8				X			
CITY OF BELMONT	400 YORKSHIRE WAY #.	64GAL	MSW	6					X		
CITY OF BELMONT	400 YORKSHIRE WAY #.	64GAL	REC	5					X		
CITY OF BELMONT	400 YORKSHIRE WAY #.	64GAL	ORG	5					X		
CITY OF BELMONT	1835 BELBURN DR	64GAL	MSW	17		X					
CITY OF BELMONT	1835 BELBURN DR	64GAL	REC	22		X					
CITY OF BELMONT	1835 BELBURN DR	64GAL	ORG	12		X					
O'DONNELL PARK	400 RALSTON AVE	64GAL	MSW	2					X		
O'DONNELL PARK	400 RALSTON AVE	64GAL	REC	3					X		
O'DONNELL PARK	400 RALSTON AVE	64GAL	ORG	2					X		
O'DONNELL PARK	400 RALSTON AVE	96GAL	ORG	1					X		
SOUTH COUNTY FIRE AUTH (BEL)	911 GRANADA ST	6YARD	MSW	1					X		
SOUTH COUNTY FIRE AUTH (BEL)	911 GRANADA ST	96GAL	REC	3					X		
SOUTH COUNTY FIRE AUTH (BEL)	911 GRANADA ST	BATCC		1	ONCALL						
CITY OF BELMONT	110 SEM LN	15YARD	ORG	1		X					
CITY OF BELMONT	110 SEM LN	20YARD	MSW	1		X					



**ATTACHMENT C  
COMMUNITY EVENTS  
CITY OF BELMONT**

- Compost Giveaways Two per year
- Creek Clean-up Two per year
- Save the Music Festival One per year
- Earth Day Festival One per year
- National Night Out One per year/one location

Attachment D  
Container Specifications  
City of Belmont

Container Specifications - Carts					
<b>1.</b>	Material to be Collected	Color	Default Capacity		
	Solid Waste	Black	32 gallons		
	Targeted Recyclable Materials	Blue	64 gallons		
	Organic Materials	Green	96 gallons		
<b>2.</b>	Manufacturer.....		<u>Toter Inc.</u>		
<b>3.</b>	Material of Construction.....		<u>LMPDE – Linear Medium Density Polyethylene</u>		
<b>4.</b>	Recycled Content (percentage).....		<u>Minimum of thirty percent (30%) post-consumer recycled content material</u>		
<b>5.</b>	Manufacturing Method (rotational molding, injection molding, other.).....		<u>Rotational molding for 32,64,and 96 gallon carts</u> <u>Injection molding for 20 gallon cart</u>		
	<b>Cart Size</b>	<b>20 gallons<sup>1</sup></b>	<b>32 gallons</b>	<b>64 gallons</b>	<b>96 gallons</b>
<b>6.</b>	Durability (in service years) .....	<u>10+</u>	<u>10+</u>	<u>10+</u>	<u>10+</u>
<b>7.</b>	Cost of Each Container .....	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<b>8.</b>	Dimensions of Each Container (Length x Width x Height) .....	<u>24.25 x</u> <u>19.25 x</u> <u>38.50</u>	<u>24.25 x</u> <u>19.25 x</u> <u>38.50</u>	<u>31.75 x</u> <u>24.25 x</u> <u>41.75</u>	<u>35.25 x</u> <u>29.75 x</u> <u>43.25</u>
<b>9.</b>	Wheel Size (carts only) .....	<u>10"</u>	<u>10"</u>	<u>10"</u>	<u>10"</u>
<b>1.</b>	Maximum Load Weight (lbs) .....	<u>60-74 lbs</u>	<u>112 lbs</u>	<u>224 lbs</u>	<u>336 lbs</u>
<b>10.</b>	Manufacturer's warranty (years)	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
<b>11.</b>	Labeling (list methods).....	<u>Hot Stamp on Body and/or Lid</u>			

<sup>1</sup> 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 Belmont

Container Specifications – Kitchen Pails	
1. Kitchen Pail (Food Waste)	<input checked="" type="checkbox"/>
2. Manufacturer.....	<u>Norseman Environmental Products</u>
3. Material of Construction .....	<u>High Density Polyethylene</u>
4. Recycled Content (percentage).....	<u>Minimum of twenty percent (20%) post-consumer recycled content material</u>
5. Color .....	<u>Green body</u> <u>White lid</u> <u>White handle</u>
6. Durability (in service years) .....	<u>Five (5) years plus</u>
7. Cost of Each Kitchen Pail .....	<u>N/A</u>
8. Dimensions of Each Kitchen Pail (Length x Width x Height) ...	<u>12" x 8.6" x 8.6"</u>
9. Manufacturer's warranty .....	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes    If Yes, Number of Years = five (5)
10. Labeling (list methods).....	<u>Hot stamped on front</u> <u>and/or</u> <u>Label affixed to front or on lid</u>

Attachment D  
 Container Specifications  
 City of Belmont

Container Specifications – Recycling Tote Bag	
1. Recycling Tote Bags .....	<input checked="" type="checkbox"/>
2. Manufacturer.....	<u>Multibag</u>
3. Material of Construction .....	<u>Polypropylene</u>
4. Recycled Content (percentage) .....	<u>60% Recycled Polypropylene, 35% Virgin Polypropylene, 3% White pigment, and 2% Printing ink</u>
5. Color .....	<u>Available in any Pantone color</u>
6. Durability (in service years) .....	<u>5 – 10 Years</u>
7. Cost of Tote Bag.....	<u>N/A</u>
8. Dimensions of Recycling Tote Bag (Length x Width x Height)	<u>15 x 7 x 15 (inches)</u>
9. Manufacturer's warranty .....	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes    If Yes, Number of Years = _____
10. Labeling (list methods) .....	<u>Silkscreen</u>

Attachment D  
Container Specifications  
City of Belmont

Container Specifications - Bins				
1. Material to be Collected.	Garbage	<input checked="" type="checkbox"/>	Color = Gray	
	Targeted Recyclables	<input checked="" type="checkbox"/>	Color = Blue	
	Organic Materials	<input checked="" type="checkbox"/>	Color = Green	
	C&D Materials	<input checked="" type="checkbox"/>	Color = TBD	
2. Manufacturer.....	<u>Consolidated Fabricators</u>			
3. Material of Construction .....	<u>Steel</u> Body		<u>HDPE Plastic</u> Lid	
4. Recycled Content (percentage).....	<u>30%</u>			
5. Manufacturing Method .....	<u>Welded (Body)</u>		<u>Molded (Lid)</u>	
6. New or Used (Agency authorization required).....	<input type="checkbox"/> New		<input checked="" type="checkbox"/> Used	
7. Date of Last Refurbished .....	_____			
<b>Container Size (cubic yards)</b>	<u>1</u> CY	<u>2</u> CY	<u>3</u> CY	<u>4</u> CY
8. Color .....	_____	_____	_____	_____
9. Durability (in service years) .....	<u>7+</u>	<u>7+</u>	<u>7+</u>	<u>7+</u>
10. Cost of Each Container.....	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
11. Dimensions of Each Container (Length x Width x Height) .....	<u>72" x 24" x 28"</u>	<u>72" x 34.5" x 34.5"</u>	<u>72" x 41.5" x 41.5"</u>	<u>72" x 50.5" x 46"</u>
12. Wheel Size (if appropriate) .....	<u>6"</u>	<u>6"</u>	<u>6"</u>	<u>6"</u>
13. Maximum Load Weight (lbs) .....	<u>600</u>	<u>1,000</u>	<u>1,400</u>	<u>1,800</u>
14. Manufacturer's warranty (years)	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
15. Labeling (list methods) .....	<u>Paint and decals</u>			

Attachment D  
Container Specifications  
City of Belmont

Container Specifications – Bins				
1. Material to be Collected.	Garbage	<input checked="" type="checkbox"/>	Color = Gray	
	Targeted Recyclables	<input checked="" type="checkbox"/>	Color = Blue	
	Organic Materials	<input checked="" type="checkbox"/>	Color = Green	
	C&D Materials	<input checked="" type="checkbox"/>	Color = TBD	
2. Manufacturer.....	<u>Consolidated Fabricators</u>			
3. Material of Construction .....	<u>Steel</u> Body		<u>HDPE Plastic</u> Lid	
4. Recycled Content (percentage).....	<u>30%</u>			
5. Manufacturing Method .....	<u>Welded (Body)</u>		<u>Molded (Lid)</u>	
6. New or Used (Agency authorization required).....	<input type="checkbox"/> New		<input checked="" type="checkbox"/> Used	
7. Date of Last Refurbished .....	_____			
<b>Container Size</b>	<u>6</u> CY	<u>8</u> CY	<u>9</u> CY	<u>15</u> CY
8. Color .....	_____	_____	_____	_____
9. Durability (in service years) .....	<u>7+</u>	<u>7+</u>	<u>7+</u>	<u>7+</u>
10. Cost of Each Container .....	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
11. Dimensions of Each Container (Length x Width x Height) .....	<u>72"x66"x50"</u>	<u>72" x 72" x 56"</u>	<u>8x12x34"</u>	<u>8x12x55"</u>
12. Wheel Size (if appropriate) .....	<u>n/a</u>	<u>n/a</u>	<u>10"</u>	<u>10"</u>
13. Maximum Load Weight (lbs) .....	<u>2,000</u>	<u>2,200</u>	<u>15,000</u>	<u>15,000</u>
14. Manufacturer's warranty (years)	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
15. Labeling (list methods) .....	<u>Paint and decals</u>			

N/A means "not applicable."

CY means "cubic yard."

TBD means "to be determined."

Attachment D  
Container Specifications  
City of Belmont

Container Specifications – Drop Boxes				
1. Material to be Collected.	Garbage	<input checked="" type="checkbox"/>		
	Targeted Recyclables	<input checked="" type="checkbox"/>		
	Organic Materials	<input checked="" type="checkbox"/>		
	C&D Materials	<input checked="" type="checkbox"/>		
2. Manufacturer.....	<u>Consolidated Fabricators</u>			
3. Material of Construction .....	<u>Steel Body</u>	Steel Lid		
4. Recycled Content (percentage).....	<u>30%</u>			
5. Manufacturing Method .....	<u>Welded</u>			
6. New or Used (Agency authorization required).....	<input type="checkbox"/> New	<input checked="" type="checkbox"/> Used		
7. Date of Last Refurbished .....				
<b>Container Size</b>	<u>20</u> CY	<u>30</u> CY	<u>40</u> CY	
8. Color .....	_____	_____	_____	
9. Durability (in service years) .....	±	±	±	
10. Cost of Each Container .....	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
11. Dimensions of Each Container (Length x Width x Height).....	<u>8x18x49"</u>	<u>8x20x66"</u>	<u>8x22x80"</u>	
12. Wheel Size (if appropriate) .....	<u>10"</u>	<u>10"</u>	<u>10"</u>	
13. Maximum Load Weight (lbs) .....	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	
14. Manufacturer's warranty (years)	<u>1</u>	<u>1</u>	<u>1</u>	
15. Labeling (list methods) .....	<u>Paint and decals</u>			

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



## Attachment E-1 Contamination Measurement Methodology: Single Loads

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

## Attachment E-1 Contamination Measurement Methodology: Single Loads

- 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.

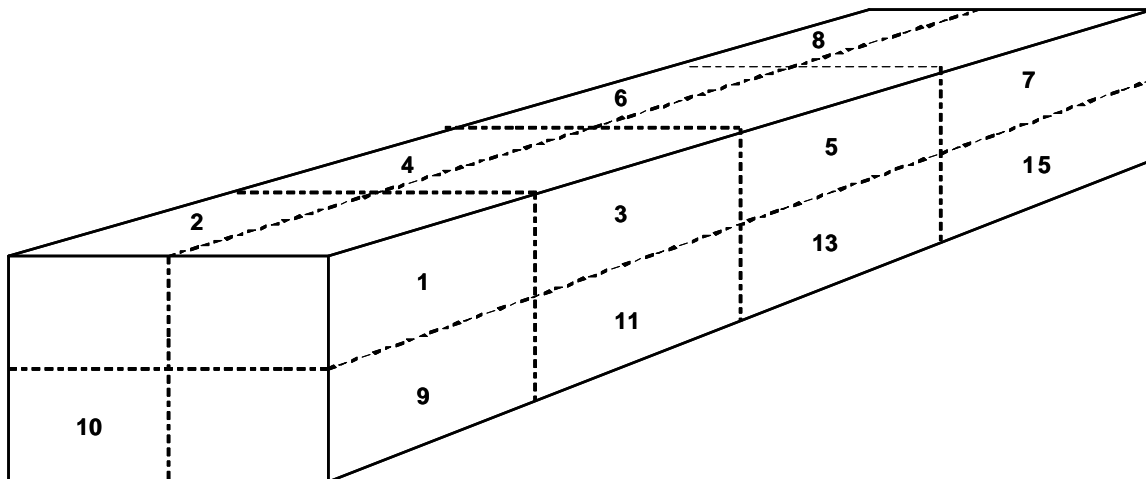
## Attachment E-1 Contamination Measurement Methodology: Single Loads

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.<sup>1</sup> 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

<sup>1</sup> 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.

## Attachment E-1 Contamination Measurement Methodology: Single Loads

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 Recyclable 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*).

## Attachment E-1 Contamination Measurement Methodology: Single Loads

- $a$  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:

$$r_j = \frac{\sum_i c_{ij}}{\sum_i w_i} \quad (1)$$

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

## Attachment E-1 Contamination Measurement Methodology: Single Loads

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 ( <i>c</i> ) of carpet	5	3	4
Total Sample Weight ( <i>w</i> )	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.

## Attachment E-1 Contamination Measurement Methodology: Single Loads

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:

$$\text{Var}(r_j) \approx \left(\frac{1}{n}\right)\left(\frac{1}{\bar{w}^2}\right)\left(\frac{\sum_i (c_{ij} - r_j w_i)^2}{n-1}\right) \quad (2)$$

where:

$$\bar{w} = \frac{\sum_i w_i}{n} \quad (3)$$

(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:

$$r_j \pm \left(z\sqrt{\text{Var}(r_j)}\right) \quad (4)$$

where  $z$  = the value of the  $z$ -statistic (1.645) corresponding to a 90 percent (90%) confidence level.

# Attachment E-1

## Contamination Measurement Methodology: Single Loads

### 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



## Attachment E-1 Contamination Measurement Methodology: Single Loads

- **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:*

## Attachment E-1 Contamination Measurement Methodology: Single Loads

- 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

Attachment E-1  
Contamination Measurement Methodology: Single Loads

**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**


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

**RSS - 1**

**Cell 13**

# Attachment E-1 Contamination Measurement Methodology: Single Loads

**Figure 3: Example Tally sheet**

South Bayside Waste Management Authority: Contamination Sampling								
<b>CONTAMINANTS</b>	Container 1				DATE:		SAMPLE ID:	
	Container 2				SAMPLING POPULATION:		SAMPLE WEIGHT:	
	Container 3							
	Container 4				TIME:		TRUCK NO.:	
	Container 5				LOAD NO.:		CELL NO.:	
	Container 6							
	Container 7				NOTES:			
	Container 8							
	Container 9							
	Container 10							
<b>ACCEPTABLE</b>	Container 1							
	Container 2							
	Container 3							
	Container 4							
	Container 5							
	Container 6							
	Container 7							
	Container 8							
	Container 9							
	Container 10							

# Attachment E-1

## Contamination Measurement Methodology: Single Loads

### 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 Belmont, hereinafter called the SURETY, are held and firmly bound to the City of Belmont, a **municipal corporation** in the State of California, hereinafter called the OBLIGEE, in the sum of Seven Hundred Ninety Thousand Dollars (\$790,000.00) 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 \_\_\_\_\_, 2019, {insert Effective Date of Agreement} by RECOLOGY INC. ("Guarantor"), to the \_\_\_\_\_ City of Belmont, 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



## ATTACHMENT G GUARANTY

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

## ATTACHMENT G GUARANTY

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 Belmont  
  
  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**

## **Delinquent Payment**

Single-Family Residential Customers will 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 will be considered delinquent thirty (30) Days after payment is due to Contractor.

Contractor may assess a late fee, at a Rate not to exceed twenty-five percent (25%) of the unpaid balance of Single-Family Residential Customers Bills, and at a Rate not to exceed ten percent (10%) of the balance for Multi-Family Residential and Commercial Customers, monthly if payment is not received by Contractor within thirty (30) Days after the account becomes delinquent. Contractor must provide all delinquent Accounts with written notice of its intent to assess late fees at least fifteen (15) Days prior to such assessment.

Contractor may discontinue service 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 with 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 the base monthly Rate for the existing service level for Residential, Multi-Family Residential and Commercial Customers.

# 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.

*{Remainder of page intentionally blank}*

# ATTACHMENT I PERFORMANCE INCENTIVES AND DISINCENTIVES

**Summary of Incentives/Disincentives**

<b>TABLE 1</b>			
Performance Incentive and Disincentive	Disincentive Payment Threshold	Incentive Payment Threshold	Performance Incentive/Disincentive Payment Amount
<b>Annual Diversion Level</b>			
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
<b>Commercial or Single-Family Missed Pick-Up Collection Events</b>	Actual > 0	Not applicable	Disincentive payment = \$50.00 per Missed Pick-Up Collection Event
<b>Average Speed of Answer</b>	Actual > 30 seconds	Actual < 15 seconds	Incentive or disincentive payment = \$500 per second above or below the threshold
<b>Ninety (90) Second Maximum Hold Time</b>	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
<b>Single-Family</b>			
	Targeted Recyclable Materials	35,000	
	Other Recyclable Materials	3,000	
	Organic Materials	<u>51,000</u>	
	Total Materials for Diversion	89,000	
	Solid Waste	<u>80,000</u>	
	Total Materials Collected	169,000	
	<b>Calculated Single-Family Diversion Level</b>		<b>52.7%</b>
<b>Multi-Family</b>			
	Targeted Recyclable Materials	8,000	
	Other Recyclable Materials	1,000	
	Organic Materials	6,000	
	Plant Materials	<u>1,000</u>	
	Total Materials for Diversion	16,000	
	Solid Waste	<u>30,000</u>	
	Total Materials Collected	46,000	
	<b>Calculated Diversion Level</b>		<b>34.8%</b>
<b>Commercial</b>			
	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	<u>147,000</u>	
	Total Materials Collected	195,000	
	<b>Calculated Diversion Level</b>		<b>24.6%</b>
<b>Agency Facilities</b>			
	Targeted Recyclable Materials	2,000	
	Other Recyclable Materials	500	
	Organic Materials	500	
	Plant Materials	<u>200</u>	
	Total Materials for Diversion	3,200	
	Solid Waste	<u>9,000</u>	
	Total Materials Collected	12,200	
	<b>Calculated Diversion Level</b>		<b>26.2%</b>
<b>Commercial (includes Multi-Family, Commercial, and Agency Facilities)</b>			
	Targeted Recyclable Materials	38,000	
	Other Recyclable Materials	3,500	
	Organic Materials	19,500	
	Plant Materials	<u>6,200</u>	
	Total Materials for Diversion	67,200	
	Solid Waste	<u>186,000</u>	
	Total Materials Collected	253,200	
	<b>Calculated Commercial Diversion Level</b>		<b>26.5%</b>
<b>Overall (includes Single-Family, Multi-Family, Commercial, and Agency Facilities)</b>			
	Targeted Recyclable Materials	73,000	
	Other Recyclable Materials	6,500	
	Organic Materials	70,500	
	Plant Materials	<u>6,200</u>	
	Total Materials for Diversion	156,200	
	Solid Waste	<u>266,000</u>	
	Total Materials Collected	422,200	
	<b>Calculated Overall Diversion Level</b>		<b>37.0%</b>

### 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



# ATTACHMENT I

## PERFORMANCE INCENTIVES AND DISINCENTIVES

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:  $87 \times \$50 = \$4,350$

### 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:  $15 - 14 = 1 \text{ second} \times \$500.00 = \$500.00$

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

# ATTACHMENT I

## PERFORMANCE INCENTIVES AND DISINCENTIVES

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  $\times$  \$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 =  $19,380 \times 0.05 = 969$

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:  $312 \times \$5.00 = \$1,560$

### 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

## ATTACHMENT I PERFORMANCE INCENTIVES AND DISINCENTIVES

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 CPI-U.

*{Remainder of page intentionally blank}*

**TABLE 1**

	<b>Event of Non-Performance</b>	<b>Acceptable Performance Level</b>	<b>Definition of Complaint, Incident, or Event</b>	<b>Tracking Method</b>	<b>Liquidated Damage Amount</b>
	<b>COLLECTION QUALITY</b>				
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 Contractor'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



<b>TABLE 1</b>					
	<b>Event of Non-Performance</b>	<b>Acceptable Performance Level</b>	<b>Definition of Complaint, Incident, or Event</b>	<b>Tracking Method</b>	<b>Liquidated Damage Amount</b>
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**

	<b>Event of Non-Performance</b>	<b>Acceptable Performance Level</b>	<b>Definition of Complaint, Incident, or Event</b>	<b>Tracking Method</b>	<b>Liquidated Damage Amount</b>
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
	<b>Customer Service Quality</b>				
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
	<b>Reporting</b>				
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
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 (3 <sup>rd</sup> ) 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 (3 <sup>rd</sup> ) Business Day after receiving notification from Agency or SBWMA of Contractor having submitted inaccurate, misleading or erroneous data and information

TABLE 1					
	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
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
<b>Other</b>					
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**

**Description of Alternative 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**

**The provisions of this Attachment K are not operative unless the parties agree to amend the Agreement after its execution to make the provisions operative.**

## **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 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.



**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

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:  $[(\text{Average CPI-U for May 2020 through April 2021}) - (\text{Average CPI-U for May 2019 through April 2020})] / (\text{Average CPI-U for May 2019 through April 2020})$ .

- 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

**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

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

**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

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.

**ATTACHMENT K  
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

**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:  $D = C - (B \times 0.05)$ ) (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

**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

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)
<b>ANNUAL COST OF OPERATIONS</b>		
A. Direct Labor-Related Costs for Collection Vehicle Route Personnel Represented Through Collective Bargaining Agreements (CBA).	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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).</li> </ul>	<p>Step One:</p> <ul style="list-style-type: none"> <li>Direct Wages for CBAs: Annually adjust Wage costs by 100% of the Annual Index Change using the CPI-W-Wages.</li> <li>Benefits for CBAs: Annually adjust Health Benefit costs by 100% of the Annual Index Change using CPI-W-Medical.</li> <li>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).</li> <li>Workers Compensation Insurance: Annually adjust worker’s compensation costs by 100% of the Annual Index Change in the CPI-W-Wages.</li> </ul> <p>Step Two:</p> <ul style="list-style-type: none"> <li>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.</li> </ul>

**ATTACHMENT K  
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

<b>Cost</b>	<b>Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation</b>	<b>Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)</b>
<p>B. Direct Fuel Costs for All Contractor Vehicles including Collection Vehicles, Support Vehicles, and Supervisor's Vehicles</p>	<ul style="list-style-type: none"> <li>• 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)) ].</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Step One: Annually adjust direct fuel costs by 100% of the Annual Index Change for the CPI-U-Motor Fuel.</li> <li>• 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.</li> </ul>
<p>C. Other Direct Costs for Collection Services</p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Step One: Annually adjust Other Direct Costs by 100% of the Annual Index Change using CPI-U.</li> <li>• 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.</li> </ul>

**ATTACHMENT K  
CONTRACTOR’S COMPENSATION AND RATE SETTING PROCESS**

<p>D. Depreciation for All Contractor Vehicles including Collection Vehicles, Support Vehicles, and Supervisor’s Vehicles</p>	<p>The annual depreciation amount shall equal \$3,056,022, which is the projected amount for 2021 as specified in Attachment N.</p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• 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:             <ul style="list-style-type: none"> <li>- “Annual Depreciation Cost Difference” = Actual cost of vehicles less projected vehicle costs of \$48,724,246, divided by 9 years.</li> <li>- 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</li> </ul> </li> </ul>
---	---	--



**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)
		<p>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).</p> <ul style="list-style-type: none"> <li>- Contractor shall not be compensated for any additional vehicle depreciation beyond \$3,406,022 per year.</li> </ul>
E. Depreciation - Containers	<ul style="list-style-type: none"> <li>• 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).</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Same method as shown for Rate Year Eleven (2021).</li> </ul>
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.	<ul style="list-style-type: none"> <li>• Step One: Annually adjust Allocated Indirect Costs by 100% of the Annual Index Change using CPI-U.</li> <li>• 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.</li> </ul>

**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)
G. Total Allocated Indirect Depreciation Costs (e.g., depreciation costs related to General and Administrative, Operations, Vehicle Maintenance, and Container Maintenance services)	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
<b>Total Annual Cost of Operations</b>	<ul style="list-style-type: none"> <li>Calculated as the sum of the cost components adjusted as described above.</li> </ul>	<ul style="list-style-type: none"> <li>Calculated as the sum of the cost components adjusted as described above.</li> </ul>
<b>PROFIT</b>		
<b>Profit</b>	<ul style="list-style-type: none"> <li>Calculate Profit using the following formula: <math>[(\text{Total Cost of Operations for the coming Rate Period}) / 90.5\%] - (\text{Total Cost of Operations for the coming Rate Period})</math>.</li> <li>The operating ratio is fixed for the Term of the Agreement at ninety and one-half percent (90.5%).</li> </ul>	<ul style="list-style-type: none"> <li>Same method as shown for Rate Year Eleven (2021).</li> </ul>
<b>CONTRACTOR PASS-THROUGH COSTS</b>		

**ATTACHMENT K  
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

<b>Cost</b>	<b>Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation</b>	<b>Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)</b>
A. Regulatory Agency Fees	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Same method as shown for Rate Year Eleven (2021).</li> </ul>
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)	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
C. Contract Changes to Specific Agencies	<ul style="list-style-type: none"> <li>{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.}</li> </ul>	<ul style="list-style-type: none"> <li>{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.}</li> </ul>

**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)
<p>D. Cap Carry Forward</p> <p>The Cap Carry Forward methodology is described in Section 5 above. A hypothetical example of the Cap Carry Forward is provided in Table 3.</p>	<ul style="list-style-type: none"> <li>The Cap Carry Forward shall not be applicable in Rate Year Eleven (2021)</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
<b>Total Contractor Pass-Through Costs</b>	<ul style="list-style-type: none"> <li>Calculated as the sum of the Contractor Pass-Through Costs.</li> </ul>	<ul style="list-style-type: none"> <li>Same method as shown for Rate Year Eleven (2021).</li> </ul>
<b>CONTRACTOR'S COMPENSATION</b>	<ul style="list-style-type: none"> <li>Calculated as the sum of Total Annual Cost of Operations, Profit, and Contractor's Pass-Through Costs.</li> </ul>	<ul style="list-style-type: none"> <li>Same method as shown for Rate Year Eleven (2021).</li> </ul>
<b>OTHER ADJUSTMENTS</b>		
Incentives/Disincentives Payments	<ul style="list-style-type: none"> <li>Amount varies annually based on actuals pursuant to Section 12 of Attachment K.</li> </ul>	<ul style="list-style-type: none"> <li>Same method as shown for Rate Year Eleven (2021).</li> </ul>
<b>CONTRACTOR'S COMPENSATION (Adjusted)</b>	<ul style="list-style-type: none"> <li>Calculated as the sum of the Contractor's Compensation and Other Adjustments</li> </ul>	<ul style="list-style-type: none"> <li>Same method as shown for Rate Year Eleven (2021).</li> </ul>

**ATTACHMENT K  
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

**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}**

<b>Accounts (Single-Family Dwelling accounts for Solid Waste Collection)</b>
<ul style="list-style-type: none"> <li>• 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: <math>((\text{Average of Solid Waste accounts as of April 30 of the then-current Rate Year and the two most-recently completed Rate Years}) - (\text{Average of Solid Waste accounts as of April 30 of the three most-recently completed Rate Years})) / (\text{Average of Solid Waste accounts as of April 30 of the three most-recently completed Rate Years})</math>. The annual percent change calculated using the above formula is referred to herein as the "average service level change".</li> </ul> <p>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: <math>((\text{Average of Solid Waste accounts as of April 30, 2021} + \text{as of April 30, 2020} + \text{as of April 30, 2019}) - (\text{Average of the Solid Waste accounts as of April 30, 2020} + \text{as of April 30, 2019} + \text{as of April 30, 2018})) / ((\text{Average of the Solid Waste accounts as of April 30, 2020} + \text{as of April 30, 2019} + \text{as of April 30, 2018}))</math>. 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 <math>(1 + (0.65 \times (\text{the average service level change})))</math> to determine the value of such cost item for Rate Year Twelve (2022).</p>
<b>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)</b>
<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
<b>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)</b>
<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>

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.

**ATTACHMENT K  
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

**Table 3: Example Compensation Cap Methodology**

<b>CPI + Growth Percentage for Example City of Example</b>	<b>4.5% 2023</b>	<b>6.2% 2024</b>	<b>5.8% 2025</b>	<b>5.0% 2026</b>	<b>3.5% 2027</b>	<b>2.4% 2028</b>	<b>2.3% 2029</b>
<b>Annual Cost of Operations</b>							
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
<b>Total Direct Labor Related-Costs</b>	<b>2,803,823</b>	<b>2,977,660</b>	<b>3,150,365</b>	<b>3,307,883</b>	<b>3,423,659</b>	<b>3,505,826</b>	<b>3,586,460</b>
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
<b>Total Depreciation</b>	<b>352,848</b>	<b>352,848</b>	<b>352,848</b>	<b>352,848</b>	<b>352,848</b>	<b>352,848</b>	<b>352,848</b>
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
<b>Total Allocated Indirect Costs</b>	<b>1,574,670</b>	<b>1,672,299</b>	<b>1,769,293</b>	<b>1,857,757</b>	<b>1,922,779</b>	<b>1,968,926</b>	<b>2,014,211</b>
<b>Total Allocated Indirect Depreciation Costs</b>	<b>9,804</b>	<b>9,804</b>	<b>9,804</b>	<b>9,804</b>	<b>9,804</b>	<b>9,804</b>	<b>9,804</b>
<b>Total Annual Cost of Operations</b>	<b>5,173,187</b>	<b>5,471,441</b>	<b>5,767,750</b>	<b>6,038,005</b>	<b>6,236,643</b>	<b>6,377,618</b>	<b>6,515,963</b>
<b>Profit</b>	<b>543,042</b>	<b>574,350</b>	<b>605,454</b>	<b>633,824</b>	<b>654,675</b>	<b>669,474</b>	<b>683,996</b>
<b>Operating Ratio</b>	<b>90.5%</b>	<b>90.5%</b>	<b>90.5%</b>	<b>90.5%</b>	<b>90.5%</b>	<b>90.5%</b>	<b>90.5%</b>
<b>Total Operating Costs</b>	<b>5,716,229</b>	<b>6,045,791</b>	<b>6,373,205</b>	<b>6,671,829</b>	<b>6,891,318</b>	<b>7,047,092</b>	<b>7,199,959</b>
<b>Contractor Pass-Through Costs</b>							
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	-	-	-	-	-	-	-
<b>Total Contractor Pass-Through Costs</b>	<b>95,432</b>	<b>95,432</b>	<b>134,411</b>	<b>195,691</b>	<b>235,228</b>	<b>157,867</b>	<b>95,432</b>
<b>BASE CONTRACTOR'S COMPENSATION</b>	<b>5,811,661</b>	<b>6,141,223</b>	<b>6,507,615</b>	<b>6,867,520</b>	<b>7,126,546</b>	<b>7,204,959</b>	<b>7,295,391</b>
<b>CONTRACTOR'S COMPENSATION CAP (5%)</b>	<b>5,861,902</b>	<b>6,102,244</b>	<b>6,407,357</b>	<b>6,727,724</b>	<b>7,064,111</b>	<b>7,417,316</b>	<b>7,565,207</b>
Adjustment for 5% Cap	-	(38,978)	(100,259)	(139,796)	(62,435)	-	-
<b>ADJUSTED CONTRACTORS COMPENSATION</b>	<b>5,811,661</b>	<b>6,102,244</b>	<b>6,407,357</b>	<b>6,727,724</b>	<b>7,064,111</b>	<b>7,204,959</b>	<b>7,295,391</b>
<b>% CHANGE IN CONTRACTOR COMPENSATION</b>	<b>4.10%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>1.99%</b>	<b>1.26%</b>

Note: All amounts presented in \$ per year with the exception of percentages as noted.

**ATTACHMENT K  
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

**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

**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

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 placed 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



**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

- 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.

**ATTACHMENT K  
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

**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.

**9. 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

**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

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

**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

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

**ATTACHMENT K**  
**CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

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 M**

## **AGENCY'S FRANCHISE FEES AND OTHER FEES**

### **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 payment of ten percent (10.0%) of Gross Revenues Billed.

### **AB 939 PAYMENT**

To reimburse Agency for cost incurred in organizing and managing diversion programs, Contractor shall pay to Agency an annual AB 939 Payment of three and one-half percent (3.5%) of Gross Revenue Billed.

### **COLLECTION VEHICLE PAYMENT**

To reimburse Agency for the impact of Contractor's vehicles on Agency streets, Contractor shall pay to Agency an annual Collection Vehicle Payment of two and one-half percent (2.5%) of Gross Revenue Billed.

### **LITTER CONTROL PAYMENT**

To reimburse Agency for expanded litter control and clean-up programs, Contractor shall pay to Agency an annual Litter Control Payment of two percent (2.0%) of Gross Revenue Billed.

### **STREET SWEEPING PAYMENT**

To reimburse Agency for its cost sweeping Agency streets, Contractor shall pay to Agency an annual Street Sweeping Payment of six percent (6.0%) of Gross Revenue Billed.

### **NPDES LITTER IMPACT PAYMENT**

To reimburse Agency for its cost of installing and maintaining storm drain improvements to address trash in compliance with Regional Water Quality Control Board requirements, Contractor shall pay to Agency an annual NPDES Litter Impact Payment of one percent (1.0%) of Gross Revenue Billed.

### **RATE STABILIZATION FUND**

Contractor shall remit to Agency one percent (1.0%) of Gross Revenue Billed for deposit into a Rate Stabilization Fund which shall, at the sole discretion of the Agency, be used to offset potential rate increases to the Maximum Rate.

### **TRANSITIONAL RATE STABILIZATION FUND**

Contractor shall collect and hold for the Agency in a Transitional Rate Stabilization Fund a Transitional Rate Stabilization Fee as provided in Section 11.02.C. This is a separate fund from the Rate Stabilization Fund.

Contractor's Compensation

**CONTRACTOR'S TOTAL COMPENSATION - DETAIL**

**TOTAL SBWMA**

	Proposed Compensation - 2021	Single Family Dwelling	MFD & Commercial	Member Agency Facilities	Total Service Sectors
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>57,087,814</b>	<b>32,537,183</b>	<b>23,578,969</b>	<b>971,663</b>	<b>57,087,814</b>
<b>Profit</b>	<b>5,992,644</b>	<b>3,415,505</b>	<b>2,475,140</b>	<b>101,998</b>	<b>5,992,644</b>
<b>Operating Ratio</b>	90.5%				
<b>Total Operating Costs</b>	<b>63,080,458</b>	<b>35,952,688</b>	<b>26,054,109</b>	<b>1,073,660</b>	<b>63,080,458</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense <sup>1</sup>	1,145,186	652,756	469,526	22,904	1,145,186
<b>Total Contractor Pass-Through Costs</b>	<b>1,145,186</b>	<b>652,756</b>	<b>469,526</b>	<b>22,904</b>	<b>1,145,186</b>
<b>BASE CONTRACTOR'S COMPENSATION</b>	<b>64,225,644</b>	<b>36,605,444</b>	<b>26,523,635</b>	<b>1,096,564</b>	<b>64,225,644</b>

<sup>1</sup> Interest expense excludes interest on bin container purchases.

**TOTAL CONTRACTOR'S COMPENSATION BY MEMBER AGENCY**

Proposed Compensation 2021

BASE COLLECTION COSTS	2021 Costs													
	2021 Projected Total	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
<b>Annual Cost of Operations</b>														
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	\$309,577	\$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	\$7,036,642	\$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	\$52,636	\$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	180,055	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	\$63,993	\$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
<b>Total Annual Cost of Operations</b>	\$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
<b>Profit</b>	\$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
<b>Operating Ratio</b>	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%
<b>Total Operating Cost</b>	\$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
<b>Contractor Pass-Through Costs</b>														
Interest Expense <sup>1</sup>	\$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
<b>BASE CONTRACTOR'S COMPENSATION</b>	<b>\$64,225,644</b>	<b>\$1,593,158</b>	<b>\$4,105,137</b>	<b>\$6,286,129</b>	<b>\$2,726,530</b>	<b>\$3,907,631</b>	<b>\$2,021,219</b>	<b>\$6,608,325</b>	<b>\$1,977,205</b>	<b>\$11,458,072</b>	<b>\$5,766,877</b>	<b>\$14,255,139</b>	<b>\$1,083,844</b>	<b>\$2,436,377</b>

<sup>1</sup> 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	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
<b>Annual Cost of Operations</b>					
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	<u>\$8,596</u>	<u>\$9,232</u>	<u>\$13,242</u>	<u>\$1,046</u>	<u>\$32,116</u>
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	<u>\$30,707</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$336,415</b>	<b>\$376,846</b>	<b>\$549,515</b>	<b>\$29,380</b>	<b>\$1,292,156</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$35,314</b>	<b>\$39,558</b>	<b>\$57,684</b>	<b>\$3,084</b>	<b>\$135,641</b>
90.5000000%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$371,729</b>	<b>\$416,404</b>	<b>\$607,199</b>	<b>\$32,464</b>	<b>\$1,427,797</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$6,488	\$7,359	\$14,368	\$157	\$28,372
<b>Total Contractor Pass-Through Costs</b>	<b>\$6,488</b>	<b>\$7,359</b>	<b>\$14,368</b>	<b>\$157</b>	<b>\$28,372</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$378,217</b>	<b>\$423,762</b>	<b>\$621,568</b>	<b>\$32,621</b>	<b>\$1,456,169</b>

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	
<b>Rolling Three-Year Average</b>	<b>2,344</b>	<b>2,344</b>	<b>2,344</b>	

**D. Town of Atherton 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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	<u>\$8,596</u>	<u>\$9,232</u>	<u>\$13,242</u>	<u>\$1,046</u>	<u>\$32,116</u>
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	<u>\$30,707</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$336,415</b>	<b>\$376,846</b>	<b>\$549,515</b>	<b>\$29,380</b>	<b>\$1,292,156</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$35,314</b>	<b>\$39,558</b>	<b>\$57,684</b>	<b>\$3,084</b>	<b>\$135,641</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$371,729</b>	<b>\$416,404</b>	<b>\$607,199</b>	<b>\$32,464</b>	<b>\$1,427,797</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$6,488	\$7,359	\$14,368	\$157	\$28,372
<b>Total Contractor Pass-Through Costs</b>	<b>\$6,488</b>	<b>\$7,359</b>	<b>\$14,368</b>	<b>\$157</b>	<b>\$28,372</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$378,217</b>	<b>\$423,762</b>	<b>\$621,568</b>	<b>\$32,621</b>	<b>\$1,456,168</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>2,344</b>	<b>2,344</b>	<b>2,344</b>	
	Accounts	Accounts	Accounts	
2014	2,340	2,340	2,340	
2015	2,347	2,347	2,347	
2016	2,346	2,346	2,346	
<b>Current Year Rolling Three-Year Average</b>	<b>2,344</b>	<b>2,344</b>	<b>2,344</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$336,415</b>	<b>\$376,846</b>	<b>\$549,515</b>	<b>\$29,380</b>	<b>\$1,292,156</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$35,314</b>	<b>\$39,558</b>	<b>\$57,684</b>	<b>\$3,084</b>	<b>\$135,641</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$371,729</b>	<b>\$416,404</b>	<b>\$607,199</b>	<b>\$32,464</b>	<b>\$1,427,797</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$6,488	\$7,359	\$14,368	\$157	\$28,372
<b>Total Contractor Pass-Through Costs</b>	<b>\$6,488</b>	<b>\$7,359</b>	<b>\$14,368</b>	<b>\$157</b>	<b>\$28,372</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$378,217</b>	<b>\$423,762</b>	<b>\$621,568</b>	<b>\$32,621</b>	<b>\$1,456,168</b>

**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	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	
<b>Annual Cost of Operations</b>						
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	<u>\$1,422</u>	<u>\$545</u>	<u>\$803</u>	<u>\$0</u>	<u>\$169</u>	<u>\$2,939</u>
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	<u>\$110</u>	<u>\$312</u>	<u>\$737</u>	<u>\$0</u>	<u>\$71</u>	<u>\$1,230</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$44,114</b>	<b>\$19,682</b>	<b>\$40,883</b>	<b>\$0</b>	<b>\$5,673</b>	<b>\$110,353</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$4,630.73</b>	<b>\$2,066</b>	<b>\$4,292</b>	<b>\$0</b>	<b>\$596</b>	<b>\$11,584</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$48,745</b>	<b>\$21,749</b>	<b>\$45,175</b>	<b>\$0</b>	<b>\$6,269</b>	<b>\$121,937</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$886	\$448	\$1,001	\$0	\$98	\$2,434
<b>Total Contractor Pass-Through Costs</b>	<b>\$886</b>	<b>\$448</b>	<b>\$1,001</b>	<b>\$0</b>	<b>\$98</b>	<b>\$2,434</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$49,631</b>	<b>\$22,197</b>	<b>\$46,176</b>	<b>\$0</b>	<b>\$6,367</b>	<b>\$124,371</b>

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
<b>Rolling Three-Year Average</b>	<b>1,525</b>	<b>3,051</b>	<b>1,005</b>	<b>-</b>

**D. Town of Atherton Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$44,114</b>	<b>\$19,682</b>	<b>\$40,883</b>	<b>\$0</b>	<b>\$5,673</b>	<b>\$110,353</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$4,631</b>	<b>\$2,066</b>	<b>\$4,292</b>	<b>\$0</b>	<b>\$596</b>	<b>\$11,584</b>
	90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$48,745</b>	<b>\$21,749</b>	<b>\$45,175</b>	<b>\$0</b>	<b>\$6,269</b>	<b>\$121,937</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$886	\$448	\$1,001	\$0	\$98	\$2,434
<b>Total Contractor Pass-Through Costs</b>	<b>\$886</b>	<b>\$448</b>	<b>\$1,001</b>	<b>\$0</b>	<b>\$98</b>	<b>\$2,434</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$49,631</b>	<b>\$22,197</b>	<b>\$46,176</b>	<b>\$0</b>	<b>\$6,367</b>	<b>\$124,371</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>1,525</b>	<b>3,051</b>	<b>1,005</b>		-	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>1,525</b>	<b>3,051</b>	<b>1,005</b>		-	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$32,548</b>	<b>\$12,264</b>	<b>\$16,567</b>	<b>\$0</b>	<b>\$3,896</b>	<b>\$65,275</b>
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 Operations	\$1,002	\$1,268	\$5,484	\$0	\$491	\$8,245
Vehicle Maintenance	\$856	\$793	\$3,902	\$0	\$100	\$5,652
Container Maintenance	\$1,637	\$1,516	\$7,458	\$0	\$191	\$10,802
	\$110	\$312	\$737	\$0	\$71	\$1,230
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$3,605</b>	<b>\$3,889</b>	<b>\$17,582</b>	<b>\$0</b>	<b>\$853</b>	<b>\$25,929</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$44,114</b>	<b>\$19,682</b>	<b>\$40,883</b>	<b>\$0</b>	<b>\$5,673</b>	<b>\$110,353</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$4,631</b>	<b>\$2,066</b>	<b>\$4,292</b>	<b>\$0</b>	<b>\$596</b>	<b>\$11,584</b>
	90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$48,745</b>	<b>\$21,749</b>	<b>\$45,175</b>	<b>\$0</b>	<b>\$6,269</b>	<b>\$121,937</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$886	\$448	\$1,001	\$0	\$98	\$2,434
<b>Total Contractor Pass-Through Costs</b>	<b>\$886</b>	<b>\$448</b>	<b>\$1,001</b>	<b>\$0</b>	<b>\$98</b>	<b>\$2,434</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$49,631</b>	<b>\$22,197</b>	<b>\$46,176</b>	<b>\$0</b>	<b>\$6,367</b>	<b>\$124,371</b>

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	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 Containers	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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$1,528</b>	<b>\$71</b>	<b>\$576</b>	<b>\$1,594</b>	<b>\$235</b>	<b>\$4,004</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$1,708</b>	<b>\$79</b>	<b>\$644</b>	<b>\$1,783</b>	<b>\$498</b>	<b>\$4,712</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$4,178</b>	<b>\$194</b>	<b>\$1,576</b>	<b>\$4,360</b>	<b>\$848</b>	<b>\$11,156</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$439</b>	<b>\$20</b>	<b>\$165</b>	<b>\$458</b>	<b>\$89</b>	<b>\$1,171</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$4,616</b>	<b>\$215</b>	<b>\$1,741</b>	<b>\$4,818</b>	<b>\$937</b>	<b>\$12,327</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$113	\$5	\$43	\$118	\$13	\$292
<b>Total Contractor Pass-Through Costs</b>	<b>\$113</b>	<b>\$5</b>	<b>\$43</b>	<b>\$118</b>	<b>\$13</b>	<b>\$292</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$4,729</b>	<b>\$220</b>	<b>\$1,784</b>	<b>\$4,937</b>	<b>\$949</b>	<b>\$12,619</b>

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	
<b>Rolling Three-Year Average</b>	<b>806</b>	<b>355</b>	<b>832</b>	<b>45</b>	

**D. Town of Atherton Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$4,178</b>	<b>\$194</b>	<b>\$1,576</b>	<b>\$4,360</b>	<b>\$848</b>	<b>\$11,156</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$439</b>	<b>\$20</b>	<b>\$165</b>	<b>\$458</b>	<b>\$89</b>	<b>\$1,171</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$4,616</b>	<b>\$215</b>	<b>\$1,741</b>	<b>\$4,818</b>	<b>\$937</b>	<b>\$12,327</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$113	\$5	\$43	\$118	\$13	\$292
<b>Total Contractor Pass-Through Costs</b>	<b>\$113</b>	<b>\$5</b>	<b>\$43</b>	<b>\$118</b>	<b>\$13</b>	<b>\$292</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$4,729</b>	<b>\$220</b>	<b>\$1,784</b>	<b>\$4,937</b>	<b>\$949</b>	<b>\$12,619</b>



**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		
<b>Prior Year Rolling Three-Year Average</b>	<b>806</b>	<b>355</b>	<b>832</b>	<b>45</b>		
2014	728	312	780	41		
2015	832	364	780	53		
2016	858	390	936	40		
<b>Current Year Rolling Three-Year Average</b>	<b>806</b>	<b>355</b>	<b>832</b>	<b>45</b>		
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$1,528</b>	<b>\$71</b>	<b>\$576</b>	<b>\$1,594</b>	<b>\$235</b>	<b>\$4,004</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$1,708</b>	<b>\$79</b>	<b>\$644</b>	<b>\$1,783</b>	<b>\$498</b>	<b>\$4,712</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$4,178</b>	<b>\$194</b>	<b>\$1,576</b>	<b>\$4,360</b>	<b>\$848</b>	<b>\$11,156</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$439</b>	<b>\$20</b>	<b>\$165</b>	<b>\$458</b>	<b>\$89</b>	<b>\$1,171</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$4,616</b>	<b>\$215</b>	<b>\$1,741</b>	<b>\$4,818</b>	<b>\$937</b>	<b>\$12,327</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$113	\$5	\$43	\$118	\$13	\$292
<b>Total Contractor Pass-Through Costs</b>	<b>\$113</b>	<b>\$5</b>	<b>\$43</b>	<b>\$118</b>	<b>\$13</b>	<b>\$292</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$4,729</b>	<b>\$220</b>	<b>\$1,784</b>	<b>\$4,937</b>	<b>\$949</b>	<b>\$12,619</b>

**D. 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	
<b>Annual Cost of Operations</b>					
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	<u>\$17,571</u>	<u>\$13,897</u>	<u>\$12,434</u>	<u>\$4,533</u>	<u>\$48,435</u>
<b>Total Direct Labor Related-Costs</b>	<b>\$398,639</b>	<b>\$319,222</b>	<b>\$283,645</b>	<b>\$107,668</b>	<b>\$1,109,175</b>
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	<u>\$54,856</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$726,415</b>	<b>\$654,365</b>	<b>\$607,406</b>	<b>\$127,310</b>	<b>\$2,115,497</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$76,254</b>	<b>\$68,690</b>	<b>\$63,761</b>	<b>\$13,364</b>	<b>\$222,069</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$802,669</b>	<b>\$723,055</b>	<b>\$671,167</b>	<b>\$140,674</b>	<b>\$2,337,566</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$13,958	\$13,507	\$14,126	\$680	\$42,271
<b>Total Contractor Pass-Through Costs</b>	<b>\$13,958</b>	<b>\$13,507</b>	<b>\$14,126</b>	<b>\$680</b>	<b>\$42,271</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$816,627</b>	<b>\$736,563</b>	<b>\$685,293</b>	<b>\$141,354</b>	<b>\$2,379,837</b>

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	
<b>Rolling Three-Year Average</b>	<b>6,771</b>	<b>6,771</b>	<b>6,771</b>	

**D. City of Belmont 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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	<u>\$17,571</u>	<u>\$13,897</u>	<u>\$12,434</u>	<u>\$4,533</u>	<u>\$48,435</u>
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	<u>\$54,856</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$726,415</b>	<b>\$654,365</b>	<b>\$607,406</b>	<b>\$127,310</b>	<b>\$2,115,497</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$76,254</b>	<b>\$68,690</b>	<b>\$63,761</b>	<b>\$13,364</b>	<b>\$222,069</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$802,669</b>	<b>\$723,055</b>	<b>\$671,167</b>	<b>\$140,674</b>	<b>\$2,337,566</b>
Contractor Pass-Through Costs					
Interest Expense	\$13,958	\$13,507	\$14,126	\$680	\$42,271
<b>Total Contractor Pass-Through Costs</b>	<u>\$13,958</u>	<u>\$13,507</u>	<u>\$14,126</u>	<u>\$680</u>	<u>\$42,271</u>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$816,627</b>	<b>\$736,563</b>	<b>\$685,293</b>	<b>\$141,354</b>	<b>\$2,379,837</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>6,771</b>	<b>6,771</b>	<b>6,771</b>	
	Accounts	Accounts	Accounts	
2014	6,759	6,759	6,759	
2015	6,789	6,789	6,789	
2016	6,765	6,765	6,765	
<b>Current Year Rolling Three-Year Average</b>	<b>6,771</b>	<b>6,771</b>	<b>6,771</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$726,415</b>	<b>\$654,365</b>	<b>\$607,406</b>	<b>\$127,310</b>	<b>\$2,115,497</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$76,254</b>	<b>\$68,690</b>	<b>\$63,761</b>	<b>\$13,364</b>	<b>\$222,069</b>
<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$802,669</b>	<b>\$723,055</b>	<b>\$671,167</b>	<b>\$140,674</b>	<b>\$2,337,566</b>
Contractor Pass-Through Costs					
Interest Expense	\$13,958	\$13,507	\$14,126	\$680	\$42,271
<b>Total Contractor Pass-Through Costs</b>	<b>\$13,958</b>	<b>\$13,507</b>	<b>\$14,126</b>	<b>\$680</b>	<b>\$42,271</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$816,627</b>	<b>\$736,563</b>	<b>\$685,293</b>	<b>\$141,354</b>	<b>\$2,379,837</b>

**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	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	
<b>Annual Cost of Operations</b>						
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	<u>\$23,060</u>	<u>\$11,706</u>	<u>\$3,374</u>	<u>\$1,515</u>	<u>\$731</u>	<u>\$40,387</u>
<b>Total Direct Labor Related-Costs</b>	\$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	<u>\$6,120</u>	<u>\$7,850</u>	<u>\$10,812</u>	<u>\$1,095</u>	<u>\$306</u>	<u>\$27,082</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$716,012</b>	<b>\$442,010</b>	<b>\$217,065</b>	<b>\$82,233</b>	<b>\$24,583</b>	<b>\$1,481,903</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$75,161.51</b>	<b>\$46,399</b>	<b>\$22,786</b>	<b>\$8,632</b>	<b>\$2,581</b>	<b>\$155,559</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$791,174</b>	<b>\$488,409</b>	<b>\$239,851</b>	<b>\$90,865</b>	<b>\$27,163</b>	<b>\$1,637,462</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$12,851	\$9,772	\$5,289	\$1,036	\$420	\$29,368
<b>Total Contractor Pass-Through Costs</b>	<b>\$12,851</b>	<b>\$9,772</b>	<b>\$5,289</b>	<b>\$1,036</b>	<b>\$420</b>	<b>\$29,368</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$804,025</b>	<b>\$498,181</b>	<b>\$245,140</b>	<b>\$91,901</b>	<b>\$27,584</b>	<b>\$1,666,830</b>

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
<b>Rolling Three-Year Average</b>	<b>62,465</b>	<b>78,845</b>	<b>8,160</b>	<b>154</b>

**D. City of Belmont Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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	<u>\$23,060</u>	<u>\$11,706</u>	<u>\$3,374</u>	<u>\$1,515</u>	<u>\$731</u>	<u>\$40,387</u>
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	<u>\$27,082</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$716,012</b>	<b>\$442,010</b>	<b>\$217,065</b>	<b>\$82,233</b>	<b>\$24,583</b>	<b>\$1,481,903</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$75,162</b>	<b>\$46,399</b>	<b>\$22,786</b>	<b>\$8,632</b>	<b>\$2,581</b>	<b>\$155,559</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$791,174</b>	<b>\$488,409</b>	<b>\$239,851</b>	<b>\$90,865</b>	<b>\$27,163</b>	<b>\$1,637,462</b>
Contractor Pass-Through Costs						
Interest Expense	\$12,851	\$9,772	\$5,289	\$1,036	\$420	\$29,368
<b>Total Contractor Pass-Through Costs</b>	<b>\$12,851</b>	<b>\$9,772</b>	<b>\$5,289</b>	<b>\$1,036</b>	<b>\$420</b>	<b>\$29,368</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$804,025</b>	<b>\$498,181</b>	<b>\$245,140</b>	<b>\$91,901</b>	<b>\$27,584</b>	<b>\$1,666,830</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>62,465</b>	<b>78,845</b>	<b>8,160</b>	<b>154</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>62,465</b>	<b>78,845</b>	<b>8,160</b>	<b>154</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$716,012</b>	<b>\$442,010</b>	<b>\$217,065</b>	<b>\$82,233</b>	<b>\$24,583</b>	<b>\$1,481,903</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$75,162</b>	<b>\$46,399</b>	<b>\$22,786</b>	<b>\$8,632</b>	<b>\$2,581</b>	<b>\$155,559</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$791,174</b>	<b>\$488,409</b>	<b>\$239,851</b>	<b>\$90,865</b>	<b>\$27,163</b>	<b>\$1,637,462</b>
Contractor Pass-Through Costs						
Interest Expense	\$12,851	\$9,772	\$5,289	\$1,036	\$420	\$29,368
<b>Total Contractor Pass-Through Costs</b>	<b>\$12,851</b>	<b>\$9,772</b>	<b>\$5,289</b>	<b>\$1,036</b>	<b>\$420</b>	<b>\$29,368</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$804,025</b>	<b>\$498,181</b>	<b>\$245,140</b>	<b>\$91,901</b>	<b>\$27,584</b>	<b>\$1,666,830</b>

**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	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 Containers	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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$6,467</b>	<b>\$1,231</b>	<b>\$3,718</b>	<b>\$3,827</b>	<b>\$777</b>	<b>\$16,021</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$10,788</b>	<b>\$2,054</b>	<b>\$6,203</b>	<b>\$6,385</b>	<b>\$1,477</b>	<b>\$26,909</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$20,910</b>	<b>\$3,982</b>	<b>\$12,024</b>	<b>\$12,376</b>	<b>\$2,635</b>	<b>\$51,926</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$2,195</b>	<b>\$418</b>	<b>\$1,262</b>	<b>\$1,299</b>	<b>\$277</b>	<b>\$5,451</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$23,105</b>	<b>\$4,400</b>	<b>\$13,286</b>	<b>\$13,675</b>	<b>\$2,911</b>	<b>\$57,377</b>
Contractor Pass-Through Costs						
Interest Expense	\$446	\$85	\$256	\$264	\$42	\$1,092
<b>Total Contractor Pass-Through Costs</b>	<b>\$446</b>	<b>\$85</b>	<b>\$256</b>	<b>\$264</b>	<b>\$42</b>	<b>\$1,092</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$23,551</b>	<b>\$4,485</b>	<b>\$13,542</b>	<b>\$13,939</b>	<b>\$2,953</b>	<b>\$58,469</b>

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	
<b>Rolling Three-Year Average</b>	<b>5,599</b>	<b>3,675</b>	<b>4,316</b>	<b>68</b>	



**D. City of Belmont Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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	\$10,789	\$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
<b>Total Annual Cost of Operations</b>	<b>\$20,910</b>	<b>\$3,982</b>	<b>\$12,024</b>	<b>\$12,376</b>	<b>\$2,635</b>	<b>\$51,926</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$2,195</b>	<b>\$418</b>	<b>\$1,262</b>	<b>\$1,299</b>	<b>\$277</b>	<b>\$5,451</b>
	<b>90.5%</b>					
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$23,105</b>	<b>\$4,400</b>	<b>\$13,286</b>	<b>\$13,675</b>	<b>\$2,911</b>	<b>\$57,377</b>
Contractor Pass-Through Costs						
Interest Expense	\$446	\$85	\$256	\$264	\$42	\$1,092
<b>Total Contractor Pass-Through Costs</b>	<b>\$446</b>	<b>\$85</b>	<b>\$256</b>	<b>\$264</b>	<b>\$42</b>	<b>\$1,092</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$23,551</b>	<b>\$4,485</b>	<b>\$13,542</b>	<b>\$13,939</b>	<b>\$2,953</b>	<b>\$58,469</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>5,599</b>	<b>3,675</b>	<b>4,316</b>	<b>68</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>5,599</b>	<b>3,675</b>	<b>4,316</b>	<b>68</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$20,910</b>	<b>\$3,982</b>	<b>\$12,024</b>	<b>\$12,376</b>	<b>\$2,635</b>	<b>\$51,926</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$2,195</b>	<b>\$418</b>	<b>\$1,262</b>	<b>\$1,299</b>	<b>\$277</b>	<b>\$5,451</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$23,105</b>	<b>\$4,400</b>	<b>\$13,286</b>	<b>\$13,675</b>	<b>\$2,911</b>	<b>\$57,377</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$446	\$85	\$256	\$264	\$42	\$1,092
<b>Total Contractor Pass-Through Costs</b>	<b>\$446</b>	<b>\$85</b>	<b>\$256</b>	<b>\$264</b>	<b>\$42</b>	<b>\$1,092</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$23,551</b>	<b>\$4,485</b>	<b>\$13,542</b>	<b>\$13,939</b>	<b>\$2,953</b>	<b>\$58,469</b>

**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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$409,060</b>	<b>\$295,787</b>	<b>\$304,477</b>	<b>\$103,845</b>	<b>\$1,113,170</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$210,681</b>	<b>\$209,385</b>	<b>\$214,844</b>	<b>\$8,674</b>	<b>\$643,583</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$741,590</b>	<b>\$612,809</b>	<b>\$630,729</b>	<b>\$122,791</b>	<b>\$2,107,919</b>
Profit (insert Operating Ratio below)	\$77,846	\$64,328	\$66,209	\$12,890	\$221,273
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$819,437</b>	<b>\$677,137</b>	<b>\$696,938</b>	<b>\$135,680</b>	<b>\$2,329,192</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$14,341	\$12,668	\$14,254	\$655	\$41,919
<b>Total Contractor Pass-Through Costs</b>	<b>\$14,341</b>	<b>\$12,668</b>	<b>\$14,254</b>	<b>\$655</b>	<b>\$41,919</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$833,778</b>	<b>\$689,805</b>	<b>\$711,192</b>	<b>\$136,336</b>	<b>\$2,371,111</b>

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
<b>Rolling Three-Year Average</b>	<b>6,613</b>	<b>6,613</b>	<b>6,613</b>

**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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$741,590</b>	<b>\$612,809</b>	<b>\$630,729</b>	<b>\$122,791</b>	<b>\$2,107,919</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$77,846</b>	<b>\$64,328</b>	<b>\$66,209</b>	<b>\$12,890</b>	<b>\$221,273</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$819,437</b>	<b>\$677,137</b>	<b>\$696,938</b>	<b>\$135,680</b>	<b>\$2,329,192</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$14,341	\$12,668	\$14,254	\$655	\$41,919
<b>Total Contractor Pass-Through Costs</b>	<b>\$14,341</b>	<b>\$12,668</b>	<b>\$14,254</b>	<b>\$655</b>	<b>\$41,919</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$833,778</b>	<b>\$689,805</b>	<b>\$711,192</b>	<b>\$136,336</b>	<b>\$2,371,111</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>6,613</b>	<b>6,613</b>	<b>6,613</b>	
	Accounts	Accounts	Accounts	
2014	6,604	6,604	6,604	
2015	6,608	6,608	6,608	
2016	6,626	6,626	6,626	
<b>Current Year Rolling Three-Year Average</b>	<b>6,613</b>	<b>6,613</b>	<b>6,613</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$741,590</b>	<b>\$612,809</b>	<b>\$630,729</b>	<b>\$122,791</b>	<b>\$2,107,919</b>
Profit (insert Operating Ratio below) <b>90.5%</b>	\$77,846	\$64,328	\$66,209	\$12,890	\$221,273
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$819,437</b>	<b>\$677,137</b>	<b>\$696,938</b>	<b>\$135,680</b>	<b>\$2,329,192</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$14,341	\$12,668	\$14,254	\$655	\$41,919
<b>Total Contractor Pass-Through Costs</b>	<b>\$14,341</b>	<b>\$12,668</b>	<b>\$14,254</b>	<b>\$655</b>	<b>\$41,919</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$833,778</b>	<b>\$689,805</b>	<b>\$711,192</b>	<b>\$136,336</b>	<b>\$2,371,111</b>

**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	3,011.00
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	
<b>Annual Cost of Operations</b>						
<b>Direct Labor-Related Costs</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$1,189,067</b>	<b>\$453,317</b>	<b>\$120,023</b>	<b>\$194,404</b>	<b>\$16,283</b>	<b>\$1,973,094</b>
<b>Direct Fuel Costs</b>	\$62,907	\$27,624	\$10,931	\$12,405	\$1,076	\$114,942
<b>Other Direct Costs</b>	\$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
<b>Allocated Indirect Costs excluding Depreciation and Interest (Form 9)</b>						
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$217,873</b>	<b>\$234,745</b>	<b>\$256,372</b>	<b>\$156,007</b>	<b>\$3,566</b>	<b>\$868,562</b>
<b>Total Allocated Indirect Depreciation Costs (Form 9)</b>	<b>\$1,569</b>	<b>\$1,685</b>	<b>\$1,443</b>	<b>\$2,224</b>	<b>\$26</b>	<b>\$6,947</b>
<b>Annual Implementation Cost Amortization (Form A)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Annual Cost of Operations</b>	<b>\$1,652,966</b>	<b>\$815,716</b>	<b>\$433,845</b>	<b>\$408,384</b>	<b>\$23,710</b>	<b>\$3,334,621</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$173,515.79</b>	<b>\$85,628</b>	<b>\$45,542</b>	<b>\$42,869</b>	<b>\$2,489</b>	<b>\$350,043</b>
<b>90.5%</b>						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,826,482</b>	<b>\$901,344</b>	<b>\$479,386</b>	<b>\$451,253</b>	<b>\$26,199</b>	<b>\$3,684,664</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$29,577	\$16,779	\$9,908	\$6,168	\$399	\$62,830
<b>Total Contractor Pass-Through Costs</b>	<b>\$29,577</b>	<b>\$16,779</b>	<b>\$9,908</b>	<b>\$6,168</b>	<b>\$399</b>	<b>\$62,830</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,856,059</b>	<b>\$918,122</b>	<b>\$489,294</b>	<b>\$457,421</b>	<b>\$26,598</b>	<b>\$3,747,494</b>

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
<b>Rolling Three-Year Average</b>	<b>198,870</b>	<b>209,001</b>	<b>32,348</b>	<b>1,499</b>

**D. City of Burlingame Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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	\$31,933	\$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
<b>Total Annual Cost of Operations</b>	<b>\$1,652,966</b>	<b>\$815,716</b>	<b>\$433,845</b>	<b>\$408,384</b>	<b>\$23,710</b>	<b>\$3,334,621</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$173,516</b>	<b>\$85,628</b>	<b>\$45,542</b>	<b>\$42,869</b>	<b>\$2,489</b>	<b>\$350,043</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,826,482</b>	<b>\$901,344</b>	<b>\$479,386</b>	<b>\$451,253</b>	<b>\$26,199</b>	<b>\$3,684,664</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$29,577	\$16,779	\$9,908	\$6,168	\$399	\$62,830
<b>Total Contractor Pass-Through Costs</b>	<b>\$29,577</b>	<b>\$16,779</b>	<b>\$9,908</b>	<b>\$6,168</b>	<b>\$399</b>	<b>\$62,830</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,856,059</b>	<b>\$918,122</b>	<b>\$489,294</b>	<b>\$457,421</b>	<b>\$26,598</b>	<b>\$3,747,494</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>198,870</b>	<b>209,001</b>	<b>32,348</b>	<b>1,499</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>198,870</b>	<b>209,001</b>	<b>32,348</b>	<b>1,499</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$1,652,966</b>	<b>\$815,716</b>	<b>\$433,845</b>	<b>\$408,384</b>	<b>\$23,710</b>	<b>\$3,334,621</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$173,516</b>	<b>\$85,628</b>	<b>\$45,542</b>	<b>\$42,869</b>	<b>\$2,489</b>	<b>\$350,043</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,826,482</b>	<b>\$901,344</b>	<b>\$479,386</b>	<b>\$451,253</b>	<b>\$26,199</b>	<b>\$3,684,664</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$29,577	\$16,779	\$9,908	\$6,168	\$399	\$62,830
<b>Total Contractor Pass-Through Costs</b>	<b>\$29,577</b>	<b>\$16,779</b>	<b>\$9,908</b>	<b>\$6,168</b>	<b>\$399</b>	<b>\$62,830</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,856,059</b>	<b>\$918,122</b>	<b>\$489,294</b>	<b>\$457,421</b>	<b>\$26,598</b>	<b>\$3,747,494</b>



**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
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06	5,935.45	1,209.60
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	
<b>Annual Cost of Operations</b>						
<b>Direct Labor-Related Costs</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$40,351</b>	<b>\$785</b>	<b>\$2,390</b>	<b>\$14,228</b>	<b>\$4,310</b>	<b>\$62,063</b>
<b>Direct Fuel Costs</b>	\$2,664	\$52	\$158	\$939	\$337	\$4,151
<b>Other Direct Costs</b>	\$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
<b>Allocated Indirect Costs excluding Depreciation and Interest (Form 9)</b>						
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$37,975</b>	<b>\$739</b>	<b>\$2,249</b>	<b>\$13,390</b>	<b>\$2,867</b>	<b>\$57,220</b>
<b>Total Allocated Indirect Depreciation Costs (Form 9)</b>	\$354	\$7	\$21	\$125	\$36	\$542
<b>Annual Implementation Cost Amortization (Form A)</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Annual Cost of Operations</b>	<b>\$97,208</b>	<b>\$1,892</b>	<b>\$5,758</b>	<b>\$34,276</b>	<b>\$9,288</b>	<b>\$148,421</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$10,204</b>	<b>\$199</b>	<b>\$604</b>	<b>\$3,598</b>	<b>\$975</b>	<b>\$15,580</b>
	90.5%					
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$107,412</b>	<b>\$2,090</b>	<b>\$6,362</b>	<b>\$37,874</b>	<b>\$10,263</b>	<b>\$164,001</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,298	\$45	\$136	\$810	\$233	\$3,522
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,298</b>	<b>\$45</b>	<b>\$136</b>	<b>\$810</b>	<b>\$233</b>	<b>\$3,522</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$109,710</b>	<b>\$2,135</b>	<b>\$6,498</b>	<b>\$38,684</b>	<b>\$10,496</b>	<b>\$167,523</b>

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	
<b>Rolling Three-Year Average</b>	<b>36,010</b>	<b>1,005</b>	<b>2,955</b>	<b>366</b>	

**D. City of Burlingame Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$40,351</b>	<b>\$785</b>	<b>\$2,390</b>	<b>\$14,228</b>	<b>\$4,310</b>	<b>\$62,063</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$37,975</b>	<b>\$739</b>	<b>\$2,249</b>	<b>\$13,390</b>	<b>\$2,867</b>	<b>\$57,220</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$97,208</b>	<b>\$1,892</b>	<b>\$5,758</b>	<b>\$34,276</b>	<b>\$9,288</b>	<b>\$148,421</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$10,204</b>	<b>\$199</b>	<b>\$604</b>	<b>\$3,598</b>	<b>\$975</b>	<b>\$15,580</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$107,412</b>	<b>\$2,090</b>	<b>\$6,362</b>	<b>\$37,874</b>	<b>\$10,263</b>	<b>\$164,001</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,298	\$45	\$136	\$810	\$233	\$3,522
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,298</b>	<b>\$45</b>	<b>\$136</b>	<b>\$810</b>	<b>\$233</b>	<b>\$3,522</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$109,710</b>	<b>\$2,135</b>	<b>\$6,498</b>	<b>\$38,684</b>	<b>\$10,496</b>	<b>\$167,523</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>36,010</b>	<b>1,005</b>	<b>2,955</b>	<b>366</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>36,010</b>	<b>1,005</b>	<b>2,955</b>	<b>366</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$40,351</b>	<b>\$785</b>	<b>\$2,390</b>	<b>\$14,228</b>	<b>\$4,310</b>	<b>\$62,063</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$37,975</b>	<b>\$739</b>	<b>\$2,249</b>	<b>\$13,390</b>	<b>\$2,867</b>	<b>\$57,220</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$97,208</b>	<b>\$1,892</b>	<b>\$5,758</b>	<b>\$34,276</b>	<b>\$9,288</b>	<b>\$148,421</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$10,204</b>	<b>\$199</b>	<b>\$604</b>	<b>\$3,598</b>	<b>\$975</b>	<b>\$15,580</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$107,412</b>	<b>\$2,090</b>	<b>\$6,362</b>	<b>\$37,874</b>	<b>\$10,263</b>	<b>\$164,001</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,298	\$45	\$136	\$810	\$233	\$3,522
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,298</b>	<b>\$45</b>	<b>\$136</b>	<b>\$810</b>	<b>\$233</b>	<b>\$3,522</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$109,710</b>	<b>\$2,135</b>	<b>\$6,498</b>	<b>\$38,684</b>	<b>\$10,496</b>	<b>\$167,523</b>

**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	94,372	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	
<b>Annual Cost of Operations</b>					
<b>Direct Labor-Related Costs</b>					
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	<u>\$14,562</u>	<u>\$9,940</u>	<u>\$9,689</u>	<u>\$3,567</u>	<u>\$37,758</u>
<b>Total Direct Labor Related-Costs</b>	\$330,377	\$228,331	\$221,021	\$84,732	\$864,461
<b>Direct Fuel Costs</b>	\$20,828	\$18,045	\$18,334	\$2,366	\$59,573
<b>Other Direct Costs</b>	\$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
<b>Allocated Indirect Costs excluding Depreciation and Interest (Form 9)</b>					
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	<u>\$34,067</u>
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	\$143,203	\$140,023	\$149,421	\$7,079	\$439,726
<b>Total Allocated Indirect Depreciation Costs (Form 9)</b>	\$1,111	\$981	\$1,199	\$51	\$3,343
<b>Annual Implementation Cost Amortization (Form A)</b>	\$0	\$0	\$0	\$0	\$0
<b>Total Annual Cost of Operations</b>	<b>\$565,744</b>	<b>\$447,869</b>	<b>\$457,997</b>	<b>\$100,192</b>	<b>\$1,571,802</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$59,387</b>	<b>\$47,014</b>	<b>\$48,077</b>	<b>\$10,517</b>	<b>\$164,996</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$625,131</b>	<b>\$494,883</b>	<b>\$506,074</b>	<b>\$110,710</b>	<b>\$1,736,798</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$10,495	\$9,007	\$10,687	\$535	\$30,724
<b>Total Contractor Pass-Through Costs</b>	<b>\$10,495</b>	<b>\$9,007</b>	<b>\$10,687</b>	<b>\$535</b>	<b>\$30,724</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$635,626</b>	<b>\$503,890</b>	<b>\$516,761</b>	<b>\$111,244</b>	<b>\$1,767,522</b>

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
<b>Rolling Three-Year Average</b>	<b>4,168</b>	<b>4,168</b>	<b>4,168</b>

**D. City of East Palo Alto 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$330,377</b>	<b>\$228,331</b>	<b>\$221,021</b>	<b>\$84,732</b>	<b>\$864,461</b>
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	\$30,592	\$36,950	\$1,588	\$104,705
Container Maintenance	\$11,117	\$11,488	\$10,876	\$586	\$34,067
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$143,203</b>	<b>\$140,023</b>	<b>\$149,421</b>	<b>\$7,079</b>	<b>\$439,726</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$565,744</b>	<b>\$447,869</b>	<b>\$457,997</b>	<b>\$100,192</b>	<b>\$1,571,802</b>
Profit (insert Operating Ratio below)	\$59,387	\$47,014	\$48,077	\$10,517	\$164,996
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$625,131</b>	<b>\$494,883</b>	<b>\$506,074</b>	<b>\$110,710</b>	<b>\$1,736,798</b>
Contractor Pass-Through Costs					
Interest Expense	\$10,495	\$9,007	\$10,687	\$535	\$30,724
<b>Total Contractor Pass-Through Costs</b>	<b>\$10,495</b>	<b>\$9,007</b>	<b>\$10,687</b>	<b>\$535</b>	<b>\$30,724</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$635,626</b>	<b>\$503,890</b>	<b>\$516,761</b>	<b>\$111,244</b>	<b>\$1,767,522</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>4,168</b>	<b>4,168</b>	<b>4,168</b>	
	Accounts	Accounts	Accounts	
2014	4,155	4,155	4,155	
2015	4,164	4,164	4,164	
2016	4,186	4,186	4,186	
<b>Current Year Rolling Three-Year Average</b>	<b>4,168</b>	<b>4,168</b>	<b>4,168</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$565,744</b>	<b>\$447,869</b>	<b>\$457,997</b>	<b>\$100,192</b>	<b>\$1,571,802</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$59,387</b>	<b>\$47,014</b>	<b>\$48,077</b>	<b>\$10,517</b>	<b>\$164,996</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$625,131</b>	<b>\$494,883</b>	<b>\$506,074</b>	<b>\$110,710</b>	<b>\$1,736,798</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$10,495	\$9,007	\$10,687	\$535	\$30,724
<b>Total Contractor Pass-Through Costs</b>	<b>\$10,495</b>	<b>\$9,007</b>	<b>\$10,687</b>	<b>\$535</b>	<b>\$30,724</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$635,626</b>	<b>\$503,890</b>	<b>\$516,761</b>	<b>\$111,244</b>	<b>\$1,767,522</b>

**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%	3.3%	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 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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$258,570</b>	<b>\$70,822</b>	<b>\$23,716</b>	<b>\$35,562</b>	<b>\$13,286</b>	<b>\$401,956</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$58,789</b>	<b>\$53,623</b>	<b>\$143,244</b>	<b>\$57,014</b>	<b>\$2,910</b>	<b>\$315,580</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$390,856</b>	<b>\$147,114</b>	<b>\$183,455</b>	<b>\$103,180</b>	<b>\$19,347</b>	<b>\$843,952</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$41,029.09</b>	<b>\$15,443</b>	<b>\$19,258</b>	<b>\$10,831</b>	<b>\$2,031</b>	<b>\$88,592</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$431,885</b>	<b>\$162,557</b>	<b>\$202,712</b>	<b>\$114,011</b>	<b>\$21,378</b>	<b>\$932,544</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$9,013	\$3,354	\$3,700	\$1,183	\$341	\$17,592
<b>Total Contractor Pass-Through Costs</b>	<b>\$9,013</b>	<b>\$3,354</b>	<b>\$3,700</b>	<b>\$1,183</b>	<b>\$341</b>	<b>\$17,592</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$440,898</b>	<b>\$165,912</b>	<b>\$206,413</b>	<b>\$115,194</b>	<b>\$21,719</b>	<b>\$950,136</b>

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	
<b>Rolling Three-Year Average</b>	<b>44,399</b>	<b>46,319</b>	<b>9,629</b>	<b>191</b>	

**D. City of East Palo Alto Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$390,856</b>	<b>\$147,114</b>	<b>\$183,455</b>	<b>\$103,180</b>	<b>\$19,347</b>	<b>\$843,952</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$41,029</b>	<b>\$15,443</b>	<b>\$19,258</b>	<b>\$10,831</b>	<b>\$2,031</b>	<b>\$88,592</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$431,885</b>	<b>\$162,557</b>	<b>\$202,712</b>	<b>\$114,011</b>	<b>\$21,378</b>	<b>\$932,544</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$9,013	\$3,354	\$3,700	\$1,183	\$341	\$17,592
<b>Total Contractor Pass-Through Costs</b>	<b>\$9,013</b>	<b>\$3,354</b>	<b>\$3,700</b>	<b>\$1,183</b>	<b>\$341</b>	<b>\$17,592</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$440,898</b>	<b>\$165,912</b>	<b>\$206,413</b>	<b>\$115,194</b>	<b>\$21,719</b>	<b>\$950,136</b>



**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>44,399</b>	<b>46,319</b>	<b>9,629</b>	<b>191</b>	
2014	45,032	43,511	9,412	197	
2015	43,784	47,593	9,464	179	
2016	44,382	47,853	10,010	197	
<b>Current Year Rolling Three-Year Average</b>	<b>44,399</b>	<b>46,319</b>	<b>9,629</b>	<b>191</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$390,856</b>	<b>\$147,114</b>	<b>\$183,455</b>	<b>\$103,180</b>	<b>\$19,347</b>	<b>\$843,952</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$41,029</b>	<b>\$15,443</b>	<b>\$19,258</b>	<b>\$10,831</b>	<b>\$2,031</b>	<b>\$88,592</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$431,885</b>	<b>\$162,557</b>	<b>\$202,712</b>	<b>\$114,011</b>	<b>\$21,378</b>	<b>\$932,544</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$9,013	\$3,354	\$3,700	\$1,183	\$341	\$17,592
<b>Total Contractor Pass-Through Costs</b>	<b>\$9,013</b>	<b>\$3,354</b>	<b>\$3,700</b>	<b>\$1,183</b>	<b>\$341</b>	<b>\$17,592</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$440,898</b>	<b>\$165,912</b>	<b>\$206,413</b>	<b>\$115,194</b>	<b>\$21,719</b>	<b>\$950,136</b>

**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 # of 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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$382</b>	<b>\$0</b>	<b>\$44</b>	<b>\$1,291</b>	<b>\$130</b>	<b>\$1,848</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$809</b>	<b>\$0</b>	<b>\$93</b>	<b>\$2,734</b>	<b>\$774</b>	<b>\$4,409</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$1,533</b>	<b>\$0</b>	<b>\$176</b>	<b>\$5,179</b>	<b>\$968</b>	<b>\$7,855</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$161</b>	<b>\$0</b>	<b>\$18</b>	<b>\$544</b>	<b>\$102</b>	<b>\$825</b>
	90.5%					
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$1,694</b>	<b>\$0</b>	<b>\$194</b>	<b>\$5,722</b>	<b>\$1,070</b>	<b>\$8,680</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$41	\$0	\$5	\$140	\$7	\$193
<b>Total Contractor Pass-Through Costs</b>	<b>\$41</b>	<b>\$0</b>	<b>\$5</b>	<b>\$140</b>	<b>\$7</b>	<b>\$193</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,735</b>	<b>\$0</b>	<b>\$199</b>	<b>\$5,862</b>	<b>\$1,077</b>	<b>\$8,872</b>

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	
<b>Rolling Three-Year Average</b>	<b>2,479</b>	<b>17</b>	<b>589</b>	<b>103</b>	

**D. City of East Palo Alto Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$382</b>	<b>\$0</b>	<b>\$44</b>	<b>\$1,291</b>	<b>\$130</b>	<b>\$1,848</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$809</b>	<b>\$0</b>	<b>\$93</b>	<b>\$2,734</b>	<b>\$774</b>	<b>\$4,409</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$1,533</b>	<b>\$0</b>	<b>\$176</b>	<b>\$5,179</b>	<b>\$968</b>	<b>\$7,855</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$161</b>	<b>\$0</b>	<b>\$18</b>	<b>\$544</b>	<b>\$102</b>	<b>\$825</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$1,694</b>	<b>\$0</b>	<b>\$194</b>	<b>\$5,722</b>	<b>\$1,070</b>	<b>\$8,680</b>
Contractor Pass-Through Costs						
Interest Expense	\$41	\$0	\$5	\$140	\$7	\$193
<b>Total Contractor Pass-Through Costs</b>	<b>\$41</b>	<b>\$0</b>	<b>\$5</b>	<b>\$140</b>	<b>\$7</b>	<b>\$193</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,735</b>	<b>\$0</b>	<b>\$199</b>	<b>\$5,862</b>	<b>\$1,077</b>	<b>\$8,872</b>

**D. City of East Palo Alto Allocated Costs - Agency Facilities**

Step 2: Service Level Adjustments						
	Lifts	Lifts	Lifts	Lifts	Hauls	
2014	2,392	52	572	80		
2015	2,496	0	520	103		
2016	2,548	0	676	125		
<b>Prior Year Rolling Three-Year Average</b>	<b>2,479</b>	<b>17</b>	<b>589</b>	<b>103</b>		
2014	2,392	52	572	80		
2015	2,496	0	520	103		
2016	2,548	0	676	125		
<b>Current Year Rolling Three-Year Average</b>	<b>2,479</b>	<b>17</b>	<b>589</b>	<b>103</b>		
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$1,533</b>	<b>\$0</b>	<b>\$176</b>	<b>\$5,179</b>	<b>\$968</b>	<b>\$7,855</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$161</b>	<b>\$0</b>	<b>\$18</b>	<b>\$544</b>	<b>\$102</b>	<b>\$825</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$1,694</b>	<b>\$0</b>	<b>\$194</b>	<b>\$5,722</b>	<b>\$1,070</b>	<b>\$8,680</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$41	\$0	\$5	\$140	\$7	\$193
<b>Total Contractor Pass-Through Costs</b>	<b>\$41</b>	<b>\$0</b>	<b>\$5</b>	<b>\$140</b>	<b>\$7</b>	<b>\$193</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,735</b>	<b>\$0</b>	<b>\$199</b>	<b>\$5,862</b>	<b>\$1,077</b>	<b>\$8,872</b>

**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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$399,990</b>	<b>\$374,835</b>	<b>\$242,836</b>	<b>\$98,111</b>	<b>\$1,115,772</b>
Direct Fuel Costs	\$25,754	\$27,758	\$18,494	\$2,740	\$74,745
Other Direct Costs					
Depreciation - Collection Vehicles	\$33,917	\$36,556	\$24,659	\$4,381	\$99,512
Depreciation - Containers	\$38,439	\$38,040	\$29,863	\$2,525	\$108,866
Depreciation for Collection Equipment	\$18,785	\$19,388	\$18,730	\$0	\$56,903
Lease	\$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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$210,869</b>	<b>\$222,784</b>	<b>\$182,688</b>	<b>\$8,196</b>	<b>\$624,537</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$729,127</b>	<b>\$720,869</b>	<b>\$518,479</b>	<b>\$116,012</b>	<b>\$2,084,487</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$76,538</b>	<b>\$75,671</b>	<b>\$54,426</b>	<b>\$12,178</b>	<b>\$218,814</b>
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$805,666</b>	<b>\$796,540</b>	<b>\$572,905</b>	<b>\$128,190</b>	<b>\$2,303,301</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$14,034	\$14,084	\$11,917	\$619	\$40,655
<b>Total Contractor Pass-Through Costs</b>	<b>\$14,034</b>	<b>\$14,084</b>	<b>\$11,917</b>	<b>\$619</b>	<b>\$40,655</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$819,700</b>	<b>\$810,624</b>	<b>\$584,822</b>	<b>\$128,809</b>	<b>\$2,343,955</b>

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	
<b>Rolling Three-Year Average</b>	<b>6,765</b>	<b>6,765</b>	<b>6,765</b>	

**D. City of Foster City 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$399,990</b>	<b>\$374,835</b>	<b>\$242,836</b>	<b>\$98,111</b>	<b>\$1,115,772</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$210,869</b>	<b>\$222,784</b>	<b>\$182,688</b>	<b>\$8,196</b>	<b>\$624,537</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$729,127</b>	<b>\$720,869</b>	<b>\$518,479</b>	<b>\$116,012</b>	<b>\$2,084,487</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$76,538</b>	<b>\$75,671</b>	<b>\$54,426</b>	<b>\$12,178</b>	<b>\$218,814</b>
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$805,666</b>	<b>\$796,540</b>	<b>\$572,905</b>	<b>\$128,190</b>	<b>\$2,303,301</b>
Contractor Pass-Through Costs					
Interest Expense	\$14,034	\$14,084	\$11,917	\$619	\$40,655
<b>Total Contractor Pass-Through Costs</b>	<b>\$14,034</b>	<b>\$14,084</b>	<b>\$11,917</b>	<b>\$619</b>	<b>\$40,655</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$819,700</b>	<b>\$810,624</b>	<b>\$584,822</b>	<b>\$128,809</b>	<b>\$2,343,955</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>6,765</b>	<b>6,765</b>	<b>6,765</b>	
	Accounts	Accounts	Accounts	
2014	6,747	6,747	6,747	
2015	6,787	6,787	6,787	
2016	6,760	6,760	6,760	
<b>Current Year Rolling Three-Year Average</b>	<b>6,765</b>	<b>6,765</b>	<b>6,765</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$729,127</b>	<b>\$720,869</b>	<b>\$518,479</b>	<b>\$116,012</b>	<b>\$2,084,487</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$76,538</b>	<b>\$75,671</b>	<b>\$54,426</b>	<b>\$12,178</b>	<b>\$218,814</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$805,666</b>	<b>\$796,540</b>	<b>\$572,905</b>	<b>\$128,190</b>	<b>\$2,303,301</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$14,034	\$14,084	\$11,917	\$619	\$40,655
<b>Total Contractor Pass-Through Costs</b>	<b>\$14,034</b>	<b>\$14,084</b>	<b>\$11,917</b>	<b>\$619</b>	<b>\$40,655</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$819,700</b>	<b>\$810,624</b>	<b>\$584,822</b>	<b>\$128,809</b>	<b>\$2,343,955</b>

**D. City of Foster City Allocated Costs - MFD & Commercial**

	Statistics Used for Year 2021 Cost Allocation Only					Total
	2014	2015	2016	2017	2018	
City # of Accounts	824	833	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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$417,187</b>	<b>\$200,724</b>	<b>\$78,044</b>	<b>\$46,766</b>	<b>\$15,384</b>	<b>\$758,105</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$606,783</b>	<b>\$357,604</b>	<b>\$227,787</b>	<b>\$145,682</b>	<b>\$22,402</b>	<b>\$1,360,258</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$63,695.41</b>	<b>\$37,539</b>	<b>\$23,911</b>	<b>\$15,293</b>	<b>\$2,352</b>	<b>\$142,789</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$670,478</b>	<b>\$395,143</b>	<b>\$251,698</b>	<b>\$160,975</b>	<b>\$24,753</b>	<b>\$1,503,047</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$12,888	\$8,228	\$5,943	\$1,576	\$400	\$29,034
<b>Total Contractor Pass-Through Costs</b>	<b>\$12,888</b>	<b>\$8,228</b>	<b>\$5,943</b>	<b>\$1,576</b>	<b>\$400</b>	<b>\$29,034</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$683,366</b>	<b>\$403,371</b>	<b>\$257,641</b>	<b>\$162,551</b>	<b>\$25,153</b>	<b>\$1,532,081</b>

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	
<b>Rolling Three-Year Average</b>	<b>78,477</b>	<b>98,189</b>	<b>14,764</b>	<b>381</b>	



**D. City of Foster City Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$606,783</b>	<b>\$357,604</b>	<b>\$227,787</b>	<b>\$145,682</b>	<b>\$22,402</b>	<b>\$1,360,258</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$63,695</b>	<b>\$37,539</b>	<b>\$23,911</b>	<b>\$15,293</b>	<b>\$2,352</b>	<b>\$142,789</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$670,478</b>	<b>\$395,143</b>	<b>\$251,698</b>	<b>\$160,975</b>	<b>\$24,753</b>	<b>\$1,503,047</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$12,888	\$8,228	\$5,943	\$1,576	\$400	\$29,034
<b>Total Contractor Pass-Through Costs</b>	<b>\$12,888</b>	<b>\$8,228</b>	<b>\$5,943</b>	<b>\$1,576</b>	<b>\$400</b>	<b>\$29,034</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$683,366</b>	<b>\$403,371</b>	<b>\$257,641</b>	<b>\$162,551</b>	<b>\$25,153</b>	<b>\$1,532,081</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>78,477</b>	<b>98,189</b>	<b>14,764</b>	<b>381</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>78,477</b>	<b>98,189</b>	<b>14,764</b>	<b>381</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$606,783</b>	<b>\$357,604</b>	<b>\$227,787</b>	<b>\$145,682</b>	<b>\$22,402</b>	<b>\$1,360,258</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$63,695</b>	<b>\$37,539</b>	<b>\$23,911</b>	<b>\$15,293</b>	<b>\$2,352</b>	<b>\$142,789</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$670,478</b>	<b>\$395,143</b>	<b>\$251,698</b>	<b>\$160,975</b>	<b>\$24,753</b>	<b>\$1,503,047</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$12,888	\$8,228	\$5,943	\$1,576	\$400	\$29,034
<b>Total Contractor Pass-Through Costs</b>	<b>\$12,888</b>	<b>\$8,228</b>	<b>\$5,943</b>	<b>\$1,576</b>	<b>\$400</b>	<b>\$29,034</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$683,366</b>	<b>\$403,371</b>	<b>\$257,641</b>	<b>\$162,551</b>	<b>\$25,153</b>	<b>\$1,532,081</b>

**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	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 Containers	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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$3,061</b>	<b>\$348</b>	<b>\$1,972</b>	<b>\$4,630</b>	<b>\$546</b>	<b>\$10,557</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$2,644</b>	<b>\$301</b>	<b>\$1,704</b>	<b>\$4,000</b>	<b>\$1,384</b>	<b>\$10,032</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$7,830</b>	<b>\$891</b>	<b>\$5,046</b>	<b>\$11,844</b>	<b>\$2,197</b>	<b>\$27,808</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$822</b>	<b>\$93</b>	<b>\$530</b>	<b>\$1,243</b>	<b>\$231</b>	<b>\$2,919</b>
	90.5%					
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$8,652</b>	<b>\$984</b>	<b>\$5,576</b>	<b>\$13,087</b>	<b>\$2,428</b>	<b>\$30,727</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$256	\$29	\$165	\$388	\$30	\$868
<b>Total Contractor Pass-Through Costs</b>	<b>\$256</b>	<b>\$29</b>	<b>\$165</b>	<b>\$388</b>	<b>\$30</b>	<b>\$868</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$8,908</b>	<b>\$1,013</b>	<b>\$5,741</b>	<b>\$13,475</b>	<b>\$2,457</b>	<b>\$31,595</b>

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	
<b>Rolling Three-Year Average</b>	<b>1,933</b>	<b>425</b>	<b>979</b>	<b>122</b>	

**D. City of Foster City Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$3,061</b>	<b>\$348</b>	<b>\$1,972</b>	<b>\$4,630</b>	<b>\$546</b>	<b>\$10,557</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$2,644</b>	<b>\$301</b>	<b>\$1,704</b>	<b>\$4,000</b>	<b>\$1,384</b>	<b>\$10,032</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$7,830</b>	<b>\$891</b>	<b>\$5,046</b>	<b>\$11,844</b>	<b>\$2,197</b>	<b>\$27,808</b>
Profit (insert Operating Ratio below)	\$822	\$93	\$530	\$1,243	\$231	\$2,919
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$8,652</b>	<b>\$984</b>	<b>\$5,576</b>	<b>\$13,087</b>	<b>\$2,428</b>	<b>\$30,727</b>
Contractor Pass-Through Costs						
Interest Expense	\$256	\$29	\$165	\$388	\$30	\$868
<b>Total Contractor Pass-Through Costs</b>	<b>\$256</b>	<b>\$29</b>	<b>\$165</b>	<b>\$388</b>	<b>\$30</b>	<b>\$868</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$8,908</b>	<b>\$1,013</b>	<b>\$5,741</b>	<b>\$13,475</b>	<b>\$2,457</b>	<b>\$31,595</b>

**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		
<b>Prior Year Rolling Three-Year Average</b>	<b>1,933</b>	<b>425</b>	<b>979</b>	<b>122</b>		
2014	1,807	403	923	124		
2015	2,067	455	1,079	122		
2016	1,924	416	936	120		
<b>Current Year Rolling Three-Year Average</b>	<b>1,933</b>	<b>425</b>	<b>979</b>	<b>122</b>		
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$7,830</b>	<b>\$891</b>	<b>\$5,046</b>	<b>\$11,844</b>	<b>\$2,197</b>	<b>\$27,808</b>
Profit (insert Operating Ratio below)	\$822	\$93	\$530	\$1,243	\$231	\$2,919
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$8,652</b>	<b>\$984</b>	<b>\$5,576</b>	<b>\$13,087</b>	<b>\$2,428</b>	<b>\$30,727</b>
Contractor Pass-Through Costs						
Interest Expense	\$256	\$29	\$165	\$388	\$30	\$868
<b>Total Contractor Pass-Through Costs</b>	<b>\$256</b>	<b>\$29</b>	<b>\$165</b>	<b>\$388</b>	<b>\$30</b>	<b>\$868</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$8,908</b>	<b>\$1,013</b>	<b>\$5,741</b>	<b>\$13,475</b>	<b>\$2,457</b>	<b>\$31,595</b>

**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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$340,519</b>	<b>\$303,098</b>	<b>\$294,651</b>	<b>\$40,773</b>	<b>\$979,041</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$137,087</b>	<b>\$143,642</b>	<b>\$156,159</b>	<b>\$3,405</b>	<b>\$440,292</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$575,574</b>	<b>\$546,760</b>	<b>\$561,742</b>	<b>\$48,211</b>	<b>\$1,732,287</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$60,419</b>	<b>\$57,395</b>	<b>\$58,967</b>	<b>\$5,061</b>	<b>\$181,842</b>
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$635,993</b>	<b>\$604,155</b>	<b>\$620,709</b>	<b>\$53,272</b>	<b>\$1,914,129</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$10,873	\$10,664	\$13,145	\$257	\$34,940
<b>Total Contractor Pass-Through Costs</b>	<b>\$10,873</b>	<b>\$10,664</b>	<b>\$13,145</b>	<b>\$257</b>	<b>\$34,940</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$646,867</b>	<b>\$614,819</b>	<b>\$633,855</b>	<b>\$53,529</b>	<b>\$1,949,069</b>

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
<b>Rolling Three-Year Average</b>	<b>3,660</b>	<b>3,660</b>	<b>3,660</b>

**D. Town of Hillsborough 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$875,574</b>	<b>\$846,760</b>	<b>\$861,742</b>	<b>\$48,211</b>	<b>\$1,732,287</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$60,419</b>	<b>\$57,395</b>	<b>\$58,967</b>	<b>\$5,061</b>	<b>\$181,842</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$635,993</b>	<b>\$604,155</b>	<b>\$620,709</b>	<b>\$53,272</b>	<b>\$1,914,129</b>
Contractor Pass-Through Costs					
Interest Expense	\$10,873	\$10,664	\$13,145	\$257	\$34,940
<b>Total Contractor Pass-Through Costs</b>	<b>\$10,873</b>	<b>\$10,664</b>	<b>\$13,145</b>	<b>\$257</b>	<b>\$34,940</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$646,867</b>	<b>\$614,819</b>	<b>\$633,855</b>	<b>\$53,529</b>	<b>\$1,949,069</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>3,660</b>	<b>3,660</b>	<b>3,660</b>	
	Accounts	Accounts	Accounts	
2014	3,646	3,646	3,646	
2015	3,664	3,664	3,664	
2016	3,671	3,671	3,671	
<b>Current Year Rolling Three-Year Average</b>	<b>3,660</b>	<b>3,660</b>	<b>3,660</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$575,574</b>	<b>\$546,760</b>	<b>\$561,742</b>	<b>\$48,211</b>	<b>\$1,732,287</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$60,419</b>	<b>\$57,395</b>	<b>\$58,967</b>	<b>\$5,061</b>	<b>\$181,842</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$635,993</b>	<b>\$604,155</b>	<b>\$620,709</b>	<b>\$53,272</b>	<b>\$1,914,129</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$10,873	\$10,664	\$13,145	\$257	\$34,940
<b>Total Contractor Pass-Through Costs</b>	<b>\$10,873</b>	<b>\$10,664</b>	<b>\$13,145</b>	<b>\$257</b>	<b>\$34,940</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$646,867</b>	<b>\$614,819</b>	<b>\$633,855</b>	<b>\$53,529</b>	<b>\$1,949,069</b>



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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$8,702</b>	<b>\$1,620</b>	<b>\$11,320</b>	<b>\$0</b>	<b>\$6,393</b>	<b>\$28,035</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$1,345</b>	<b>\$1,383</b>	<b>\$12,595</b>	<b>\$0</b>	<b>\$1,400</b>	<b>\$16,722</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$12,406</b>	<b>\$3,573</b>	<b>\$28,625</b>	<b>\$0</b>	<b>\$9,309</b>	<b>\$53,913</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$1,302.27</b>	<b>\$375</b>	<b>\$3,005</b>	<b>\$0</b>	<b>\$977</b>	<b>\$5,659</b>
<b>90.5%</b>						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$13,708</b>	<b>\$3,948</b>	<b>\$31,629</b>	<b>\$0</b>	<b>\$10,286</b>	<b>\$59,572</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$270	\$91	\$721	\$0	\$161	\$1,243
<b>Total Contractor Pass-Through Costs</b>	<b>\$270</b>	<b>\$91</b>	<b>\$721</b>	<b>\$0</b>	<b>\$161</b>	<b>\$1,243</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$13,978</b>	<b>\$4,040</b>	<b>\$32,350</b>	<b>\$0</b>	<b>\$10,447</b>	<b>\$60,815</b>

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	
<b>Rolling Three-Year Average</b>	<b>988</b>	<b>1,889</b>	<b>919</b>	<b>2</b>	

**D. Town of Hillsborough Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$8,702</b>	<b>\$1,620</b>	<b>\$11,320</b>	<b>\$0</b>	<b>\$6,393</b>	<b>\$28,035</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$1,345</b>	<b>\$1,383</b>	<b>\$12,595</b>	<b>\$0</b>	<b>\$1,400</b>	<b>\$16,722</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$12,406</b>	<b>\$3,573</b>	<b>\$28,625</b>	<b>\$0</b>	<b>\$9,309</b>	<b>\$53,913</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$1,302</b>	<b>\$375</b>	<b>\$3,005</b>	<b>\$0</b>	<b>\$977</b>	<b>\$5,659</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$13,708</b>	<b>\$3,948</b>	<b>\$31,629</b>	<b>\$0</b>	<b>\$10,286</b>	<b>\$59,572</b>
Contractor Pass-Through Costs						
Interest Expense	\$270	\$91	\$721	\$0	\$161	\$1,243
<b>Total Contractor Pass-Through Costs</b>	<b>\$270</b>	<b>\$91</b>	<b>\$721</b>	<b>\$0</b>	<b>\$161</b>	<b>\$1,243</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$13,978</b>	<b>\$4,040</b>	<b>\$32,350</b>	<b>\$0</b>	<b>\$10,447</b>	<b>\$60,815</b>

**D. Town of Hillsborough Allocated Costs - MFD & Commercial**

Step 2: Service Level Adjustments						
	Lifts	Lifts	Lifts	Lifts	Hauls	
2014	988	2,028	988			0
2015	988	1,820	884			0
2016	988	1,820	884			6
<b>Prior Year Rolling Three-Year Average</b>	<b>988</b>	<b>1,889</b>	<b>919</b>			<b>2</b>
	Lifts	Lifts	Lifts	Lifts	Hauls	
2014	988	2,028	988			0
2015	988	1,820	884			0
2016	988	1,820	884			6
<b>Current Year Rolling Three-Year Average</b>	<b>988</b>	<b>1,889</b>	<b>919</b>			<b>2</b>
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$12,406</b>	<b>\$3,573</b>	<b>\$28,625</b>	<b>\$0</b>	<b>\$9,309</b>	<b>\$53,913</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$1,302</b>	<b>\$375</b>	<b>\$3,005</b>	<b>\$0</b>	<b>\$977</b>	<b>\$5,659</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$13,708</b>	<b>\$3,948</b>	<b>\$31,629</b>	<b>\$0</b>	<b>\$10,286</b>	<b>\$59,572</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$270	\$91	\$721	\$0	\$161	\$1,243
<b>Total Contractor Pass-Through Costs</b>	<b>\$270</b>	<b>\$91</b>	<b>\$721</b>	<b>\$0</b>	<b>\$161</b>	<b>\$1,243</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$13,978</b>	<b>\$4,040</b>	<b>\$32,350</b>	<b>\$0</b>	<b>\$10,447</b>	<b>\$60,815</b>

**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	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 Containers	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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$54</b>	<b>\$271</b>	<b>\$587</b>	<b>\$2,728</b>	<b>\$121</b>	<b>\$3,762</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$53</b>	<b>\$266</b>	<b>\$576</b>	<b>\$2,678</b>	<b>\$681</b>	<b>\$4,255</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$137</b>	<b>\$683</b>	<b>\$1,480</b>	<b>\$6,874</b>	<b>\$861</b>	<b>\$10,034</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$14</b>	<b>\$72</b>	<b>\$155</b>	<b>\$722</b>	<b>\$90</b>	<b>\$1,053</b>
	90.5%					
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$152</b>	<b>\$754</b>	<b>\$1,635</b>	<b>\$7,595</b>	<b>\$951</b>	<b>\$11,087</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$4	\$18	\$39	\$181	\$7	\$248
<b>Total Contractor Pass-Through Costs</b>	<b>\$4</b>	<b>\$18</b>	<b>\$39</b>	<b>\$181</b>	<b>\$7</b>	<b>\$248</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$155</b>	<b>\$772</b>	<b>\$1,674</b>	<b>\$7,776</b>	<b>\$958</b>	<b>\$11,335</b>

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	
<b>Rolling Three-Year Average</b>	<b>347</b>	<b>399</b>	<b>797</b>	<b>94</b>	

**D. Town of Hillsborough Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$54</b>	<b>\$271</b>	<b>\$587</b>	<b>\$2,728</b>	<b>\$121</b>	<b>\$3,762</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$53</b>	<b>\$266</b>	<b>\$576</b>	<b>\$2,678</b>	<b>\$681</b>	<b>\$4,255</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$137</b>	<b>\$683</b>	<b>\$1,480</b>	<b>\$6,874</b>	<b>\$861</b>	<b>\$10,034</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$14</b>	<b>\$72</b>	<b>\$155</b>	<b>\$722</b>	<b>\$90</b>	<b>\$1,053</b>
	<b>90.5%</b>					
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$152</b>	<b>\$754</b>	<b>\$1,635</b>	<b>\$7,595</b>	<b>\$951</b>	<b>\$11,087</b>
Contractor Pass-Through Costs						
Interest Expense	\$4	\$18	\$39	\$181	\$7	\$248
<b>Total Contractor Pass-Through Costs</b>	<b>\$4</b>	<b>\$18</b>	<b>\$39</b>	<b>\$181</b>	<b>\$7</b>	<b>\$248</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$155</b>	<b>\$772</b>	<b>\$1,674</b>	<b>\$7,776</b>	<b>\$958</b>	<b>\$11,335</b>

**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		
<b>Prior Year Rolling Three-Year Average</b>	<b>347</b>	<b>399</b>	<b>797</b>	<b>94</b>		
2014	312	312	832	76		
2015	312	416	832	129		
2016	416	468	728	76		
<b>Current Year Rolling Three-Year Average</b>	<b>347</b>	<b>399</b>	<b>797</b>	<b>94</b>		
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$137</b>	<b>\$683</b>	<b>\$1,480</b>	<b>\$6,874</b>	<b>\$861</b>	<b>\$10,034</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$14</b>	<b>\$72</b>	<b>\$155</b>	<b>\$722</b>	<b>\$90</b>	<b>\$1,053</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$152</b>	<b>\$754</b>	<b>\$1,635</b>	<b>\$7,595</b>	<b>\$951</b>	<b>\$11,087</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$4	\$18	\$39	\$181	\$7	\$248
<b>Total Contractor Pass-Through Costs</b>	<b>\$4</b>	<b>\$18</b>	<b>\$39</b>	<b>\$181</b>	<b>\$7</b>	<b>\$248</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$155</b>	<b>\$772</b>	<b>\$1,674</b>	<b>\$7,776</b>	<b>\$958</b>	<b>\$11,335</b>

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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$574,451</b>	<b>\$492,867</b>	<b>\$422,831</b>	<b>\$108,305</b>	<b>\$1,598,455</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$267,090</b>	<b>\$281,025</b>	<b>\$274,514</b>	<b>\$9,047</b>	<b>\$831,676</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$1,010,817</b>	<b>\$947,148</b>	<b>\$859,823</b>	<b>\$128,065</b>	<b>\$2,945,853</b>
Profit (insert Operating Ratio below) <b>90.5%</b>	<b>\$106,108</b>	<b>\$99,424</b>	<b>\$90,258</b>	<b>\$13,443</b>	<b>\$309,233</b>
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,116,925</b>	<b>\$1,046,573</b>	<b>\$950,081</b>	<b>\$141,508</b>	<b>\$3,255,087</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$19,429	\$19,185	\$20,332	\$684	\$59,630
<b>Total Contractor Pass-Through Costs</b>	<b>\$19,429</b>	<b>\$19,185</b>	<b>\$20,332</b>	<b>\$684</b>	<b>\$59,630</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,136,354</b>	<b>\$1,065,758</b>	<b>\$970,412</b>	<b>\$142,192</b>	<b>\$3,314,716</b>

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	
<b>Rolling Three-Year Average</b>	<b>7,864</b>	<b>7,864</b>	<b>7,864</b>	

City of Menlo Park 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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	\$80,035	\$82,776	\$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
<b>Total Annual Cost of Operations</b>	<b>\$1,010,817</b>	<b>\$947,148</b>	<b>\$859,823</b>	<b>\$128,065</b>	<b>\$2,945,853</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$106,108</b>	<b>\$99,424</b>	<b>\$90,258</b>	<b>\$13,443</b>	<b>\$309,233</b>
<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,116,925</b>	<b>\$1,046,573</b>	<b>\$950,081</b>	<b>\$141,508</b>	<b>\$3,255,087</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$19,429	\$19,185	\$20,332	\$684	\$59,630
<b>Total Contractor Pass-Through Costs</b>	<b>\$19,429</b>	<b>\$19,185</b>	<b>\$20,332</b>	<b>\$684</b>	<b>\$59,630</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,136,354</b>	<b>\$1,065,758</b>	<b>\$970,412</b>	<b>\$142,192</b>	<b>\$3,314,716</b>



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		
<b>Prior Year Rolling Three-Year Average</b>	<b>7,864</b>	<b>7,864</b>	<b>7,864</b>		
	Accounts	Accounts	Accounts		
2014	7,829	7,829	7,829		
2015	7,874	7,874	7,874		
2016	7,890	7,890	7,890		
<b>Current Year Rolling Three-Year Average</b>	<b>7,864</b>	<b>7,864</b>	<b>7,864</b>		
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$1,010,817</b>	<b>\$947,148</b>	<b>\$859,823</b>	<b>\$128,065</b>	<b>\$2,945,853</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$106,108</b>	<b>\$99,424</b>	<b>\$90,258</b>	<b>\$13,443</b>	<b>\$309,233</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,116,925</b>	<b>\$1,046,573</b>	<b>\$950,081</b>	<b>\$141,508</b>	<b>\$3,255,087</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$19,429	\$19,185	\$20,332	\$684	\$59,630
<b>Total Contractor Pass-Through Costs</b>	<b>\$19,429</b>	<b>\$19,185</b>	<b>\$20,332</b>	<b>\$684</b>	<b>\$59,630</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,136,354</b>	<b>\$1,065,758</b>	<b>\$970,412</b>	<b>\$142,192</b>	<b>\$3,314,716</b>

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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$864,545</b>	<b>\$355,046</b>	<b>\$142,456</b>	<b>\$85,328</b>	<b>\$16,983</b>	<b>\$1,464,357</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$186,312</b>	<b>\$191,856</b>	<b>\$326,357</b>	<b>\$112,740</b>	<b>\$3,720</b>	<b>\$820,986</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$1,276,560</b>	<b>\$653,689</b>	<b>\$537,983</b>	<b>\$223,514</b>	<b>\$24,729</b>	<b>\$2,716,475</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$134,003.51</b>	<b>\$68,619</b>	<b>\$56,473</b>	<b>\$23,463</b>	<b>\$2,596</b>	<b>\$285,155</b>
<b>90.5%</b>						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,410,563</b>	<b>\$722,308</b>	<b>\$594,456</b>	<b>\$246,977</b>	<b>\$27,325</b>	<b>\$3,001,629</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$28,142	\$14,654	\$12,476	\$2,850	\$438	\$58,559
<b>Total Contractor Pass-Through Costs</b>	<b>\$28,142</b>	<b>\$14,654</b>	<b>\$12,476</b>	<b>\$2,850</b>	<b>\$438</b>	<b>\$58,559</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,438,705</b>	<b>\$736,962</b>	<b>\$606,932</b>	<b>\$249,827</b>	<b>\$27,762</b>	<b>\$3,060,189</b>

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	
<b>Rolling Three-Year Average</b>	<b>144,842</b>	<b>145,960</b>	<b>27,218</b>	<b>742</b>	

City of Menlo Park Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$1,276,560</b>	<b>\$653,689</b>	<b>\$537,983</b>	<b>\$223,514</b>	<b>\$24,729</b>	<b>\$2,716,475</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$134,004</b>	<b>\$68,619</b>	<b>\$56,473</b>	<b>\$23,463</b>	<b>\$2,596</b>	<b>\$285,155</b>
<b>90.5%</b>						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,410,563</b>	<b>\$722,308</b>	<b>\$594,456</b>	<b>\$246,977</b>	<b>\$27,325</b>	<b>\$3,001,629</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$28,142	\$14,654	\$12,476	\$2,850	\$438	\$58,559
<b>Total Contractor Pass-Through Costs</b>	<b>\$28,142</b>	<b>\$14,654</b>	<b>\$12,476</b>	<b>\$2,850</b>	<b>\$438</b>	<b>\$58,559</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,438,705</b>	<b>\$736,962</b>	<b>\$606,932</b>	<b>\$249,827</b>	<b>\$27,762</b>	<b>\$3,060,189</b>

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	
<b>Prior Year Rolling Three-Year Average</b>	<b>144,842</b>	<b>145,960</b>	<b>27,218</b>	<b>742</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>144,842</b>	<b>145,960</b>	<b>27,218</b>	<b>742</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$1,276,560</b>	<b>\$653,689</b>	<b>\$537,983</b>	<b>\$223,514</b>	<b>\$24,729</b>	<b>\$2,716,475</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$134,004</b>	<b>\$68,619</b>	<b>\$56,473</b>	<b>\$23,463</b>	<b>\$2,596</b>	<b>\$285,155</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,410,563</b>	<b>\$722,308</b>	<b>\$594,456</b>	<b>\$246,977</b>	<b>\$27,325</b>	<b>\$3,001,629</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$28,142	\$14,654	\$12,476	\$2,850	\$438	\$58,559
<b>Total Contractor Pass-Through Costs</b>	<b>\$28,142</b>	<b>\$14,654</b>	<b>\$12,476</b>	<b>\$2,850</b>	<b>\$438</b>	<b>\$58,559</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,438,705</b>	<b>\$736,962</b>	<b>\$606,932</b>	<b>\$249,827</b>	<b>\$27,762</b>	<b>\$3,060,189</b>

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
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
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		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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$39,291</b>	<b>\$1,078</b>	<b>\$14,385</b>	<b>\$9,232</b>	<b>\$4,117</b>	<b>\$68,104</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$57,166</b>	<b>\$1,569</b>	<b>\$20,929</b>	<b>\$13,432</b>	<b>\$3,008</b>	<b>\$96,104</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$121,283</b>	<b>\$3,328</b>	<b>\$44,404</b>	<b>\$28,498</b>	<b>\$9,141</b>	<b>\$206,653</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$12,731</b>	<b>\$349</b>	<b>\$4,661</b>	<b>\$2,992</b>	<b>\$960</b>	<b>\$21,693</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$134,014</b>	<b>\$3,677</b>	<b>\$49,065</b>	<b>\$31,490</b>	<b>\$10,100</b>	<b>\$228,346</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$0	\$0	\$0	\$700	\$223	\$5,074
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,979</b>	<b>\$82</b>	<b>\$1,091</b>	<b>\$700</b>	<b>\$223</b>	<b>\$5,074</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$136,993</b>	<b>\$3,759</b>	<b>\$50,156</b>	<b>\$32,189</b>	<b>\$10,323</b>	<b>\$233,420</b>

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	
<b>Rolling Three-Year Average</b>	<b>58,483</b>	<b>1,257</b>	<b>15,847</b>	<b>180</b>	

**City of Menlo Park Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$121,283</b>	<b>\$3,328</b>	<b>\$44,404</b>	<b>\$28,498</b>	<b>\$9,141</b>	<b>\$206,653</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$12,731</b>	<b>\$349</b>	<b>\$4,661</b>	<b>\$2,992</b>	<b>\$960</b>	<b>\$21,693</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$134,014</b>	<b>\$3,677</b>	<b>\$49,065</b>	<b>\$31,490</b>	<b>\$10,100</b>	<b>\$228,346</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,979	\$82	\$1,091	\$700	\$223	\$5,074
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,979</b>	<b>\$82</b>	<b>\$1,091</b>	<b>\$700</b>	<b>\$223</b>	<b>\$5,074</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$136,993</b>	<b>\$3,759</b>	<b>\$50,156</b>	<b>\$32,189</b>	<b>\$10,323</b>	<b>\$233,420</b>

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	
<b>Prior Year Rolling Three-Year Average</b>	<b>58,483</b>	<b>1,257</b>	<b>15,847</b>	<b>180</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>58,483</b>	<b>1,257</b>	<b>15,847</b>	<b>180</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$121,283</b>	<b>\$3,328</b>	<b>\$44,404</b>	<b>\$28,498</b>	<b>\$9,141</b>	<b>\$206,653</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$12,731</b>	<b>\$349</b>	<b>\$4,661</b>	<b>\$2,992</b>	<b>\$960</b>	<b>\$21,693</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$134,014</b>	<b>\$3,677</b>	<b>\$49,065</b>	<b>\$31,490</b>	<b>\$10,100</b>	<b>\$228,346</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,979	\$82	\$1,091	\$700	\$223	\$5,074
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,979</b>	<b>\$82</b>	<b>\$1,091</b>	<b>\$700</b>	<b>\$223</b>	<b>\$5,074</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$136,993</b>	<b>\$3,759</b>	<b>\$50,156</b>	<b>\$32,189</b>	<b>\$10,323</b>	<b>\$233,420</b>

**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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$1,065,614</b>	<b>\$952,948</b>	<b>\$661,577</b>	<b>\$280,318</b>	<b>\$2,960,456</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$552,673</b>	<b>\$581,471</b>	<b>\$534,366</b>	<b>\$23,416</b>	<b>\$1,691,925</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$1,936,581</b>	<b>\$1,861,544</b>	<b>\$1,466,951</b>	<b>\$331,462</b>	<b>\$5,596,538</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$203,287</b>	<b>\$195,411</b>	<b>\$153,989</b>	<b>\$34,794</b>	<b>\$587,482</b>
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,139,868</b>	<b>\$2,056,955</b>	<b>\$1,620,940</b>	<b>\$366,256</b>	<b>\$6,184,019</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$37,740	\$37,384	\$35,197	\$1,769	\$112,089
<b>Total Contractor Pass-Through Costs</b>	<b>\$37,740</b>	<b>\$37,384</b>	<b>\$35,197</b>	<b>\$1,769</b>	<b>\$112,089</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,177,608</b>	<b>\$2,094,339</b>	<b>\$1,656,137</b>	<b>\$368,025</b>	<b>\$6,296,109</b>

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	
<b>Rolling Three-Year Average</b>	<b>17,376</b>	<b>17,376</b>	<b>17,376</b>	



**D. City of Redwood City 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$1,065,614</b>	<b>\$952,948</b>	<b>\$661,577</b>	<b>\$280,318</b>	<b>\$2,960,456</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$552,673</b>	<b>\$581,471</b>	<b>\$534,366</b>	<b>\$23,416</b>	<b>\$1,691,925</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$1,936,581</b>	<b>\$1,861,544</b>	<b>\$1,466,951</b>	<b>\$331,462</b>	<b>\$5,596,538</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$203,287</b>	<b>\$195,411</b>	<b>\$153,989</b>	<b>\$34,794</b>	<b>\$587,482</b>
<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,139,868</b>	<b>\$2,056,955</b>	<b>\$1,620,940</b>	<b>\$366,256</b>	<b>\$6,184,019</b>
Contractor Pass-Through Costs					
Interest Expense	\$37,740	\$37,384	\$35,197	\$1,769	\$112,089
<b>Total Contractor Pass-Through Costs</b>	<b>\$37,740</b>	<b>\$37,384</b>	<b>\$35,197</b>	<b>\$1,769</b>	<b>\$112,089</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,177,608</b>	<b>\$2,094,339</b>	<b>\$1,656,137</b>	<b>\$368,025</b>	<b>\$6,296,109</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>17,376</b>	<b>17,376</b>	<b>17,376</b>	
	Accounts	Accounts	Accounts	
2014	17,316	17,316	17,316	
2015	17,406	17,406	17,406	
2016	17,405	17,405	17,405	
<b>Current Year Rolling Three-Year Average</b>	<b>17,376</b>	<b>17,376</b>	<b>17,376</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$1,936,581</b>	<b>\$1,861,544</b>	<b>\$1,466,951</b>	<b>\$331,462</b>	<b>\$5,596,538</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$203,287</b>	<b>\$195,411</b>	<b>\$153,989</b>	<b>\$34,794</b>	<b>\$587,482</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,139,868</b>	<b>\$2,056,955</b>	<b>\$1,620,940</b>	<b>\$366,256</b>	<b>\$6,184,019</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$37,740	\$37,384	\$35,197	\$1,769	\$112,089
<b>Total Contractor Pass-Through Costs</b>	<b>\$37,740</b>	<b>\$37,384</b>	<b>\$35,197</b>	<b>\$1,769</b>	<b>\$112,089</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,177,608</b>	<b>\$2,094,339</b>	<b>\$1,656,137</b>	<b>\$368,025</b>	<b>\$6,296,109</b>

**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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$1,657,271</b>	<b>\$533,317</b>	<b>\$164,617</b>	<b>\$144,585</b>	<b>\$43,955</b>	<b>\$2,543,744</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$323,489</b>	<b>\$304,527</b>	<b>\$330,354</b>	<b>\$218,003</b>	<b>\$9,627</b>	<b>\$1,186,000</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$2,368,433</b>	<b>\$988,236</b>	<b>\$568,272</b>	<b>\$405,704</b>	<b>\$64,004</b>	<b>\$4,394,650</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$248,620.07</b>	<b>\$103,738</b>	<b>\$59,653</b>	<b>\$42,588</b>	<b>\$6,719</b>	<b>\$461,317</b>
<b>90.5%</b>						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,617,053</b>	<b>\$1,091,974</b>	<b>\$627,925</b>	<b>\$448,292</b>	<b>\$70,723</b>	<b>\$4,855,967</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$47,307	\$20,649	\$12,206	\$4,749	\$1,114	\$86,025
<b>Total Contractor Pass-Through Costs</b>	<b>\$47,307</b>	<b>\$20,649</b>	<b>\$12,206</b>	<b>\$4,749</b>	<b>\$1,114</b>	<b>\$86,025</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,664,360</b>	<b>\$1,112,623</b>	<b>\$640,132</b>	<b>\$453,041</b>	<b>\$71,836</b>	<b>\$4,941,992</b>

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
<b>Rolling Three-Year Average</b>	<b>247,849</b>	<b>226,638</b>	<b>29,510</b>	<b>1,058</b>

**D. City of Redwood City Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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	<u>\$72,382</u>	<u>\$23,713</u>	<u>\$7,984</u>	<u>\$6,826</u>	<u>\$1,902</u>	<u>\$112,808</u>
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	<u>\$90,189</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$2,368,433</b>	<b>\$988,236</b>	<b>\$568,272</b>	<b>\$405,704</b>	<b>\$64,004</b>	<b>\$4,394,650</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$248,620</b>	<b>\$103,738</b>	<b>\$59,653</b>	<b>\$42,588</b>	<b>\$6,719</b>	<b>\$461,317</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,617,053</b>	<b>\$1,091,974</b>	<b>\$627,925</b>	<b>\$448,292</b>	<b>\$70,723</b>	<b>\$4,855,967</b>
Contractor Pass-Through Costs						
Interest Expense	\$47,307	\$20,649	\$12,206	\$4,749	\$1,114	\$86,025
<b>Total Contractor Pass-Through Costs</b>	<b>\$47,307</b>	<b>\$20,649</b>	<b>\$12,206</b>	<b>\$4,749</b>	<b>\$1,114</b>	<b>\$86,025</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,664,360</b>	<b>\$1,112,623</b>	<b>\$640,132</b>	<b>\$453,041</b>	<b>\$71,836</b>	<b>\$4,941,992</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>247,849</b>	<b>226,638</b>	<b>29,510</b>	<b>1,058</b>	
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	
<b>Current Year Rolling Three-Year Average</b>	<b>247,849</b>	<b>226,638</b>	<b>29,510</b>	<b>1,058</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$2,368,433</b>	<b>\$988,236</b>	<b>\$568,272</b>	<b>\$405,704</b>	<b>\$64,004</b>	<b>\$4,394,650</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$248,620</b>	<b>\$103,738</b>	<b>\$59,653</b>	<b>\$42,588</b>	<b>\$6,719</b>	<b>\$461,317</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,617,053</b>	<b>\$1,091,974</b>	<b>\$627,925</b>	<b>\$448,292</b>	<b>\$70,723</b>	<b>\$4,855,967</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$47,307	\$20,649	\$12,206	\$4,749	\$1,114	\$86,025
<b>Total Contractor Pass-Through Costs</b>	<b>\$47,307</b>	<b>\$20,649</b>	<b>\$12,206</b>	<b>\$4,749</b>	<b>\$1,114</b>	<b>\$86,025</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,664,360</b>	<b>\$1,112,623</b>	<b>\$640,132</b>	<b>\$453,041</b>	<b>\$71,836</b>	<b>\$4,941,992</b>

**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 # of 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
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06	5,935.45	1,279.79
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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$41,062</b>	<b>\$451</b>	<b>\$4,268</b>	<b>\$15,613</b>	<b>\$4,560</b>	<b>\$65,954</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$58,437</b>	<b>\$642</b>	<b>\$6,075</b>	<b>\$22,219</b>	<b>\$4,825</b>	<b>\$92,198</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$122,685</b>	<b>\$1,349</b>	<b>\$12,753</b>	<b>\$46,648</b>	<b>\$11,619</b>	<b>\$195,054</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$12,879</b>	<b>\$142</b>	<b>\$1,339</b>	<b>\$4,897</b>	<b>\$1,220</b>	<b>\$20,475</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$135,563</b>	<b>\$1,490</b>	<b>\$14,092</b>	<b>\$51,545</b>	<b>\$12,838</b>	<b>\$215,529</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,806	\$31	\$292	\$1,067	\$247	\$4,442
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,806</b>	<b>\$31</b>	<b>\$292</b>	<b>\$1,067</b>	<b>\$247</b>	<b>\$4,442</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$138,369</b>	<b>\$1,521</b>	<b>\$14,384</b>	<b>\$52,612</b>	<b>\$13,085</b>	<b>\$219,971</b>

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	
<b>Rolling Three-Year Average</b>	<b>70,148</b>	<b>966</b>	<b>5,187</b>	<b>404</b>	

**D. City of Redwood City Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$41,062</b>	<b>\$451</b>	<b>\$4,268</b>	<b>\$15,613</b>	<b>\$4,560</b>	<b>\$65,954</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$58,437</b>	<b>\$642</b>	<b>\$6,075</b>	<b>\$22,219</b>	<b>\$4,825</b>	<b>\$92,198</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$122,685</b>	<b>\$1,349</b>	<b>\$12,753</b>	<b>\$46,648</b>	<b>\$11,619</b>	<b>\$195,054</b>
Profit (insert Operating Ratio below)	90.5%	\$12,879	\$142	\$1,339	\$4,897	\$1,220
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$135,563</b>	<b>\$1,490</b>	<b>\$14,092</b>	<b>\$51,545</b>	<b>\$12,838</b>	<b>\$215,529</b>
Contractor Pass-Through Costs						
Interest Expense	\$2,806	\$31	\$292	\$1,067	\$247	\$4,442
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,806</b>	<b>\$31</b>	<b>\$292</b>	<b>\$1,067</b>	<b>\$247</b>	<b>\$4,442</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$138,369</b>	<b>\$1,521</b>	<b>\$14,384</b>	<b>\$52,612</b>	<b>\$13,085</b>	<b>\$219,971</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>70,148</b>	<b>966</b>	<b>5,187</b>	<b>404</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>70,148</b>	<b>966</b>	<b>5,187</b>	<b>404</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$122,685</b>	<b>\$1,349</b>	<b>\$12,753</b>	<b>\$46,648</b>	<b>\$11,619</b>	<b>\$195,054</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$12,879</b>	<b>\$142</b>	<b>\$1,339</b>	<b>\$4,897</b>	<b>\$1,220</b>	<b>\$20,475</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$135,563</b>	<b>\$1,490</b>	<b>\$14,092</b>	<b>\$51,545</b>	<b>\$12,838</b>	<b>\$215,529</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,806	\$31	\$292	\$1,067	\$247	\$4,442
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,806</b>	<b>\$31</b>	<b>\$292</b>	<b>\$1,067</b>	<b>\$247</b>	<b>\$4,442</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$138,369</b>	<b>\$1,521</b>	<b>\$14,384</b>	<b>\$52,612</b>	<b>\$13,085</b>	<b>\$219,971</b>



**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%	9.3%	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	
<b>Annual Cost of Operations</b>					
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	<u>\$23,832</u>	<u>\$19,531</u>	<u>\$15,742</u>	<u>\$5,445</u>	<u>\$64,549</u>
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	<u>\$69,695</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$976,253</b>	<b>\$911,752</b>	<b>\$787,173</b>	<b>\$152,923</b>	<b>\$2,828,100</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$102,480</b>	<b>\$95,709</b>	<b>\$82,631</b>	<b>\$16,053</b>	<b>\$296,872</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,078,732</b>	<b>\$1,007,461</b>	<b>\$869,804</b>	<b>\$168,975</b>	<b>\$3,124,972</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$18,826	\$19,127	\$18,789	\$816	\$57,558
Total Contractor Pass-Through Costs	<u>\$18,826</u>	<u>\$19,127</u>	<u>\$18,789</u>	<u>\$816</u>	<u>\$57,558</u>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,097,558</b>	<b>\$1,026,588</b>	<b>\$888,593</b>	<b>\$169,792</b>	<b>\$3,182,530</b>

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
<b>Rolling Three-Year Average</b>	<b>8,604</b>	<b>8,604</b>	<b>8,604</b>

**D. City of San Carlos 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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	<u>\$23,832</u>	<u>\$19,531</u>	<u>\$15,742</u>	<u>\$5,445</u>	<u>\$64,549</u>
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	<u>\$69,695</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$976,253</b>	<b>\$911,752</b>	<b>\$787,173</b>	<b>\$152,923</b>	<b>\$2,828,100</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$102,480</b>	<b>\$95,709</b>	<b>\$82,631</b>	<b>\$16,053</b>	<b>\$296,872</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,078,732</b>	<b>\$1,007,461</b>	<b>\$869,804</b>	<b>\$168,975</b>	<b>\$3,124,972</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$18,826	\$19,127	\$18,789	\$816	\$57,558
<b>Total Contractor Pass-Through Costs</b>	<b>\$18,826</b>	<b>\$19,127</b>	<b>\$18,789</b>	<b>\$816</b>	<b>\$57,558</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,097,558</b>	<b>\$1,026,588</b>	<b>\$888,593</b>	<b>\$169,792</b>	<b>\$3,182,530</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>8,604</b>	<b>8,604</b>	<b>8,604</b>	
	Accounts	Accounts	Accounts	
2014	8,608	8,608	8,608	
2015	8,615	8,615	8,615	
2016	8,588	8,588	8,588	
<b>Current Year Rolling Three-Year Average</b>	<b>8,604</b>	<b>8,604</b>	<b>8,604</b>	
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	
<b>Annual Cost of Operations</b>					
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	<u>\$23,832</u>	<u>\$19,531</u>	<u>\$15,742</u>	<u>\$5,445</u>	<u>\$64,549</u>
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 Operations	\$161,062	\$167,498	\$167,258	\$6,217	\$502,035
Vehicle Maintenance	\$31,295	\$34,949	\$31,191	\$1,268	\$98,703
Container Maintenance	\$59,813	\$66,796	\$59,613	\$2,423	\$188,645
	\$22,695	\$23,648	\$22,458	\$893	<u>\$69,695</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$976,253</b>	<b>\$911,752</b>	<b>\$787,173</b>	<b>\$152,923</b>	<b>\$2,828,100</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$102,480</b>	<b>\$95,709</b>	<b>\$82,631</b>	<b>\$16,053</b>	<b>\$296,872</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,078,732</b>	<b>\$1,007,461</b>	<b>\$869,804</b>	<b>\$168,975</b>	<b>\$3,124,972</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$18,826	\$19,127	\$18,789	\$816	\$57,558
<b>Total Contractor Pass-Through Costs</b>	<b>\$18,826</b>	<b>\$19,127</b>	<b>\$18,789</b>	<b>\$816</b>	<b>\$57,558</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,097,558</b>	<b>\$1,026,588</b>	<b>\$888,593</b>	<b>\$169,792</b>	<b>\$3,182,530</b>

**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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	\$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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	\$166,897	\$189,906	\$212,775	\$60,832	\$4,441	\$634,851
<b>Total Allocated Indirect Depreciation Costs (Form 9)</b>	\$1,072	\$1,323	\$1,472	\$433	\$32	\$4,332
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Annual Cost of Operations</b>	<b>\$1,027,540</b>	<b>\$630,285</b>	<b>\$390,550</b>	<b>\$110,012</b>	<b>\$29,528</b>	<b>\$2,187,915</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$107,863.28</b>	<b>\$66,163</b>	<b>\$40,997</b>	<b>\$11,548</b>	<b>\$3,100</b>	<b>\$229,671</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,135,403</b>	<b>\$696,448</b>	<b>\$431,547</b>	<b>\$121,560</b>	<b>\$32,628</b>	<b>\$2,417,586</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$20,746	\$13,354	\$9,076	\$1,249	\$516	\$44,941
<b>Total Contractor Pass-Through Costs</b>	<b>\$20,746</b>	<b>\$13,354</b>	<b>\$9,076</b>	<b>\$1,249</b>	<b>\$516</b>	<b>\$44,941</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1156,149</b>	<b>\$709,802</b>	<b>\$440,624</b>	<b>\$122,809</b>	<b>\$33,144</b>	<b>\$2,462,527</b>

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
<b>Rolling Three-Year Average</b>	<b>107,978</b>	<b>127,669</b>	<b>14,608</b>	<b>355</b>

**D. City of San Carlos Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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	<u>\$30,281</u>	<u>\$15,172</u>	<u>\$5,994</u>	<u>\$1,789</u>	<u>\$878</u>	<u>\$54,113</u>
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	<u>\$50,321</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$1,027,540</b>	<b>\$630,285</b>	<b>\$390,550</b>	<b>\$110,012</b>	<b>\$29,528</b>	<b>\$2,187,915</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$107,863</b>	<b>\$66,163</b>	<b>\$40,997</b>	<b>\$11,548</b>	<b>\$3,100</b>	<b>\$229,671</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,135,403</b>	<b>\$696,448</b>	<b>\$431,547</b>	<b>\$121,560</b>	<b>\$32,628</b>	<b>\$2,417,586</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$20,746	\$13,354	\$9,076	\$1,249	\$516	\$44,941
<b>Total Contractor Pass-Through Costs</b>	<b>\$20,746</b>	<b>\$13,354</b>	<b>\$9,076</b>	<b>\$1,249</b>	<b>\$516</b>	<b>\$44,941</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,156,149</b>	<b>\$709,802</b>	<b>\$440,624</b>	<b>\$122,809</b>	<b>\$33,144</b>	<b>\$2,462,527</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>107,978</b>	<b>127,669</b>	<b>14,608</b>	<b>355</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>107,978</b>	<b>127,669</b>	<b>14,608</b>	<b>355</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$1,027,540</b>	<b>\$630,285</b>	<b>\$390,550</b>	<b>\$110,012</b>	<b>\$29,528</b>	<b>\$2,187,915</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$107,863</b>	<b>\$66,163</b>	<b>\$40,997</b>	<b>\$11,548</b>	<b>\$3,100</b>	<b>\$229,671</b>
<b>90.5%</b>						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$1,135,403</b>	<b>\$696,448</b>	<b>\$431,547</b>	<b>\$121,560</b>	<b>\$32,628</b>	<b>\$2,417,586</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$20,746	\$13,354	\$9,076	\$1,249	\$516	\$44,941
<b>Total Contractor Pass-Through Costs</b>	<b>\$20,746</b>	<b>\$13,354</b>	<b>\$9,076</b>	<b>\$1,249</b>	<b>\$516</b>	<b>\$44,941</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$1,156,149</b>	<b>\$709,802</b>	<b>\$440,624</b>	<b>\$122,809</b>	<b>\$33,144</b>	<b>\$2,462,527</b>

**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
SBWMA Total Route Labor hours year	4,706.39	236.00	993.06	5,935.45	540.11
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	377.20
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$16,618</b>	<b>\$3,311</b>	<b>\$8,374</b>	<b>\$9,568</b>	<b>\$1,925</b>	<b>\$39,796</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$19,393</b>	<b>\$3,864</b>	<b>\$9,772</b>	<b>\$11,165</b>	<b>\$2,251</b>	<b>\$46,445</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$45,088</b>	<b>\$8,984</b>	<b>\$22,720</b>	<b>\$25,958</b>	<b>\$5,118</b>	<b>\$107,867</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$4,733</b>	<b>\$943</b>	<b>\$2,385</b>	<b>\$2,725</b>	<b>\$537</b>	<b>\$11,323</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$49,821</b>	<b>\$9,927</b>	<b>\$25,105</b>	<b>\$28,683</b>	<b>\$5,655</b>	<b>\$119,191</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$1,108	\$221	\$558	\$638	\$104	\$2,630
<b>Total Contractor Pass-Through Costs</b>	<b>\$1,108</b>	<b>\$221</b>	<b>\$558</b>	<b>\$638</b>	<b>\$104</b>	<b>\$2,630</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$50,929</b>	<b>\$10,148</b>	<b>\$25,663</b>	<b>\$29,321</b>	<b>\$5,759</b>	<b>\$121,820</b>

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
<b>Rolling Three-Year Average</b>	<b>12,497</b>	<b>2,071</b>	<b>11,059</b>	<b>169</b>

**D. City of San Carlos Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$16,618</b>	<b>\$3,311</b>	<b>\$8,374</b>	<b>\$9,568</b>	<b>\$1,925</b>	<b>\$39,796</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$19,393</b>	<b>\$3,864</b>	<b>\$9,772</b>	<b>\$11,165</b>	<b>\$2,251</b>	<b>\$46,445</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$45,088</b>	<b>\$8,984</b>	<b>\$22,720</b>	<b>\$25,958</b>	<b>\$5,118</b>	<b>\$107,867</b>
Profit (insert Operating Ratio below)	\$4,733	\$943	\$2,385	\$2,725	\$537	\$11,323
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$49,821</b>	<b>\$9,927</b>	<b>\$25,105</b>	<b>\$28,683</b>	<b>\$5,655</b>	<b>\$119,191</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$1,108	\$221	\$558	\$638	\$104	\$2,630
<b>Total Contractor Pass-Through Costs</b>	<b>\$1,108</b>	<b>\$221</b>	<b>\$558</b>	<b>\$638</b>	<b>\$104</b>	<b>\$2,630</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$50,929</b>	<b>\$10,148</b>	<b>\$25,663</b>	<b>\$29,321</b>	<b>\$5,759</b>	<b>\$121,820</b>



**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>12,497</b>	<b>2,071</b>	<b>11,059</b>	<b>169</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>12,497</b>	<b>2,071</b>	<b>11,059</b>	<b>169</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$45,088</b>	<b>\$8,984</b>	<b>\$22,720</b>	<b>\$25,958</b>	<b>\$5,118</b>	<b>\$107,867</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$4,733</b>	<b>\$943</b>	<b>\$2,385</b>	<b>\$2,725</b>	<b>\$537</b>	<b>\$11,323</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$49,821</b>	<b>\$9,927</b>	<b>\$25,105</b>	<b>\$28,683</b>	<b>\$5,655</b>	<b>\$119,191</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$1,108	\$221	\$558	\$638	\$104	\$2,630
<b>Total Contractor Pass-Through Costs</b>	<b>\$1,108</b>	<b>\$221</b>	<b>\$558</b>	<b>\$638</b>	<b>\$104</b>	<b>\$2,630</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$50,929</b>	<b>\$10,148</b>	<b>\$25,663</b>	<b>\$29,321</b>	<b>\$5,759</b>	<b>\$121,820</b>

**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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$1,332,074</b>	<b>\$991,125</b>	<b>\$789,401</b>	<b>\$391,808</b>	<b>\$3,504,408</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$665,150</b>	<b>\$669,419</b>	<b>\$629,803</b>	<b>\$32,726</b>	<b>\$1,997,098</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$2,395,946</b>	<b>\$2,026,276</b>	<b>\$1,732,277</b>	<b>\$463,290</b>	<b>\$6,617,790</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$251,508</b>	<b>\$212,703</b>	<b>\$181,841</b>	<b>\$48,633</b>	<b>\$694,685</b>
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,647,454</b>	<b>\$2,238,979</b>	<b>\$1,914,119</b>	<b>\$511,923</b>	<b>\$7,312,475</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$46,439	\$42,061	\$40,687	\$2,473	\$131,660
<b>Total Contractor Pass-Through Costs</b>	<b>\$46,439</b>	<b>\$42,061</b>	<b>\$40,687</b>	<b>\$2,473</b>	<b>\$131,660</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,693,893</b>	<b>\$2,281,040</b>	<b>\$1,954,806</b>	<b>\$514,396</b>	<b>\$7,444,135</b>

Service Level Statistics Used for Future Service Level Cost Adjustments				
	Accounts		Accounts	
2014	20,120	20,120	20,120	20,120
2015	20,306	20,306	20,306	20,306
2016	20,438	20,438	20,438	20,438
<b>Rolling Three-Year Average</b>	<b>20,288</b>	<b>20,288</b>	<b>20,288</b>	<b>20,288</b>

**D. City of San Mateo 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$1,332,074</b>	<b>\$991,125</b>	<b>\$789,401</b>	<b>\$391,808</b>	<b>\$3,504,408</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$665,150</b>	<b>\$669,419</b>	<b>\$629,803</b>	<b>\$32,726</b>	<b>\$1,997,098</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$2,395,946</b>	<b>\$2,026,276</b>	<b>\$1,732,277</b>	<b>\$463,290</b>	<b>\$6,617,790</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$251,508</b>	<b>\$212,703</b>	<b>\$181,841</b>	<b>\$48,633</b>	<b>\$694,685</b>
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,647,454</b>	<b>\$2,238,979</b>	<b>\$1,914,119</b>	<b>\$511,923</b>	<b>\$7,312,475</b>
Contractor Pass-Through Costs					
Interest Expense	\$46,439	\$42,061	\$40,687	\$2,473	\$131,660
<b>Total Contractor Pass-Through Costs</b>	<b>\$46,439</b>	<b>\$42,061</b>	<b>\$40,687</b>	<b>\$2,473</b>	<b>\$131,660</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,693,893</b>	<b>\$2,281,040</b>	<b>\$1,954,806</b>	<b>\$514,396</b>	<b>\$7,444,135</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>20,288</b>	<b>20,288</b>	<b>20,288</b>	
	Accounts	Accounts	Accounts	
2014	20,120	20,120	20,120	
2015	20,306	20,306	20,306	
2016	20,438	20,438	20,438	
<b>Current Year Rolling Three-Year Average</b>	<b>20,288</b>	<b>20,288</b>	<b>20,288</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$2,395,946</b>	<b>\$2,026,276</b>	<b>\$1,732,277</b>	<b>\$463,290</b>	<b>\$6,617,790</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$251,508</b>	<b>\$212,703</b>	<b>\$181,841</b>	<b>\$48,633</b>	<b>\$694,685</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$2,647,454</b>	<b>\$2,238,979</b>	<b>\$1,914,119</b>	<b>\$511,923</b>	<b>\$7,312,475</b>
Contractor Pass-Through Costs					
Interest Expense	\$46,439	\$42,061	\$40,687	\$2,473	\$131,660
<b>Total Contractor Pass-Through Costs</b>	<b>\$46,439</b>	<b>\$42,061</b>	<b>\$40,687</b>	<b>\$2,473</b>	<b>\$131,660</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$2,693,893</b>	<b>\$2,281,040</b>	<b>\$1,954,806</b>	<b>\$514,396</b>	<b>\$7,444,135</b>

**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	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	
<b>Annual Cost of Operations</b>						
<b>Direct Labor-Related Costs</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$2,157,772</b>	<b>\$855,045</b>	<b>\$227,325</b>	<b>\$164,395</b>	<b>\$61,437</b>	<b>\$3,465,975</b>
<b>Direct Fuel Costs</b>	\$115,293	\$54,221	\$20,658	\$10,490	\$4,058	\$204,720
<b>Other Direct Costs</b>	\$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
<b>Allocated Indirect Costs excluding Depreciation and Interest (Form 9)</b>						
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$408,744</b>	<b>\$446,288</b>	<b>\$397,876</b>	<b>\$273,872</b>	<b>\$13,455</b>	<b>\$1,540,234</b>
<b>Total Allocated Indirect Depreciation Costs (Form 9)</b>	<b>\$2,876</b>	<b>\$3,308</b>	<b>\$2,727</b>	<b>\$1,881</b>	<b>\$96</b>	<b>\$10,888</b>
<b>Annual Implementation Cost Amortization (Form A)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Annual Cost of Operations</b>	<b>\$3,018,196</b>	<b>\$1,552,826</b>	<b>\$726,562</b>	<b>\$487,290</b>	<b>\$89,459</b>	<b>\$5,874,334</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$316,827.15</b>	<b>\$163,004</b>	<b>\$76,269</b>	<b>\$51,152</b>	<b>\$9,391</b>	<b>\$616,643</b>
<b>90.5%</b>						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$3,335,023</b>	<b>\$1,715,830</b>	<b>\$802,831</b>	<b>\$538,443</b>	<b>\$98,850</b>	<b>\$6,490,977</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$55,463	\$33,842	\$16,786	\$5,313	\$1,532	\$112,936
<b>Total Contractor Pass-Through Costs</b>	<b>\$55,463</b>	<b>\$33,842</b>	<b>\$16,786</b>	<b>\$5,313</b>	<b>\$1,532</b>	<b>\$112,936</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$3,390,485</b>	<b>\$1,749,673</b>	<b>\$819,617</b>	<b>\$543,756</b>	<b>\$100,382</b>	<b>\$6,603,913</b>

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	
<b>Rolling Three-Year Average</b>	<b>374,313</b>	<b>394,472</b>	<b>38,242</b>	<b>1,323</b>	

**D. City of San Mateo Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$3,018,196</b>	<b>\$1,552,826</b>	<b>\$726,562</b>	<b>\$487,290</b>	<b>\$89,459</b>	<b>\$5,874,334</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$316,827</b>	<b>\$163,004</b>	<b>\$76,269</b>	<b>\$51,152</b>	<b>\$9,391</b>	<b>\$616,643</b>
	90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$3,335,023</b>	<b>\$1,715,830</b>	<b>\$802,831</b>	<b>\$538,443</b>	<b>\$98,850</b>	<b>\$6,490,977</b>
Contractor Pass-Through Costs						
Interest Expense	\$55,463	\$33,842	\$16,786	\$5,313	\$1,532	\$112,936
<b>Total Contractor Pass-Through Costs</b>	<b>\$55,463</b>	<b>\$33,842</b>	<b>\$16,786</b>	<b>\$5,313</b>	<b>\$1,532</b>	<b>\$112,936</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$3,390,486</b>	<b>\$1,749,672</b>	<b>\$819,617</b>	<b>\$543,756</b>	<b>\$100,382</b>	<b>\$6,603,913</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>374,313</b>	<b>394,472</b>	<b>38,242</b>	<b>1,323</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>374,313</b>	<b>394,472</b>	<b>38,242</b>	<b>1,323</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$3,018,196</b>	<b>\$1,552,826</b>	<b>\$726,562</b>	<b>\$487,290</b>	<b>\$89,459</b>	<b>\$5,874,334</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$316,827</b>	<b>\$163,004</b>	<b>\$76,269</b>	<b>\$51,152</b>	<b>\$9,391</b>	<b>\$616,643</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$3,335,023</b>	<b>\$1,715,830</b>	<b>\$802,831</b>	<b>\$538,443</b>	<b>\$98,850</b>	<b>\$6,490,977</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$55,463	\$33,842	\$16,786	\$5,313	\$1,532	\$112,936
<b>Total Contractor Pass-Through Costs</b>	<b>\$55,463</b>	<b>\$33,842</b>	<b>\$16,786</b>	<b>\$5,313</b>	<b>\$1,532</b>	<b>\$112,936</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$3,390,486</b>	<b>\$1,749,672</b>	<b>\$819,617</b>	<b>\$543,756</b>	<b>\$100,382</b>	<b>\$6,603,913</b>

**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 # of 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 Containers	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$39,735</b>	<b>\$2,435</b>	<b>\$6,988</b>	<b>\$13,087</b>	<b>\$4,015</b>	<b>\$66,259</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$50,804</b>	<b>\$3,113</b>	<b>\$8,935</b>	<b>\$16,733</b>	<b>\$5,130</b>	<b>\$84,714</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$110,251</b>	<b>\$6,756</b>	<b>\$19,389</b>	<b>\$36,311</b>	<b>\$11,111</b>	<b>\$183,818</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$11,573</b>	<b>\$709</b>	<b>\$2,035</b>	<b>\$3,812</b>	<b>\$1,166</b>	<b>\$19,296</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$121,824</b>	<b>\$7,465</b>	<b>\$21,424</b>	<b>\$40,123</b>	<b>\$12,277</b>	<b>\$203,114</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,401	\$147	\$422	\$791	\$217	\$3,978
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,401</b>	<b>\$147</b>	<b>\$422</b>	<b>\$791</b>	<b>\$217</b>	<b>\$3,978</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$124,224</b>	<b>\$7,612</b>	<b>\$21,846</b>	<b>\$40,914</b>	<b>\$12,495</b>	<b>\$207,091</b>

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	
<b>Rolling Three-Year Average</b>	<b>40,664</b>	<b>4,689</b>	<b>12,272</b>	<b>278</b>	



**D. City of San Mateo Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$39,735</b>	<b>\$2,435</b>	<b>\$6,988</b>	<b>\$13,087</b>	<b>\$4,015</b>	<b>\$66,259</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$50,804</b>	<b>\$3,113</b>	<b>\$8,935</b>	<b>\$16,733</b>	<b>\$5,130</b>	<b>\$84,714</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$110,251</b>	<b>\$6,756</b>	<b>\$19,389</b>	<b>\$36,311</b>	<b>\$11,111</b>	<b>\$183,818</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$11,573</b>	<b>\$709</b>	<b>\$2,035</b>	<b>\$3,812</b>	<b>\$1,166</b>	<b>\$19,296</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$121,824</b>	<b>\$7,465</b>	<b>\$21,424</b>	<b>\$40,123</b>	<b>\$12,277</b>	<b>\$203,114</b>
Contractor Pass-Through Costs						
Interest Expense	\$2,401	\$147	\$422	\$791	\$217	\$3,978
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,401</b>	<b>\$147</b>	<b>\$422</b>	<b>\$791</b>	<b>\$217</b>	<b>\$3,978</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$124,224</b>	<b>\$7,612</b>	<b>\$21,846</b>	<b>\$40,914</b>	<b>\$12,495</b>	<b>\$207,091</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>40,664</b>	<b>4,689</b>	<b>12,272</b>	<b>278</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>40,664</b>	<b>4,689</b>	<b>12,272</b>	<b>278</b>	
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$110,251</b>	<b>\$6,756</b>	<b>\$19,389</b>	<b>\$36,311</b>	<b>\$11,111</b>	<b>\$183,818</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$11,573</b>	<b>\$709</b>	<b>\$2,035</b>	<b>\$3,812</b>	<b>\$1,166</b>	<b>\$19,296</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$121,824</b>	<b>\$7,465</b>	<b>\$21,424</b>	<b>\$40,123</b>	<b>\$12,277</b>	<b>\$203,114</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,401	\$147	\$422	\$791	\$217	\$3,978
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,401</b>	<b>\$147</b>	<b>\$422</b>	<b>\$791</b>	<b>\$217</b>	<b>\$3,978</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$124,224</b>	<b>\$7,612</b>	<b>\$21,846</b>	<b>\$40,914</b>	<b>\$12,495</b>	<b>\$207,091</b>

**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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$174,024</b>	<b>\$164,219</b>	<b>\$123,319</b>	<b>\$47,781</b>	<b>\$509,343</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$86,456</b>	<b>\$95,119</b>	<b>\$89,518</b>	<b>\$3,992</b>	<b>\$275,084</b>
Total Allocated Indirect Depreciation Costs (Form 9)	\$611	\$754	\$653	\$29	\$2,047
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
<b>Total Annual Cost of Operations</b>	<b>\$313,042</b>	<b>\$319,360</b>	<b>\$262,289</b>	<b>\$56,500</b>	<b>\$951,190</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$32,861</b>	<b>\$33,524</b>	<b>\$27,533</b>	<b>\$5,931</b>	<b>\$99,849</b>
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$345,903</b>	<b>\$352,884</b>	<b>\$289,822</b>	<b>\$62,431</b>	<b>\$1,051,039</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$6,229	\$6,654	\$6,258	\$302	\$19,442
<b>Total Contractor Pass-Through Costs</b>	<b>\$6,229</b>	<b>\$6,654</b>	<b>\$6,258</b>	<b>\$302</b>	<b>\$19,442</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$352,132</b>	<b>\$359,538</b>	<b>\$296,079</b>	<b>\$62,732</b>	<b>\$1,070,481</b>

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
<b>Rolling Three-Year Average</b>	<b>2,622</b>	<b>2,622</b>	<b>2,622</b>

**D. County of San Mateo, North Fair Oaks 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$313,042</b>	<b>\$319,360</b>	<b>\$262,289</b>	<b>\$56,500</b>	<b>\$951,190</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$32,861</b>	<b>\$33,524</b>	<b>\$27,533</b>	<b>\$5,931</b>	<b>\$99,849</b>
	90.5%				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$345,903</b>	<b>\$352,884</b>	<b>\$289,822</b>	<b>\$62,431</b>	<b>\$1,051,039</b>
Contractor Pass-Through Costs					
Interest Expense	\$6,229	\$6,654	\$6,258	\$302	\$19,442
<b>Total Contractor Pass-Through Costs</b>	<b>\$6,229</b>	<b>\$6,654</b>	<b>\$6,258</b>	<b>\$302</b>	<b>\$19,442</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$352,132</b>	<b>\$359,538</b>	<b>\$296,079</b>	<b>\$62,732</b>	<b>\$1,070,481</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>2,622</b>	<b>2,622</b>	<b>2,622</b>	
2014	2,626	2,626	2,626	
2015	2,622	2,622	2,622	
2016	2,618	2,618	2,618	
<b>Current Year Rolling Three-Year Average</b>	<b>2,622</b>	<b>2,622</b>	<b>2,622</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$313,042</b>	<b>\$319,360</b>	<b>\$262,289</b>	<b>\$56,500</b>	<b>\$951,190</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$32,861</b>	<b>\$33,524</b>	<b>\$27,533</b>	<b>\$5,931</b>	<b>\$99,849</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$345,903</b>	<b>\$352,884</b>	<b>\$289,822</b>	<b>\$62,431</b>	<b>\$1,051,039</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$6,229	\$6,654	\$6,258	\$302	\$19,442
<b>Total Contractor Pass-Through Costs</b>	<b>\$6,229</b>	<b>\$6,654</b>	<b>\$6,258</b>	<b>\$302</b>	<b>\$19,442</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$352,132</b>	<b>\$359,538</b>	<b>\$296,079</b>	<b>\$62,732</b>	<b>\$1,070,481</b>

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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$490,890</b>	<b>\$186,911</b>	<b>\$105,955</b>	<b>\$0</b>	<b>\$10,910</b>	<b>\$794,666</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$51,529.85</b>	<b>\$19,620</b>	<b>\$11,122</b>	<b>\$0</b>	<b>\$1,145</b>	<b>\$83,418</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$542,419</b>	<b>\$206,531</b>	<b>\$117,077</b>	<b>\$0</b>	<b>\$12,055</b>	<b>\$878,084</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$9,047	\$3,858	\$2,465	\$0	\$189	\$15,559
<b>Total Contractor Pass-Through Costs</b>	<b>\$9,047</b>	<b>\$3,858</b>	<b>\$2,465</b>	<b>\$0</b>	<b>\$189</b>	<b>\$15,559</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$551,467</b>	<b>\$210,389</b>	<b>\$119,542</b>	<b>\$0</b>	<b>\$12,244</b>	<b>\$893,643</b>

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Hauls	
2014	42,900	37,856	3,380	0	0
2015	44,382	40,690	3,939	0	0
2016	43,719	41,028	4,368	3	3
<b>Rolling Three-Year Average</b>	<b>43,667</b>	<b>39,858</b>	<b>3,896</b>	<b>1</b>	<b>1</b>

**D. County of San Mateo, North Fair Oaks Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$490,890</b>	<b>\$186,911</b>	<b>\$105,955</b>	<b>\$0</b>	<b>\$10,910</b>	<b>\$794,666</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$51,530</b>	<b>\$19,620</b>	<b>\$11,122</b>	<b>\$0</b>	<b>\$1,145</b>	<b>\$83,418</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$542,419</b>	<b>\$206,531</b>	<b>\$117,077</b>	<b>\$0</b>	<b>\$12,055</b>	<b>\$878,084</b>
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
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$551,467</b>	<b>\$210,389</b>	<b>\$119,542</b>	<b>\$0</b>	<b>\$12,244</b>	<b>\$893,643</b>

**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
<b>Prior Year Rolling Three-Year Average</b>	<b>43,667</b>	<b>39,858</b>	<b>3,896</b>		<b>1</b>
	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
<b>Current Year Rolling Three-Year Average</b>	<b>43,667</b>	<b>39,858</b>	<b>3,896</b>		<b>1</b>
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$490,890</b>	<b>\$186,911</b>	<b>\$105,955</b>	<b>\$0</b>	<b>\$10,910</b>	<b>\$794,666</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$51,530</b>	<b>\$19,620</b>	<b>\$11,122</b>	<b>\$0</b>	<b>\$1,145</b>	<b>\$83,418</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$542,419</b>	<b>\$206,531</b>	<b>\$117,077</b>	<b>\$0</b>	<b>\$12,055</b>	<b>\$878,084</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$9,047	\$3,858	\$2,465	\$0	\$189	\$15,559
<b>Total Contractor Pass-Through Costs</b>	<b>\$9,047</b>	<b>\$3,858</b>	<b>\$2,465</b>	<b>\$0</b>	<b>\$189</b>	<b>\$15,559</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$551,467</b>	<b>\$210,389</b>	<b>\$119,542</b>	<b>\$0</b>	<b>\$12,244</b>	<b>\$893,643</b>



**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		2,704.00
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
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
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
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	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	
<b>Annual Cost of Operations</b>						
<b>Direct Labor-Related Costs</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$2,931</b>	<b>\$29</b>	<b>\$136</b>	<b>\$1,084</b>	<b>\$323</b>	<b>\$4,503</b>
<b>Direct Fuel Costs</b>	\$228	\$2	\$11	\$84	\$25	\$351
<b>Other Direct Costs</b>	\$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
<b>Allocated Indirect Costs excluding Depreciation and Interest (Form 9)</b>						
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$2,821</b>	<b>\$28</b>	<b>\$131</b>	<b>\$1,043</b>	<b>\$580</b>	<b>\$4,605</b>
<b>Total Allocated Indirect Depreciation Costs (Form 9)</b>	\$30	\$0	\$1	\$11	\$3	\$46
<b>Annual Implementation Cost Amortization (Form A)</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Annual Cost of Operations</b>	<b>\$7,367</b>	<b>\$74</b>	<b>\$343</b>	<b>\$2,724</b>	<b>\$1,061</b>	<b>\$11,569</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$773</b>	<b>\$8</b>	<b>\$36</b>	<b>\$286</b>	<b>\$111</b>	<b>\$1,214</b>
	90.5%					
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$8,140</b>	<b>\$82</b>	<b>\$379</b>	<b>\$3,010</b>	<b>\$1,172</b>	<b>\$12,784</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$196	\$2	\$9	\$73	\$17	\$297
<b>Total Contractor Pass-Through Costs</b>	<b>\$196</b>	<b>\$2</b>	<b>\$9</b>	<b>\$73</b>	<b>\$17</b>	<b>\$297</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$8,337</b>	<b>\$84</b>	<b>\$388</b>	<b>\$3,083</b>	<b>\$1,190</b>	<b>\$13,081</b>

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		
<b>Rolling Three-Year Average</b>	<b>2,236</b>	<b>156</b>	<b>312</b>	<b>29</b>		

**D. County of San Mateo, North Fair Oaks Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$2,931</b>	<b>\$29</b>	<b>\$136</b>	<b>\$1,084</b>	<b>\$323</b>	<b>\$4,503</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$2,821</b>	<b>\$28</b>	<b>\$131</b>	<b>\$1,043</b>	<b>\$580</b>	<b>\$4,605</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$7,367</b>	<b>\$74</b>	<b>\$343</b>	<b>\$2,724</b>	<b>\$1,061</b>	<b>\$11,569</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$773</b>	<b>\$8</b>	<b>\$36</b>	<b>\$286</b>	<b>\$111</b>	<b>\$1,214</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$8,140</b>	<b>\$82</b>	<b>\$379</b>	<b>\$3,010</b>	<b>\$1,172</b>	<b>\$12,784</b>
Contractor Pass-Through Costs						
Interest Expense	\$196	\$2	\$9	\$73	\$17	\$297
<b>Total Contractor Pass-Through Costs</b>	<b>\$196</b>	<b>\$2</b>	<b>\$9</b>	<b>\$73</b>	<b>\$17</b>	<b>\$297</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$8,337</b>	<b>\$84</b>	<b>\$388</b>	<b>\$3,083</b>	<b>\$1,190</b>	<b>\$13,081</b>

**D. County of San Mateo, North Fair Oaks Allocated Costs - Agency Facilities**

Step 2: Service Level Adjustments						
	Lifts	Lifts	Lifts	Lifts	Hauls	
2014	2,236	156	156	312	3	
2015	2,236	156	156	312	17	
2016	2,236	156	156	312	68	
<b>Prior Year Rolling Three-Year Average</b>	<b>2,236</b>	<b>156</b>	<b>156</b>	<b>312</b>	<b>29</b>	
	Lifts	Lifts	Lifts	Lifts	Hauls	
2014	2,236	156	156	312	3	
2015	2,236	156	156	312	17	
2016	2,236	156	156	312	68	
<b>Current Year Rolling Three-Year Average</b>	<b>2,236</b>	<b>156</b>	<b>156</b>	<b>312</b>	<b>29</b>	
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%	100.0%	1
65% Service Level Adjustment Factor	100.0%	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$7,367</b>	<b>\$74</b>	<b>\$343</b>	<b>\$2,724</b>	<b>\$1,061</b>	<b>\$11,569</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$773</b>	<b>\$8</b>	<b>\$36</b>	<b>\$286</b>	<b>\$111</b>	<b>\$1,214</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$8,140</b>	<b>\$82</b>	<b>\$379</b>	<b>\$3,010</b>	<b>\$1,172</b>	<b>\$12,784</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$196	\$2	\$9	\$73	\$17	\$297
<b>Total Contractor Pass-Through Costs</b>	<b>\$196</b>	<b>\$2</b>	<b>\$9</b>	<b>\$73</b>	<b>\$17</b>	<b>\$297</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$8,337</b>	<b>\$84</b>	<b>\$388</b>	<b>\$3,083</b>	<b>\$1,190</b>	<b>\$13,081</b>

**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	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$150,835</b>	<b>\$141,123</b>	<b>\$120,283</b>	<b>\$28,669</b>	<b>\$440,909</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$71,399</b>	<b>\$79,253</b>	<b>\$80,028</b>	<b>\$2,394</b>	<b>\$233,075</b>
Total Allocated Indirect Depreciation Costs (Form 9)	\$497	\$619	\$633	\$17	\$1,766
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
<b>Total Annual Cost of Operations</b>	<b>\$264,427</b>	<b>\$269,475</b>	<b>\$247,684</b>	<b>\$33,899</b>	<b>\$815,485</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$27,758</b>	<b>\$28,287</b>	<b>\$26,000</b>	<b>\$3,558</b>	<b>\$85,603</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$292,185</b>	<b>\$297,763</b>	<b>\$273,684</b>	<b>\$37,457</b>	<b>\$901,088</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$4,932	\$5,422	\$5,923	\$181	\$16,458
<b>Total Contractor Pass-Through Costs</b>	<b>\$4,932</b>	<b>\$5,422</b>	<b>\$5,923</b>	<b>\$181</b>	<b>\$16,458</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$297,117</b>	<b>\$303,185</b>	<b>\$279,607</b>	<b>\$37,638</b>	<b>\$917,546</b>

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	
<b>Rolling Three-Year Average</b>	<b>2,213</b>	<b>2,213</b>	<b>2,213</b>	

**D. West Bay Sanitary District 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$264,427</b>	<b>\$269,475</b>	<b>\$247,684</b>	<b>\$33,899</b>	<b>\$815,485</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$27,758</b>	<b>\$28,287</b>	<b>\$26,000</b>	<b>\$3,558</b>	<b>\$85,603</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$292,185</b>	<b>\$297,763</b>	<b>\$273,684</b>	<b>\$37,457</b>	<b>\$901,088</b>
Contractor Pass-Through Costs					
Interest Expense	\$4,932	\$5,422	\$5,923	\$181	\$16,458
<b>Total Contractor Pass-Through Costs</b>	<b>\$4,932</b>	<b>\$5,422</b>	<b>\$5,923</b>	<b>\$181</b>	<b>\$16,458</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$297,117</b>	<b>\$303,185</b>	<b>\$279,607</b>	<b>\$37,638</b>	<b>\$917,546</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>2,213</b>	<b>2,213</b>	<b>2,213</b>	
	Accounts	Accounts	Accounts	
2014	2,208	2,208	2,208	
2015	2,215	2,215	2,215	
2016	2,215	2,215	2,215	
<b>Current Year Rolling Three-Year Average</b>	<b>2,213</b>	<b>2,213</b>	<b>2,213</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$264,427</b>	<b>\$269,475</b>	<b>\$247,684</b>	<b>\$33,899</b>	<b>\$815,485</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$27,758</b>	<b>\$28,287</b>	<b>\$26,000</b>	<b>\$3,558</b>	<b>\$85,603</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$292,185</b>	<b>\$297,763</b>	<b>\$273,684</b>	<b>\$37,457</b>	<b>\$901,088</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$4,932	\$5,422	\$5,923	\$181	\$16,458
<b>Total Contractor Pass-Through Costs</b>	<b>\$4,932</b>	<b>\$5,422</b>	<b>\$5,923</b>	<b>\$181</b>	<b>\$16,458</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$297,117</b>	<b>\$303,185</b>	<b>\$279,607</b>	<b>\$37,638</b>	<b>\$917,546</b>

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	
<b>Annual Cost of Operations</b>						
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	<del>\$2,097</del>	<del>\$948</del>	<del>\$541</del>	<del>\$0</del>	<del>\$195</del>	<del>\$3,780</del>
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 Operations	\$3,005	\$3,510	\$10,968	\$0	\$567	\$18,050
Vehicle Maintenance	\$1,210	\$1,379	\$2,711	\$0	\$116	\$5,416
Container Maintenance	\$2,312	\$2,636	\$5,182	\$0	\$221	\$10,352
Container Maintenance	<del>\$431</del>	<del>\$617</del>	<del>\$1,556</del>	<del>\$0</del>	<del>\$81</del>	<del>\$2,686</del>
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
<b>Total Annual Cost of Operations</b>	<b>\$66,465</b>	<b>\$35,644</b>	<b>\$36,779</b>	<b>\$0</b>	<b>\$6,546</b>	<b>\$145,434</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$6,977.01</b>	<b>\$3,742</b>	<b>\$3,861</b>	<b>\$0</b>	<b>\$687</b>	<b>\$15,267</b>
	90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$73,442</b>	<b>\$39,386</b>	<b>\$40,640</b>	<b>\$0</b>	<b>\$7,233</b>	<b>\$160,700</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$1,331	\$794	\$865	\$0	\$113	\$3,104
<b>Total Contractor Pass-Through Costs</b>	<b>\$1,331</b>	<b>\$794</b>	<b>\$865</b>	<b>\$0</b>	<b>\$113</b>	<b>\$3,104</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$74,774</b>	<b>\$40,180</b>	<b>\$41,505</b>	<b>\$0</b>	<b>\$7,346</b>	<b>\$163,805</b>

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	
<b>Rolling Three-Year Average</b>	<b>3,783</b>	<b>6,088</b>	<b>953</b>	<b>-</b>	

**D. West Bay Sanitary District Allocated Costs - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$66,465</b>	<b>\$35,644</b>	<b>\$36,779</b>	<b>\$0</b>	<b>\$6,546</b>	<b>\$145,434</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$6,977</b>	<b>\$3,742</b>	<b>\$3,861</b>	<b>\$0</b>	<b>\$687</b>	<b>\$15,267</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$73,442</b>	<b>\$39,386</b>	<b>\$40,640</b>	<b>\$0</b>	<b>\$7,233</b>	<b>\$160,700</b>
Contractor Pass-Through Costs						
Interest Expense	\$1,331	\$794	\$865	\$0	\$113	\$3,104
<b>Total Contractor Pass-Through Costs</b>	<b>\$1,331</b>	<b>\$794</b>	<b>\$865</b>	<b>\$0</b>	<b>\$113</b>	<b>\$3,104</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$74,773</b>	<b>\$40,180</b>	<b>\$41,505</b>	<b>\$0</b>	<b>\$7,346</b>	<b>\$163,805</b>



**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>3,783</b>	<b>6,088</b>	<b>953</b>		<b>-</b>	
	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	
<b>Current Year Rolling Three-Year Average</b>	<b>3,783</b>	<b>6,088</b>	<b>953</b>		<b>-</b>	
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	
<b>Annual Cost of Operations</b>						
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	<u>\$2,097</u>	<u>\$948</u>	<u>\$541</u>	<u>\$0</u>	<u>\$195</u>	<u>\$3,780</u>
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
<b>Total Annual Cost of Operations</b>	<b>\$66,465</b>	<b>\$35,644</b>	<b>\$36,779</b>	<b>\$0</b>	<b>\$6,546</b>	<b>\$145,434</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$6,977</b>	<b>\$3,742</b>	<b>\$3,861</b>	<b>\$0</b>	<b>\$687</b>	<b>\$15,267</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$73,442</b>	<b>\$39,386</b>	<b>\$40,640</b>	<b>\$0</b>	<b>\$7,233</b>	<b>\$160,700</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$1,331	\$794	\$865	\$0	\$113	\$3,104
<b>Total Contractor Pass-Through Costs</b>	<b>\$1,331</b>	<b>\$794</b>	<b>\$865</b>	<b>\$0</b>	<b>\$113</b>	<b>\$3,104</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$74,774</b>	<b>\$40,180</b>	<b>\$41,505</b>	<b>\$0</b>	<b>\$7,346</b>	<b>\$163,805</b>

**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
SBWMA # of 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
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
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
SBWMA # of Containers	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$225</b>	<b>\$92</b>	<b>\$369</b>	<b>\$0</b>	<b>\$30</b>	<b>\$716</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$213</b>	<b>\$87</b>	<b>\$349</b>	<b>\$0</b>	<b>\$394</b>	<b>\$1,042</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$581</b>	<b>\$236</b>	<b>\$951</b>	<b>\$0</b>	<b>\$439</b>	<b>\$2,207</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$61</b>	<b>\$25</b>	<b>\$100</b>	<b>\$0</b>	<b>\$46</b>	<b>\$232</b>
	90.5%					
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$642</b>	<b>\$261</b>	<b>\$1,051</b>	<b>\$0</b>	<b>\$485</b>	<b>\$2,439</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$17	\$7	\$28	\$0	\$2	\$54
<b>Total Contractor Pass-Through Costs</b>	<b>\$17</b>	<b>\$7</b>	<b>\$28</b>	<b>\$0</b>	<b>\$2</b>	<b>\$54</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$659</b>	<b>\$268</b>	<b>\$1,079</b>	<b>\$0</b>	<b>\$487</b>	<b>\$2,493</b>

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	
<b>Rolling Three-Year Average</b>	<b>156</b>	<b>65</b>	<b>52</b>	<b>-</b>	

**D. West Bay Sanitary District Allocated Costs - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	<b>\$225</b>	<b>\$92</b>	<b>\$369</b>	<b>\$0</b>	<b>\$30</b>	<b>\$716</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$213</b>	<b>\$87</b>	<b>\$349</b>	<b>\$0</b>	<b>\$394</b>	<b>\$1,042</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$581</b>	<b>\$236</b>	<b>\$951</b>	<b>\$0</b>	<b>\$439</b>	<b>\$2,207</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$61</b>	<b>\$25</b>	<b>\$100</b>	<b>\$0</b>	<b>\$46</b>	<b>\$232</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$642</b>	<b>\$261</b>	<b>\$1,051</b>	<b>\$0</b>	<b>\$485</b>	<b>\$2,439</b>
Contractor Pass-Through Costs						
Interest Expense	\$17	\$7	\$28	\$0	\$2	\$54
<b>Total Contractor Pass-Through Costs</b>	<b>\$17</b>	<b>\$7</b>	<b>\$28</b>	<b>\$0</b>	<b>\$2</b>	<b>\$54</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$659</b>	<b>\$268</b>	<b>\$1,079</b>	<b>\$0</b>	<b>\$487</b>	<b>\$2,493</b>

**D. West Bay Sanitary District Allocated Costs - Agency Facilities**

Step 2: Service Level Adjustments						
	Lifts	Lifts	Lifts	Lifts	Hauls	
2014	156	65	65	52	0	
2015	156	65	65	52	0	
2016	156	65	65	52	0	
<b>Prior Year Rolling Three-Year Average</b>	<b>156</b>	<b>65</b>	<b>65</b>	<b>52</b>	<b>-</b>	
2014	Lifts	Lifts	Lifts	Lifts	Hauls	
2015	156	65	65	52	0	
2016	156	65	65	52	0	
<b>Current Year Rolling Three-Year Average</b>	<b>156</b>	<b>65</b>	<b>65</b>	<b>52</b>	<b>-</b>	
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%	1	1
65% Service Level Adjustment Factor	100.0%	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$581</b>	<b>\$236</b>	<b>\$951</b>	<b>\$0</b>	<b>\$439</b>	<b>\$2,207</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$61</b>	<b>\$25</b>	<b>\$100</b>	<b>\$0</b>	<b>\$46</b>	<b>\$232</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$642</b>	<b>\$261</b>	<b>\$1,051</b>	<b>\$0</b>	<b>\$485</b>	<b>\$2,439</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$17	\$7	\$28	\$0	\$2	\$54
<b>Total Contractor Pass-Through Costs</b>	<b>\$17</b>	<b>\$7</b>	<b>\$28</b>	<b>\$0</b>	<b>\$2</b>	<b>\$54</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$659</b>	<b>\$268</b>	<b>\$1,079</b>	<b>\$0</b>	<b>\$487</b>	<b>\$2,493</b>

**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	
<b>Annual Cost of Operations</b>					
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	<u>\$15,775</u>	<u>\$13,167</u>	<u>\$12,912</u>	<u>\$3,031</u>	\$44,885
<b>Total Direct Labor Related-Costs</b>	\$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	<u>\$41,561</u>
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	\$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
<b>Total Annual Cost of Operations</b>	<b>\$628,648</b>	<b>\$575,595</b>	<b>\$588,711</b>	<b>\$85,126</b>	<b>\$1,878,079</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$65,991</b>	<b>\$60,422</b>	<b>\$61,798</b>	<b>\$8,936</b>	<b>\$197,146</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$694,638</b>	<b>\$636,017</b>	<b>\$650,509</b>	<b>\$94,061</b>	<b>\$2,075,226</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$11,890	\$11,289	\$13,406	\$454	\$37,039
<b>Total Contractor Pass-Through Costs</b>	<b>\$11,890</b>	<b>\$11,289</b>	<b>\$13,406</b>	<b>\$454</b>	<b>\$37,039</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$706,528</b>	<b>\$647,306</b>	<b>\$663,915</b>	<b>\$94,516</b>	<b>\$2,112,264</b>

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	
<b>Rolling Three-Year Average</b>	<b>5,056</b>	<b>5,056</b>	<b>5,056</b>	

**D. Unincorporated County - 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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>					
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
<b>Total Direct Labor Related-Costs</b>	<b>\$357,895</b>	<b>\$302,470</b>	<b>\$294,531</b>	<b>\$71,991</b>	<b>\$1,026,887</b>
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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	<b>\$167,737</b>	<b>\$172,811</b>	<b>\$184,267</b>	<b>\$6,013</b>	<b>\$530,828</b>
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
<b>Total Annual Cost of Operations</b>	<b>\$628,648</b>	<b>\$575,595</b>	<b>\$588,711</b>	<b>\$85,126</b>	<b>\$1,878,079</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$65,991</b>	<b>\$60,422</b>	<b>\$61,798</b>	<b>\$8,936</b>	<b>\$197,146</b>
	<b>90.5%</b>				
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$694,638</b>	<b>\$636,017</b>	<b>\$650,509</b>	<b>\$94,061</b>	<b>\$2,075,226</b>
Contractor Pass-Through Costs					
Interest Expense	\$11,890	\$11,289	\$13,406	\$454	\$37,039
<b>Total Contractor Pass-Through Costs</b>	<b>\$11,890</b>	<b>\$11,289</b>	<b>\$13,406</b>	<b>\$454</b>	<b>\$37,039</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$706,528</b>	<b>\$647,306</b>	<b>\$663,915</b>	<b>\$94,516</b>	<b>\$2,112,264</b>

**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	
<b>Prior Year Rolling Three-Year Average</b>	<b>5,056</b>	<b>5,056</b>	<b>5,056</b>	
	Accounts	Accounts	Accounts	
2014	5,041	5,041	5,041	
2015	5,056	5,056	5,056	
2016	5,072	5,072	5,072	
<b>Current Year Rolling Three-Year Average</b>	<b>5,056</b>	<b>5,056</b>	<b>5,056</b>	
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	
<b>Annual Cost of Operations</b>					
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
<b>Total Annual Cost of Operations</b>	<b>\$628,648</b>	<b>\$575,595</b>	<b>\$588,711</b>	<b>\$85,126</b>	<b>\$1,878,079</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$65,991</b>	<b>\$60,422</b>	<b>\$61,798</b>	<b>\$8,936</b>	<b>\$197,146</b>
90.5%					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$694,638</b>	<b>\$636,017</b>	<b>\$650,509</b>	<b>\$94,061</b>	<b>\$2,075,226</b>
<b>Contractor Pass-Through Costs</b>					
Interest Expense	\$11,890	\$11,289	\$13,406	\$454	\$37,039
<b>Total Contractor Pass-Through Costs</b>	<b>\$11,890</b>	<b>\$11,289</b>	<b>\$13,406</b>	<b>\$454</b>	<b>\$37,039</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$706,528</b>	<b>\$647,306</b>	<b>\$663,915</b>	<b>\$94,516</b>	<b>\$2,112,264</b>

**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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	\$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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	\$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
<b>Total Annual Cost of Operations</b>	<b>\$136,888</b>	<b>\$78,609</b>	<b>\$48,561</b>	<b>\$0</b>	<b>\$16,437</b>	<b>\$280,495</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$14,369.45</b>	<b>\$8,252</b>	<b>\$5,098</b>	<b>\$0</b>	<b>\$1,725</b>	<b>\$29,444</b>
<b>90.5%</b>						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$151,257</b>	<b>\$86,861</b>	<b>\$53,659</b>	<b>\$0</b>	<b>\$18,163</b>	<b>\$309,940</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,804	\$1,623	\$1,189	\$0	\$284	\$5,901
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,804</b>	<b>\$1,623</b>	<b>\$1,189</b>	<b>\$0</b>	<b>\$284</b>	<b>\$5,901</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$154,062</b>	<b>\$88,484</b>	<b>\$54,847</b>	<b>\$0</b>	<b>\$18,447</b>	<b>\$315,840</b>

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	
<b>Rolling Three-Year Average</b>	<b>18,135</b>	<b>19,240</b>	<b>3,488</b>	<b>4</b>	



**D. Unincorporated County - MFD & Commercial**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$136,888</b>	<b>\$78,609</b>	<b>\$48,561</b>	<b>\$0</b>	<b>\$16,437</b>	<b>\$280,495</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$14,369</b>	<b>\$8,252</b>	<b>\$5,098</b>	<b>\$0</b>	<b>\$1,725</b>	<b>\$29,444</b>
	<b>90.5%</b>					
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$151,257</b>	<b>\$86,861</b>	<b>\$53,659</b>	<b>\$0</b>	<b>\$18,163</b>	<b>\$309,940</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,804	\$1,623	\$1,189	\$0	\$284	\$5,901
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,804</b>	<b>\$1,623</b>	<b>\$1,189</b>	<b>\$0</b>	<b>\$284</b>	<b>\$5,901</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$154,062</b>	<b>\$88,484</b>	<b>\$54,847</b>	<b>\$0</b>	<b>\$18,447</b>	<b>\$315,840</b>

**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
<b>Prior Year Rolling Three-Year Average</b>	<b>18,135</b>	<b>19,240</b>	<b>3,488</b>		<b>4</b>
2014	17,693	19,331	2,756		4
2015	18,369	18,746	3,952		3
2016	18,343	19,643	3,757		4
<b>Current Year Rolling Three-Year Average</b>	<b>18,135</b>	<b>19,240</b>	<b>3,488</b>		<b>4</b>
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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$136,888</b>	<b>\$78,609</b>	<b>\$48,561</b>	<b>\$0</b>	<b>\$16,437</b>	<b>\$280,495</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$14,369</b>	<b>\$8,252</b>	<b>\$5,098</b>	<b>\$0</b>	<b>\$1,725</b>	<b>\$29,444</b>
90.5%						
<b>Total Proposed Costs before Pass-Through Cost Allocation</b>	<b>\$151,257</b>	<b>\$86,861</b>	<b>\$53,659</b>	<b>\$0</b>	<b>\$18,163</b>	<b>\$309,940</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$2,804	\$1,623	\$1,189	\$0	\$284	\$5,901
<b>Total Contractor Pass-Through Costs</b>	<b>\$2,804</b>	<b>\$1,623</b>	<b>\$1,189</b>	<b>\$0</b>	<b>\$284</b>	<b>\$5,901</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$154,062</b>	<b>\$88,484</b>	<b>\$54,847</b>	<b>\$0</b>	<b>\$18,447</b>	<b>\$315,840</b>

**D. Unincorporated County - Agency Facilities**

Statistics Used for Year 2021 Cost Allocation Only					Totals
City # of Lifts per year	0	208	312		5,072
SBWMA # of 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
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
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
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	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Direct Labor Related-Costs</b>	\$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
<b>Total Allocated Indirect Costs excluding Depreciation and Interest</b>	\$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
<b>Total Annual Cost of Operations</b>	\$0	\$4,441	\$1,862	\$0	\$991	\$7,293
<b>Profit (insert Operating Ratio below)</b>	\$0	\$466	\$195	\$0	\$104	\$766
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	\$0	\$4,907	\$2,057	\$0	\$1,095	\$8,059
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$0	\$148	\$62	\$0	\$3	\$214
<b>Total Contractor Pass-Through Costs</b>	\$0	\$148	\$62	\$0	\$3	\$214
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	\$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	
<b>Rolling Three-Year Average</b>	-	<b>208</b>	<b>347</b>	-	

**D. Unincorporated County - Agency Facilities**

Step 1: Index Based Adjustments					
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 Adjustment	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 Adjustment	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 Adjustment	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 Adjustment	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$0</b>	<b>\$4,441</b>	<b>\$1,862</b>	<b>\$0</b>	<b>\$991</b>	<b>\$7,293</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$0</b>	<b>\$466</b>	<b>\$195</b>	<b>\$0</b>	<b>\$104</b>	<b>\$766</b>
<b>90.5%</b>						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$0</b>	<b>\$4,907</b>	<b>\$2,057</b>	<b>\$0</b>	<b>\$1,095</b>	<b>\$8,059</b>
Contractor Pass-Through Costs						
Interest Expense	\$0	\$148	\$62	\$0	\$3	\$214
Total Contractor Pass-Through Costs	\$0	\$148	\$62	\$0	\$3	\$214
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$0</b>	<b>\$5,055</b>	<b>\$2,119</b>	<b>\$0</b>	<b>\$1,098</b>	<b>\$8,273</b>

**D. Unincorporated County - Agency Facilities**

Step 2: Service Level Adjustments						
	Lifts	Lifts	Lifts	Lifts	Hauls	
2014	0	208	416	0		
2015	0	208	312	0		
2016	0	208	312	0		
<b>Prior Year Rolling Three-Year Average</b>	<b>-</b>	<b>208</b>	<b>347</b>	<b>-</b>		
	Lifts	Lifts	Lifts	Lifts	Hauls	
2014	0	208	416	0		
2015	0	208	312	0		
2016	0	208	312	0		
<b>Current Year Rolling Three-Year Average</b>	<b>-</b>	<b>208</b>	<b>347</b>	<b>-</b>		
100% Service Level Adjustment Factor	1	100.0%	100.0%	1	1	1
65% Service Level Adjustment Factor	1	100.0%	100.0%	1	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	
<b>Annual Cost of Operations</b>						
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
<b>Total Annual Cost of Operations</b>	<b>\$0</b>	<b>\$4,441</b>	<b>\$1,862</b>	<b>\$0</b>	<b>\$991</b>	<b>\$7,293</b>
<b>Profit (insert Operating Ratio below)</b>	<b>\$0</b>	<b>\$466</b>	<b>\$195</b>	<b>\$0</b>	<b>\$104</b>	<b>\$766</b>
90.5%						
<b>Total Operating Costs before Pass-Through Cost Allocation</b>	<b>\$0</b>	<b>\$4,907</b>	<b>\$2,057</b>	<b>\$0</b>	<b>\$1,095</b>	<b>\$8,059</b>
<b>Contractor Pass-Through Costs</b>						
Interest Expense	\$0	\$148	\$62	\$0	\$3	\$214
<b>Total Contractor Pass-Through Costs</b>	<b>\$0</b>	<b>\$148</b>	<b>\$62</b>	<b>\$0</b>	<b>\$3</b>	<b>\$214</b>
<b>TOTAL BASE CONTRACTOR'S COMPENSATION</b>	<b>\$0</b>	<b>\$5,055</b>	<b>\$2,119</b>	<b>\$0</b>	<b>\$1,098</b>	<b>\$8,273</b>

## Attachment N - Truck Depreciation & Interest Schedule

	2017		Units Purchased by Year						Capital Expenditure Per Year							
	Quantity	Cost/Unit	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Inflation Assumption:			2.00%				Total
									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	108.2%	110.2%	112.2%	114.2%	116.2%	118.2%	0	15,759,120
3 Axle ASL Coll Vehicle	21	333,000	0	5	10	6	0	0	0	1,835,550	3,737,699	2,282,579	0	0	0	7,855,828
3 Axle ASL (185" Wheel Base)	4	333,000	0	1	1	1	1	0	0	367,110	373,770	380,430	387,090	0	0	1,508,400
3 Axle ASL (185" Wheel Base)	1	333,000	0	0	1	0	0	0	0	0	373,770	0	0	0	0	373,770
4 Axle ASL (185" Wheel Base)	2	335,000	0	1	0	1	0	0	0	369,315	0	382,715	0	0	0	752,030
Pup Trucks SASL (VHTS)	3	179,000	0	0	0	1	2	0	0	0	0	204,495	416,151	0	0	620,646
4 Axle FEL Coll Vehicle	27	364,000	0	9	9	9	0	0	0	3,611,568	3,677,088	3,742,608	0	0	0	11,031,263
4 Axle REL Coll Vehicle	16	316,000	4	4	4	4	0	0	1,368,194	1,393,474	1,418,754	1,444,034	0	0	0	5,624,457
3 Axle REL (185" Wheel Base)	2	307,000	0	0	0	1	1	0	0	0	0	350,727	356,867	0	0	707,593
2 Axle REL (128" Wheel Base)	2	212,000	0	0	0	1	1	0	0	0	0	242,196	246,436	0	0	488,631
3 Axle SASL (Comm Organics)	1	333,000	0	0	1	0	0	0	0	0	373,770	0	0	0	0	373,770
3 Axle Roll Offs	3	248,000	0	0	1	1	1	0	0	0	278,363	283,323	288,283	0	0	849,970
4 Axle Roll Offs	3	287,000	0	0	1	1	1	0	0	0	322,138	327,878	333,618	0	0	983,634
Cart Delivery Trucks	3	93,000	0	0	0	1	1	1	0	0	0	106,246	108,106	109,966	0	324,319
Container Delivery Trucks	2	155,000	0	0	1	0	0	1	0	0	173,977	0	0	183,277	0	357,254
Box Trucks (Loose Bulky)	3	141,000	0	0	0	1	1	1	0	0	0	161,083	163,903	166,723	0	491,709
Shop Truck GMC 3500	1	72,000	0	0	1	0	0	0	0	0	80,815	0	0	0	0	80,815
Shop Truck GMC 4500	2	88,000	0	0	1	1	0	0	0	0	98,774	100,534	0	0	0	199,308
GMC Hyb 1/2 Ton Pick Up's	6	50,000	0	1	2	1	1	1	0	55,122	112,243	57,122	58,122	59,122	0	341,730
<b>Total Vehicles</b>	<b>144</b>		<b>4</b>	<b>36</b>	<b>50</b>	<b>40</b>	<b>10</b>	<b>4</b>	<b>1,368,194</b>	<b>13,171,859</b>	<b>17,413,413</b>	<b>13,893,117</b>	<b>2,358,575</b>	<b>519,088</b>	<b>48,724,246</b>	

	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
<b>Total Depreciation</b>	<b>4,092,539</b>	<b>3,056,022</b>	<b>3,056,022</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>2,980,483</b>	<b>48,950,863</b>

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	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	163,180	2,447,700
<b>Total</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>1,145,186</b>	<b>17,177,787</b>

# Attachment N - Form H - CPI Indexes

## CPI-W-Wages

Series Id: CWURA422SA0

### Not Seasonally Adjusted

**Series:** All items in San Francisco-Oakland-San Jose, CA, urban wage earners and clerical workers, not seasonally  
**Title:** San Francisco-Oakland-San Jose, CA  
**Area:** All items  
**Item:** 1982-84=100  
**Base:** 1982-84=100  
**Period:** 2011 to 2017  
**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:** Medical care in San Francisco-Oakland-San Jose, CA, urban wage earners and clerical workers, not seasonally  
**Title:** San Francisco-Oakland-San Jose, CA  
**Area:** Medical care  
**Item:** 1982-84=100  
**Base:** 1982-84=100  
**Period:** 2011 to 2017  
**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:** Motor fuel in San Francisco-Oakland-San Jose, CA, all urban consumers, not seasonally adjusted  
**Title:** San Francisco-Oakland-San Jose, CA  
**Area:** Motor fuel  
**Item:** 1982-84=100  
**Base:** 1982-84=100  
**Period:** 2011 to 2017  
**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:** All items in San Francisco-Oakland-San Jose, CA, all urban consumers, not seasonally adjusted  
**Title:** San Francisco-Oakland-San Jose, CA  
**Area:** All items  
**Item:** 1982-84=100  
**Base:** 1982-84=100  
**Period:** 2011 to 2017  
**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		246.677		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
<b>Subtotal-----</b>	<b>22.5</b>

### CBA Employees

Drivers -----	165
Customer Service Representatives-----	15
Maintenance Clerks -----	2
Accounting Staff-----	3
Dispatch Clerks-----	2
Mechanics/Shop Personnel-----	20
<b>Subtotal-----</b>	<b>207</b>

**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 Retriever 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

### SCHEDULE OF CONTRACTOR'S MAXIMUM RATES FOR ADDITIONAL SERVICES

For Rate Years Eleven (2021) through the remaining Rate Years in the Term, the Maximum Rates for additional services specified in Attachment Q shall be adjusted annually in accordance with Section 11.05.

The Maximum Rates for additional services for Rate Year Ten (2020) shall be the Maximum Rates for Rate Year Ten (2020) as determined under the 2009 Franchise Agreement. These amounts will be adjusted as provided in Section 11.05 of this Agreement to determine the Maximum Rates for Rate Year Eleven (2021). For this reason, the dollar values of the Maximum Rates 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. Maximum Rates for these services are presented in the table below.

Charges for Additional Services may not exceed the Maximum Rates approved by the City for the respective Rate Year.

	Service	Reference	Agency-Approved Maximum Rate	Description
<b>Additional Services for Customers</b>				
1	Single-Family Dwelling Backyard Collection Service	Section 5.02.A	See Maximum Rates in the table at the end of this Attachment	See description 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	<p>A – 10% of base monthly Maximum Rate for Collection of each Container requiring Long Distance Service</p> <p>B – 25% of base monthly Maximum Rate for Collection of each Container requiring Long Distance Service</p>	<p>A – Distance greater than 50 feet and less than or equal to 100 feet</p> <p>B – Distance greater than 100 feet</p> <p>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.</p>

**ATTACHMENT Q**  
**SCHEDULE OF CONTRACTOR'S MAXIMUM RATES**  
**FOR ADDITIONAL SERVICES**

	Service	Reference	Agency-Approved Maximum Rate	Description
3	Container Relocation Service	Sections 5.02B and 8.02B	A – 12% of base monthly Maximum Rate for Collection of each Container requiring Container Relocation Service  B – 27% of base monthly Maximum Rate for Collection of each Container requiring Container Relocation 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.
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 Maximum 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	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)

**ATTACHMENT Q**  
**SCHEDULE OF CONTRACTOR'S MAXIMUM RATES**  
**FOR ADDITIONAL SERVICES**

	Service	Reference	Agency-Approved Maximum Rate	Description
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 Maximum 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
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 Maximum 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 Maximum 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

**ATTACHMENT Q**  
**SCHEDULE OF CONTRACTOR’S MAXIMUM RATES**  
**FOR ADDITIONAL SERVICES**

	Service	Reference	Agency-Approved Maximum Rate	Description
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
<b>Additional Services for Agency</b>				
15	Additional Confidential Document Destruction Service Event	Section 5.07	\$[TBD]	Per event
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**  
**SCHEDULE OF CONTRACTOR’S MAXIMUM RATES**  
**FOR ADDITIONAL SERVICES**

<b>Maximum Rates for Backyard Collection Service Charges for Single-Family Dwellings* (Section 5.02.A)</b>				
<b>Distance from Curb**</b>	<b>Backyard Charge for Customers with One (1) Solid Waste Cart</b>	<b>Backyard Charge for Customers with Two (2) Solid Waste Carts</b>	<b>Backyard Charge for Customers with Three (3) Solid Waste Carts</b>	<b>Backyard Charge for Customers with Four (4) Solid Waste Carts</b>
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 Maximum Rate 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

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 Belmont 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."

November 1, 2019

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.

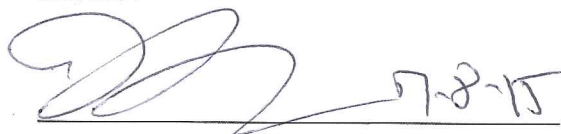
2. Any Member Agency that generated a shortfall balance with Recology for 2013 will have the shortfall accounted for in the 2013 Revenue Reconciliation and recommended 2015 rates. However, if the shortfall was the result of the Member Agency setting rates lower in 2013 than had been recommended in the 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

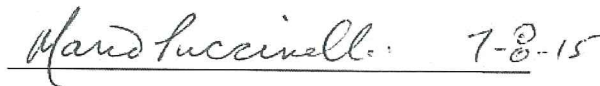


Kevin McCarthy

Date

Executive Director

RECOLOGY



Mario Puccinelli

Date

General Manager