

**FIRST AMENDMENT TO
SOLID WASTE HANDLING SERVICES AGREEMENT
BETWEEN THE
CITY OF REDONDO BEACH AND ARAKELIAN ENTERPRISES, INC.**

THIS FIRST AMENDMENT TO THE SOLID WASTE HANDLING SERVICES AGREEMENT ("First Amendment") between the City of Redondo Beach ("City") and Arakelian Enterprises, Inc. dba Athens Services (hereinafter "Contractor" or "Athens") is made and entered so as to be effective as of July 1, 2019.

WHEREAS, City and Athens entered an agreement entitled Solid Waste Handling Services Agreement effective as of July 1, 2011 ("Agreement"); and,

WHEREAS, the Legislature of the State of California, in California Public Resources Code Section 41780 et seq., has declared a mandatory commercial recycling program and that it is the policy goal of the state that not less than 75 percent of solid waste generated be source reduced, recycled, or composted by the year 2020, and annually thereafter; and,

WHEREAS, California Public Resources Code Section 42649 et seq. requires a mandatory commercial organics waste diversion program; and,

WHEREAS, Contractor as part of the consideration for entering this First Amendment has proposed a program to enable City to comply with the requirements of California Public Resources Code Section 42649 et seq., and has agreed to implement the program set forth in this First Amendment (including without limitation all noted Collection and processing services, outreach and assistance to City with monitoring and reporting) at rates that do not exceed maximum rates set forth herein; and,

WHEREAS, as a condition of providing its consent to Contractor's requested extraordinary rate adjustment, City has required certain amendments to the Agreement as set forth herein; and Contractor has requested certain amendments to the Agreement (including implementation of programs to achieve compliance with California Public Resources Code Section 42649 et seq.); accordingly, the parties now desire to enter this First Amendment for the purpose of setting forth their understandings with respect to these issues, while leaving all other aspects of the Agreement unchanged.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree to make the following amendments to the Agreement:

SECTION 1. Amendment to Section 1.63A Pertaining to Organics Definition.

Section 1.63A of the Agreement is hereby amended in its entirety to read as follows:



"1.63A Organics or Organic Waste
Organics" or "Organics Waste" means Green Waste, Food Waste, or other
organic material as defined by CalRecycle, whether individually or in
combination."

SECTION 2. Additions to Article I Pertaining to Definitions.

Sections 1.103 through 1.106 of the Agreement are hereby added in their entirety to read as follows:

"1.103 AB 1826

AB 1826" shall mean the Organic Waste and Recycling Act of 2014 (Chapter 27, Statutes of 2014 modifying Division 30 of the California Public Resources Code), also commonly referred to as "AB 1826," as amended, supplemented, superseded, and replaced from time to time.

1.104 CalRecycle

CalRecycle" means the State of California's Department of Resources Recycling and Recovery, and, as this department was structured prior to January 1, 2010, the California Integrated Waste Management Board or CIWMB.

1.105 Organic Waste Processing Facility

Organic Waste Processing Facility" shall mean a permitted Facility where Organic Waste is sorted, mulched or separated for the purposes of Recycling, reuse or composting.

1.106 SB 1383

SB 1383" means the Short-Lived Climate Pollutants Act of 2016 (Chapter 395, Statutes of 2016), as it may be amended from time to time."

SECTION 3. Amendment to Section 5.4.8 Pertaining to Bin Pushout/Scout Service.

Section 5.4.8 of the Agreement is hereby amended in its entirety to read as follows:

"5.4.8 Bin Pushout/Scout Service

Contractor may not charge a fee for pushing or rolling Bins to point of Collection, or for the use of scout vehicles to position Bins for Collection.



If Contractor must place a Bin in the public right-of-way to facilitate Collection, Contractor shall not permit the Bin to remain in the public right-of-way over two hour(s). If the Bin is stored under a shoot for Solid Waste Collection, the Bin must be serviced and returned immediately."

SECTION 4. Addition of Section 5.4.1 Pertaining to Residential Cart Refuse Collection.

Section 5.4.1.1 of the Agreement is hereby added in its entirety to read as follows:

"5.4.1.1 Charge for Extra Residential Refuse Carts

The City retains the right to amend the current Residential rate structure, at a future time, to implement a charge for additional Residential Refuse Carts above one per Customer. If such a rate is implemented, City and Contractor will negotiate in good faith a reduction to the base Residential Service rate that is revenue neutral to the Contractor."

SECTION 5. Addition of Section 5.4 Pertaining to Refuse Collection.

Section 5.4.11 of the Agreement is hereby added in its entirety to read as follows:

"5.4.11 Residential Two-Cart Pilot Collection Program

City reserves the right to request Contractor with 90-days written notice to implement a 6-month two-Cart Residential Collection pilot program on at least one (1) complete residential route to collect Solid Waste from residents. Selection of the residential collection route must be approved by the City. Contractor would be responsible for the costs incurred to implement the pilot program. The collection program would include one mixed solid waste cart that would be processed to recover recyclables, and one organics cart. Contractor shall report pilot program results to City on a monthly basis, including the number of tons collected and diverted, number of carts by type and number of customers and number of route hours. At the conclusion of the pilot program Contractor shall report to City the total cost per month of the pilot program, broken down by cost category in a format approved by the City and a comparison to the costs under the pre-pilot program."

SECTION 6. Deletion of Section 5.5.7 Pertaining to the Optional Food Waste Diversion Programs.

Section 5.5.7 of the Agreement is hereby deleted in its entirety.

"5.5.7 Optional Food Waste Diversion Programs

City reserves the right to require Contractor to implement a program to divert food waste Collected from restaurants and/or from residents. Contractor would



be entitled to a rate adjustment for the reasonable incremental costs incurred in processing and transporting the waste. Transportation costs may increase or decrease, depending upon the location of the food waste processing Facility to be used.”

SECTION 7. Amendment to Section 5.12.2 Pertaining to Holiday Tree Collection.

Section 5.12.2 of the Agreement is hereby amended in its entirety to read as follows:

“5.12.2 Holiday Tree Drop-Off Site for Commercial and Multi-Family Properties

The Contractor shall collect all Holiday trees discarded by any Commercial or Multi-Family Service Customer during the first four (4) weeks after Christmas Day, or such other days as agreed to by the City and the Contractor, free of any additional charge to the City or any Service Recipient. Trees must be placed by Customer near the Service location for solid waste containers unless other arrangements are agreed to by Customer and Contractor.”

SECTION 8. Amendment to Section 5.15.11 Pertaining to Shred Day.

Section 5.15.11 of the Agreement is hereby amended in its entirety to read as follows:

“5.15.11 Shred Day(s)

Contractor will conduct one shred day per quarter (up to four events per year) upon City request, on a City-approved day, at a City-provided location at no additional cost. City will inform Contractor of the time at which each event will begin, and each event shall last for eight hours. Contractor shall be on-site for a sufficient time before and after the event to set up and clean up. Contractor shall provide staff and equipment to collect all paper delivered by anyone that resides or operates a business in the City.

Contractor will shred paper in manner that guarantees confidentiality and destruction of the documents, and diverts the shredded material from landfilling. Contractor will publicize the event through its mailers, contacting local business groups and placing local ads.”

SECTION 9. Addition of Section 5.15.14 Pertaining to Power Washing of City Sidewalks.

Section 5.15.14 of the Agreement is hereby added in its entirety to read as follows:

“5.15.14 Optional Contractor Power Washing Services

The City retains the right to request the Contractor to provide power washing services to specified sidewalks in the City. If such a service is requested by the City, Contractor will power wash the sidewalk areas of the Esplanade beachfront



sidewalk between Nob Hill and the South City Limit, and Artesia Boulevard on both sides between Aviation and Hawthorne Boulevard two (2) times per month. The Esplanade service will be initially provided at \$3,600 per cleaning or \$7,200 per month to be charged to the City. Artesia Boulevard service will cost \$7,200 per cleaning or \$14,400 per month with a 7:00 am start time. If the City implements power washing through the Contractor, the rates for service would be adjusted annually per the rate adjustment methodology in Appendix B."

SECTION 10. Addition of Section 10.4.B Pertaining to the Liquidated Damages.

Section 10.4.B. (35) of the Agreement is hereby added in its entirety to read as follows:

"(35) For failure to properly return empty Bins to avoid pedestrian or vehicular traffic impediments within the specified timeframe under Section 5.4.8 which exceeds ten (10) Containers annually: \$50.00 per Container."

SECTION 11. Amendment to Article XIV Pertaining to the Term of Agreement.

Article XIV of the Agreement is hereby amended in its entirety to read as follows:

"14.1 Term of Agreement

The term of this Agreement (the "Term") shall be nine (9) years, commencing on July 1, 2019, and expiring June 30, 2028, subject to an extension as provided in Section 14.2 below. Nothing in this Section 14.1 shall be construed as limiting City's right to terminate this Agreement for cause pursuant to Article XIII above.

14.2 City's Option to Extend Term

City shall have the sole option to extend the Term of this Agreement up to twenty-four (24) months following the initial contract term which ends June 30, 2028. The City may, upon at least ninety (90) days advanced written notice to the Contractor prior to the expiration of the Term of this Agreement, exercise this extension option. If City provides the extension notice, the Agreement shall automatically renew monthly, up to a maximum of twenty-four (24) months. This extension period shall terminate, upon the earlier of: (i) the expiration of the aforementioned twenty-four (24) months, or (ii) ninety (90) days following the date upon which City gives Contractor written notice of termination."

SECTION 12. Amendment to Section 15.3 Pertaining to the AB 939 Indemnification.



Section 15.3 of the Agreement is hereby amended to include the following:

“C. SB 1383, AB 1594 and AB 1826 Indemnification and Guarantee. To the extent authorized by law, Contractor agrees to indemnify and hold harmless City from and against all fines and/or penalties imposed by any agency, either directly against the City or indirectly, for not meeting any recycling goals or requirements under SB 1383, AB 1594 and AB 1826.

D. Contractor guarantees compliance with SB1383, AB1594 & AB1826 as amended from time to time. Contractor shall carry out its obligations under this Agreement so that the City will meet or exceed the diversion standards, program requirements, and other mandated requirements set forth in the aforementioned legislation. City and Contractor shall reasonably assist each other to meet the diversion requirements necessary for compliance with the stated bills.”

SECTION 13. Amended Appendix B.

Appendix B to the Agreement is hereby replaced in its entirety with a new Appendix B entitled, “Amended Appendix B pursuant to the First Amendment - Rate Adjustment Submittal Form,” attached hereto and incorporated herein by this reference.

SECTION 14. Amended Appendix E.

Appendix E to the Agreement is hereby replaced in its entirety with a new Appendix E entitled, “Amended Appendix E pursuant to the First Amendment - Approved Rate Schedule,” attached hereto and incorporated herein by this reference.

SECTION 15. Amended Appendix I.

Appendix I to the Agreement is hereby replaced in its entirety with a new Appendix I entitled, “Amended Appendix I pursuant to the First Amendment - Enhanced Diversion Programs,” attached hereto and incorporated herein by this reference.

SECTION 16. Addition of Appendix L.

Appendix L to the Agreement is hereby added in its entirety and is entitled, “Appendix L Street Sweeping Specifications pursuant to the First Amendment,” attached hereto and incorporated herein by this reference.

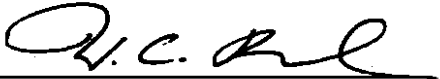
SECTION 17. Unaffected Provisions Remain in Full Force. All provisions of the Agreement, excepting for those expressly amended by this First Amendment, shall remain unchanged and remain in full force and effect.



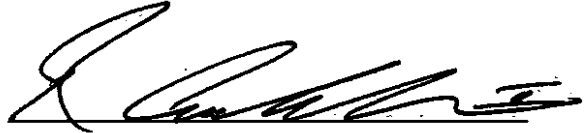
IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 18th day of June, 2019.

CITY OF REDONDO BEACH

ARAKELIAN ENTERPRISES, INC.



William C. Brand, Mayor



Name: Ron Arakelian III

Title: Executive Officer

APPROVED AS TO FORM:



Michael W. Webb, City Attorney

ATTEST:



Eleanor Manzano, City Clerk

AMENDED APPENDIX B PURSUANT TO THE FIRST AMENDMENT

Rate Adjustment Submittal Request Form

B.1 General

The maximum rates set forth in Appendix E, and as more fully defined as Contractor Compensation in this Appendix, shall be the maximum amount Contractor may charge Customers as full, entire and complete compensation due pursuant to this Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, letters of credit, overhead, Disposal, transfer, profit and all other things necessary to perform all the services required by this Agreement in the manner and at the times prescribed. Contractor shall impose no other charges for services provided to Customers unless approved by the City Council.

B.2 Initial Rates

The maximum rates that Contractor may charge Customers through the Rate Year beginning July 1, 2019 and ending June 30, 2020, shall not exceed the maximum rates set forth in Appendix E.

B.3 Schedule of Future Adjustments

Beginning with the Rate Year starting July 1, 2020 and ending on June 30, 2021 and for all subsequent Rate Years, Contractor may request an annual adjustment to the maximum rates shown in Appendix E. The Contractor shall submit its request in writing, to be received by City in Person or via certified mail, by the preceding February 15th, and shall be based on the method of adjustment described in Section B.4. Failure to submit a written request by February 15th shall result in Contractor waiving the right to request such an increase for the subsequent Rate Year. If the adjustment would have resulted in a decrease to rates, City may implement the adjustment calculated in accordance with Section B.4 below. An adjustment to the maximum rates is subject to the approval of the City Council at a public hearing and may be effectuated through resolution of the City Council without necessitating formal amendment to this Agreement.



B.4 Method of Adjustments

B.4.1 General

Pursuant to Section B.3, the Contractor may request an adjustment to the maximum rates according to the method described below and the formulas shown in Section B.4.5 and B.4.7 as subject to review and approval of City. All future adjustments are to be effective July 1.

B.4.2 Cost Components for Rate Adjustment Indices

The approved rates consist of the following cost component categories. Each cost component may be adjusted by the change in the corresponding index below. The approved Contractor Compensation shall be based on the total weighted percentage change of the cost components, plus one (1) percent, plus any special rate adjustment as specified in Section B.4.3. See Section B.4.7 for detailed rate adjustment procedures for the Compactor Roll-Off rate and Section B.4.5 for all other rates.

| Cost Category | Initial Weightings for 7/1/2020 Adjustment | | Rate Adjustment Factor (1) |
|--|--|-------------|---|
| | Cart/Bin | Roll-Off | |
| Labor | 26.53% | 71.36% | Change in the highest level rate for the "Driver A/B" Classification to be in effect as of the date the new rates go into effect (July 1st) under the Agreement between local haulers and Package and General Utility Drivers Local Union 396 |
| Fuel | 3.97% | 14.03% | Producer Price Index WPU 0531, Fuels and related products and power, natural gas |
| Equipment | 9.98% | 0% | Producer Price Index, PCU336120336120, Heavy duty truck manufacturing |
| Waste-To-Energy | 17.59% | N/A | Actual change in waste-to-energy facility gate fee per ton |
| Disposal/ Green Waste and Organics Processing | 38.35% | N/A | Consumer Price Index for All Urban Consumers (CUURA421SA0), Los Angeles-Riverside-Orange County, CA, all items, capped at 5% (increases over 5% to roll to subsequent years) |
| All Other | 3.57% | 14.61% | Consumer Price Index for All Urban Consumers (CUUR0000SA0L1E), all items less food and energy index – U.S. city average |
| Total | 100% | 100% | |

(1) Example calculation:

| | | |
|-------------------------------------|------------|------------|
| Labor Contract Rate Adjustment Date | 10/01/2017 | 10/01/2018 |
| Hourly Rate (hypothetical rates) | \$25.40 | \$26.35 |



| | | |
|--|-----|----------|
| Collection Contract Rate Adjustment Date | n/a | 7/1/2019 |
| Change to Labor Component | n/a | 3.74% |

If a labor contract terminates and a subsequent labor contract has not been executed prior to the rate adjustment calculation, the percentage change in the labor cost component used in the prior year's adjustment calculation will be used. In the event that the estimated labor component change is higher or lower than the actual change after a new labor contract is executed, no correction to compensation adjustment shall be provided for that year.

B.4.3 Special Rate Adjustments

The following table includes the annual rate adjustment plus 1% and special adjustments that will be applied to the rate adjustments each July 1. (Note: these numbers will be added, not compounded). The Residential services annual special adjustment is seven (7) percent and the Commercial services annual special adjustment is fourteen (14) percent for rate adjustments starting July 1, 2019, through July 1, 2023:

| Date of Adjustment | Residential Rate Adjustment | Commercial Rate Adjustment |
|--------------------|-----------------------------|----------------------------|
| July 1, 2019 | Annual + 1% +7% | Annual + 1% + 14% |
| July 1, 2020 | Annual + 1% +7% | Annual + 1% + 14% |
| July 1, 2021 | Annual + 1% +7% | Annual + 1% + 14% |
| July 1, 2022 | Annual + 1% +7% | Annual + 1% + 14% |
| July 1, 2023 | Annual + 1% +7% | Annual + 1% + 14% |

Beginning July 1, 2024, and each July 1 thereafter there will be no further special rate adjustments, and the annual rate adjustment will be based on the total weighted change of the cost components, plus one (1) percent as described in Section B.4.2.

The special adjustment will not apply to:

- The pier compactor per pull rate;
- The pier per ton Disposal rate;
- Any power washing services performed by the Contractor at City request under Section 5.15.14; or,
- The Organics Recycling Cart rates.

B.4.4 Rate Adjustment Steps

All rates, including Cart, Bin and extra services rates, will be adjusted using the same methodology and cost component weightings, with the exclusion of compactor Roll-Off Box service, Roll-Off Box disposal rate, and Recyclable Collection fee from Multi-



Family Bin Customers. See Section B.4.5 for an example calculation based upon the steps described below.

Step One – Calculate the percentage increase or decrease in each index listed in Section B.4.2. The increase or decrease in the published indices for fuel, equipment, and all other (CPI Less Food and Energy) will be for the change in the average annual published index between the calendar year ended the October prior to the Rate Year anniversary date and prior calendar year. (See B.4.8 Example Calculation of Average Annual Index)

Step Two – The first rate adjustment cost components as a percentage of total costs are provided in Section B.4.2 above, with subsequent components calculated in Step Four of the rate adjustment. For Step Two of each subsequent rate adjustment, use the cost components recalculated in Step Four during the previous rate adjustment. Multiply the percentage changes for each rate adjustment component by that component's weighting and add these resulting percentages together to get the total weighted change to the rates, plus an additional one (1) percent, plus Special Adjustment percentage change per Section B.4.3 to calculate the total rate percentage change

Step Three – Multiply the total rate percentage change from Step Two by the existing Customer rates to calculate the increase or decrease to the maximum rates. Add the rate increase or decrease to the existing rates to derive the newly adjusted rates.

Step Four – Recalculate weightings for the following year based upon these changes.

Note: The per unit fee for Recyclables Collection from Multi-Family units will adjust solely per the change in CPI less food and energy using the same index as the "All Other" Cost Component, plus 1%, plus the Special Adjustment percentage change per Section B.4.3.



B.4.5 Example Cart, Bin and Extra Services Rate Adjustment Formula

Step One: Calculate the percentage change in each component index

| Row | Adjustment Factor | Index | A Old Index Value | B New Index Value | C % Change in Index ((Column B/Column A) - 1) |
|-----|-------------------|--------|----------------------|----------------------|--|
| 1 | Labor | (1) | \$25.40 | \$26.35 | 3.74% |
| 2 | Fuel | (2) | 119.942 | 106.217 | -11.44% |
| 3 | Equipment | (3) | 147.283 | 148.675 | 0.94% |
| 4 | Transformation | (4) | \$75.00 | \$80.00 | 6.67% |
| 5 | Disposal/GW | (5)(8) | 254.712 | 264.476 | 3.83% |
| 6 | All Other | (6) | 251.445 | 256.637 | 2.06% |

Step Two: Multiply each Index % change by its corresponding component weight to get total % change

| Row | Adjustment Factor | Index | D Cost Component Weighted as a % of Component Total (7) | E Percent Change in Index (from Column C) | F Total Weighted Change |
|-----|-----------------------|--------|--|--|----------------------------|
| 7 | Labor | (1) | 26.40% | 3.74% | 0.99% |
| 8 | Fuel | (2) | 4.63% | -11.44% | -0.53% |
| 9 | Equipment | (3) | 10.21% | 0.94% | 0.10% |
| 10 | Transformation | (4) | 17.02% | 6.67% | 1.13% |
| 11 | Disposal/GW | (5) | 38.13% | 3.83% | 1.46% |
| 12 | All Other | (6)(9) | 3.61% | 2.06% | 0.07% |
| 13 | Sub-total | | 100.00% | | 3.22% |
| 14 | Additional 1% | | | | 1.00% |
| 15 | Total Weighted Change | | | | 4.22% |

Step Three: Apply the total percentage change, including any special adjustments to the service rates

| Row | Rate Category | G Existing Customer Rate* | H Total Weighted % Change (Row 15, Column F) | I Special Rate Adjustment % Change (10) | J Total Rate % Change (Column H + Column I) | K Rate Inc or Dec (Column G x Column J) | L Adjusted Rate (Column G + Column K) |
|-----|------------------------------|------------------------------|---|--|--|--|--|
| 16 | Residential Service | \$14.96 | 4.22% | 7.00% | 11.22% | \$1.68 | \$16.64 |
| 17 | Push-Out/Push Back | \$5.01 | 4.22% | 7.00% | 11.22% | \$0.56 | \$5.57 |
| 18 | MF 3YD Bin, 1x week | \$78.79 | 4.22% | 7.00% | 11.22% | \$8.84 | \$87.63 |
| 19 | Com 3YD Bin, 1x week | \$89.81 | 4.22% | 14.00% | 18.22% | \$16.37 | \$106.18 |
| 20 | 3YD Temporary Bin | \$106.47 | 4.22% | 14.00% | 18.22% | \$19.40 | \$125.87 |
| 21 | Extra Empty 3YD Bin | \$66.13 | 4.22% | 14.00% | 18.22% | \$12.05 | \$78.18 |
| 22 | Com Organics Cart | \$25.00 | 4.22% | N/A | 4.22% | \$1.06 | \$26.06 |
| 23 | MF Recycle per Unit Fee (9) | \$2.05 | 3.06% | 7.00% | 10.06% | \$0.21 | \$2.26 |
| 24 | Esplanade Cleaning per Month | \$7,200.00 | 4.22% | N/A | 4.22% | \$304.20 | \$7,504.20 |

Step Four: Re-weigh the cost components

| Row | Adjustment Factor | Index | M Cost Component Weighting (Column D) | N Percent Change in Index (Column E) | O Change in Cost Component Weighting (Column M x Column N) | P Adjusted Cost Component Weighting (Column M + Column O) | Q Cost Components Re-weighted to Equal 100% |
|-----|-------------------|-------|--|---|---|--|--|
| 25 | Labor | (1) | 26.40% | 3.74% | 0.99% | 27.39% | 26.53% |
| 26 | Fuel | (2) | 4.63% | -11.44% | -0.53% | 4.10% | 3.97% |
| 27 | Equipment | (3) | 10.21% | 0.94% | 0.10% | 10.31% | 9.98% |
| 28 | Transformation | (4) | 17.02% | 6.67% | 1.13% | 18.15% | 17.59% |
| 29 | Disposal/GW | (5) | 38.13% | 3.83% | 1.46% | 39.59% | 38.35% |
| 30 | All Other | (6) | 3.61% | 2.06% | 0.07% | 3.68% | 3.57% |
| 31 | Total | | 100.00% | | 3.22% | 103.22% | 100.00% |

*Example rates listed. Adjustments apply to all rates in each category.

- (1) Driver A/B rate from Agreement between local haulers and Package and General Utility Drivers Local Union 396, Int'l Brotherhood of Teamsters.
- (2) Producer Price Index WPU0531, Fuels and related products and power, natural gas.
- (3) Producer Price Index, PCU336120336120, Heavy duty truck manufacturing - average annual change.
- (4) Rate at approved Waste-to-Energy facility.
- (5) Consumer Price Index for All Urban Consumers (CUURA421SA0), Los Angeles-Riverside-Orange County, CA, all items, capped at 5% (increase over 5% to be rolled to subsequent years).
- (6) Consumer Price Index for All Urban Consumers (CUUR0000SA0L1E), all items less food and energy index - U.S. city average - average annual change.
- (7) Based on proposal. After first rate adjustment, this column comes from Column O of the previous year's rate adjustment worksheet.
- (8) Column C, Row 5 cannot be greater than 5%.
- (9) Multi-family Recycle per Unit Fee is adjusted by the percent change in the All Other component from Column E, Row 12 plus 1%, plus any Special Adjustment per Section B.4.3.
- (10) Special rate adjustments per Section B.4.3 shall only be applied through July 1, 2023.



B.4.6 Roll-Off Box Rate Adjustment Method

The Compactor Roll-Off Box (City Pier Compactor) rate consists of two components: a) the pull rate, or service component, and b) the disposal/processing component. See Section B.4.8 for an example calculation based upon the steps described below.

Step One – Calculate the percentage increase or decrease in each index listed in Section B.4.2. The increase or decrease in the published indices for fuel, equipment and all other (CPI Less Food and Energy) will be for the change in the average annual published index between the calendar year ended the October prior to the Rate Year anniversary date and prior calendar year. (See B.4.8 Example Calculation of Average Annual Index)

Step Two – The first-rate adjustment cost components as a percentage of total costs are provided in Section B.4.2 above, with subsequent components calculated in Step Four of the rate adjustment. For Step Two of each subsequent rate adjustment, use the cost components recalculated in Step Four during the previous rate adjustment.

Multiply the percentage changes for each rate adjustment component, as determined in Step One, by that component's weighting as a percentage of the pull rate component. Sub-total all the weighted percent changes plus an additional one (1) percent.

It is not necessary to determine a weighting for Disposal, as this component is separately adjusted by a single index and need not be weighted.

Step Three – Multiply the weighted percent change for these service components from Step Two by the existing maximum pull rates to determine the increase or decrease in maximum pull rates. Then add the change in rates to the existing maximum pull rates to determine the new maximum pull rates. Multiply the percentage change in the Disposal cost index by the existing maximum disposal cost per ton. Then add to the existing maximum Disposal rate to determine the new maximum Disposal rate.

Step Four – Adjust the cost components as a percentage of the service component by the change in indices as the percentage changes were applied in Step Two. Recalculate the weighting of the service cost component percentages to equal 100% for use in the next rate adjustment calculation.



B.4.7 Example Compactor Roll-Off Rate Adjustment Formula

Step One: Calculate the percentage change in each component index

| Row | Adjustment Factor | Index | A Old Index Value | B New Index Value | C % Change in Index ((Column B/Column A) - 1) |
|-----|--------------------------|--------|----------------------|----------------------|--|
| 1 | Service Comp (Pull Rate) | | | | |
| 2 | Labor | (1) | \$25.40 | \$26.35 | 3.74% |
| 3 | Fuel | (2) | 119.942 | 106.217 | -11.44% |
| 4 | Equipment | (3) | 147.283 | 148.675 | 0.94% |
| 5 | All Other | (4) | 251.445 | 256.637 | 2.06% |
| 6 | Disposal | (5)(7) | 254.712 | 264.476 | 3.83% |
| 7 | Additional 1% | | | | 1.00% |
| 8 | Total | | | | 4.83% |

Step Two: Multiply each index % change by its corresponding component weight to get total % change

| Row | Adjustment Factor | Index | D Cost Component Weighted as a % of Component Total (6) | E Percent Change in Index (from Column C) | F Total Weighted Change |
|-----|--------------------------|-------|--|--|----------------------------|
| 9 | Service Comp (Pull Rate) | | | | |
| 10 | Labor | (1) | 69.52% | 3.74% | 2.60% |
| 11 | Fuel | (2) | 16.01% | -11.44% | -1.83% |
| 12 | Equipment | (3) | 0.00% | 0.94% | 0.00% |
| 13 | All Other | (4) | 14.47% | 2.06% | 0.30% |
| 14 | Service Comp Sub-Total | | 100.00% | | 1.07% |
| 15 | Additional 1% | | | | 1.00% |
| 16 | Service Comp Total | | | | 2.07% |
| 17 | Disposal | (5) | 100.00% | 4.83% | 4.83% |

Step Three: Apply the total percentage change to the service rates

| Row | Rate Category | G Existing Customer Rate* | H Total Weighted % Change (Column F) | I Rate Inc. or Dec (Column G x Column H) | J Adjusted Rate (Column G + Column I) |
|-----|----------------------------|------------------------------|---|---|--|
| 18 | Pier Compactor Pull Rate | \$151.18 | 2.07% | \$3.12 | \$154.30 |
| 19 | Pier per Ton Disposal Rate | \$63.25 | 4.83% | \$3.06 | \$66.31 |

Step Four: Re-weigh the cost components

| Row | Adjustment Factor | Index | K Cost Component Weighting (Column D) | L Percent Change in Index (Column E) | M Change in Cost Component Weighting (Column K x Column L) | N Adjusted Cost Component Weighting (Column K + Column M) | O Cost Components Re-weighted to Equal 100% |
|-----|-------------------|-------|--|---|---|--|--|
| 20 | Labor | (1) | 69.52% | 3.74% | 2.60% | 72.12% | 71.36% |
| 21 | Fuel | (2) | 16.01% | -11.44% | -1.83% | 14.18% | 14.03% |
| 22 | Equipment | (3) | 0.00% | 0.94% | 0.00% | 0.00% | 0.00% |
| 23 | All Other | (4) | 14.47% | 2.06% | 0.30% | 14.77% | 14.61% |
| 24 | Total | | 100.00% | | 1.07% | 101.07% | 100.00% |

*Example rates listed. Adjustments apply to all rates in each category.

- (1) Driver A/B rate from Agreement between local haulers and Package and General Utility Drivers Local Union 396, Int'l Brotherhood of Teamsters.
- (2) Producer Price Index WPU0531, Fuels and related products and power, natural gas.
- (3) Producer Price Index, PCU336120336120, Heavy duty truck manufacturing - average annual change.
- (4) Consumer Price Index for All Urban Consumers (CUUR0005A0L1E), all items less food and energy index - U.S. city average - avgas annual change.
- (5) Consumer Price Index for All Urban Consumers (CUURA42ISA0), Los Angeles-Riverside-Orange County, CA, all items, capped at 5% (increase over 5% to be rolled to subsequent years).
- (6) Based on Athens July 1, 2019 rate adjustment. After first rate adjustment, this column comes from Column O of the previous year's rate adjustment worksheet.
- (7) Column C, Row 6 cannot be greater than 5%.



B.4.8 Example Calculation of Average Annual Index

Consumer Price Index - All Urban Consumers, U.S. City Average, all items less food and energy, (CUUR0000SA0L1E)
From Athens 2019 Rate Calculations

| Year | Jan | Feb | March | April | May | June | July | August | Sept | Oct | Nov | Dec | Average |
|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 2016 | | | | | | | | | | | 249.227 | 249.134 | |
| 2017 | 250.083 | 251.143 | 251.290 | 251.642 | 251.835 | 252.014 | 251.936 | 252.460 | 252.941 | 253.638 | | | 251.445 |

| | | | | | | | | | | | | | |
|------|---------|---------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 2017 | | | | | | | | | | | 253.492 | 253.558 | |
| 2018 | 254.638 | 255.783 | 256.60 | 257.025 | 257.469 | 257.697 | 257.867 | 258.012 | 258.429 | 259.063 | | | 256.637 |

Average Change: 2.06%

B.5 Extraordinary Adjustments

Contractor may request an adjustment to maximum rates at reasonable times other than that allowed under Section B.3 in the event of extraordinary changes in the cost of providing service under this Agreement. Such changes shall not include changes in tipping fees for Recyclable Material processing costs, changes in the market value of Recyclables from the values assumed in Contractor's Proposal, inaccurate estimates by the Contractor of its proposed cost of operations, unionization of Contractor's work force, or change in wage rates or employee benefits. Contractor may request an extraordinary adjustment based upon changes in a direct per ton surcharge assessed at the Disposal Site by federal, state or local regulatory agencies after the Effective Date. Extraordinary rate adjustments shall only be effective after approval by City Council and may not be applied retroactively.

For each request for an adjustment to the maximum rates that Contractor may charge Customers brought pursuant to this section Contractor shall prepare a schedule documenting the extraordinary costs. Such request shall be prepared in a form acceptable to City with support for assumptions made by Contractor in preparing the estimate. Contractor shall also submit a schedule showing how its total costs and total revenues have changed over the past three years for the services provided under this Agreement.

City may request a copy of the Contractor's annual financial statements in connection with the City's review of Contractor's rate adjustment request. City shall review the Contractor's request and, in City's sole judgment and absolute, unfettered discretion, make the final determination as to whether an adjustment to the maximum rates will be



made, and, if an adjustment is permitted, the appropriate amount of the adjustment. City may consider increases or decreases in the Contractor's total revenues and total cost of services when reviewing an extraordinary rate adjustment request.



AMENDED APPENDIX E PURSUANT TO THE FIRST AMENDMENT

Approve Rate Schedule

**Initial Maximum Contractor Rates For
July 1, 2019 to June 30, 2020**



RESIDENTIAL CART SERVICE RATE SCHEDULE

(Subject to Special Residential Rate Adjustment per Section B.4.3)

July 1, 2019 to June 30, 2020

| Residential Cart Service | Rate* |
|---|----------------------|
| Residential Cart Service Rate – unlimited refuse, recycling, and green waste | \$16.64 per month |
| Push-Out/Push-Back Service | \$5.57 per month |
| Additional Cart Exchanges – above once every six months | \$27.87 per exchange |
| Optional HHW Door-To-Door Collection Program (if requested by City) – to be collected in addition to residential cart service rate for residential cart customers and to the per unit recycling collection fee for multi-family bin customers | \$0.91 per month |

*Excludes HHW, Administrative, Recycling and AB 939 fees. Includes Contracting Fee, Recycle Ranger Funding, Recyclables Rebate, Solid Waste Vehicle Road Impact Reimbursement, Audit costs and all other costs included under the Agreement (see Sections 12.4.1 and 7.2.6).



MULTI-FAMILY AND RESIDENTIAL BIN CUSTOMERS, AND LOCKING BIN RATES

(Subject to Special Residential Rate Adjustment per Section B.4.3)

July 1, 2019 to June 30, 2020

(Rates* shall be for service monthly)

| BIN SIZE | 1X WK | 2X WK | 3X WK | 4X WK | 5X WK | 6X WK | 7X WK | Extra |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1 Cubic Yard | \$64.52 | \$125.87 | \$187.21 | \$236.06 | \$294.33 | \$352.61 | \$410.88 | \$73.54 |
| 1.5 Cubic Yard | \$66.80 | \$130.27 | \$193.72 | \$257.19 | \$320.64 | \$384.11 | \$447.59 | \$73.54 |
| 2 Cubic Yard | \$76.09 | \$148.36 | \$220.66 | \$290.50 | \$354.30 | \$418.05 | \$484.27 | \$73.54 |
| 3 Cubic Yard | \$87.63 | \$170.86 | \$254.07 | \$327.74 | \$399.48 | \$473.96 | \$564.96 | \$73.54 |
| 4 Cubic Yard | \$99.14 | \$193.32 | \$280.49 | \$358.84 | \$446.58 | \$528.68 | \$621.60 | \$73.54 |
| 6 Cubic Yard | \$122.22 | \$238.37 | \$336.73 | \$437.48 | \$519.53 | \$619.78 | \$712.76 | \$73.54 |
| 3 Cubic Yard Compactor | \$142.34 | \$278.94 | \$415.58 | \$552.20 | \$688.85 | \$825.49 | \$962.12 | \$152.23 |
| 4 Cubic Yard Compactor | \$161.08 | \$314.11 | \$467.11 | \$620.15 | \$773.18 | \$926.22 | \$1,079.22 | \$152.23 |
| Multi-Family Organics Cart | \$3.48 | | | | | | | |
| Commercial and Multi-Family Locking Lid | \$6.96 | \$11.16 | \$15.33 | \$19.51 | \$23.68 | \$27.87 | \$32.02 | |

Recycling Service Charge: \$2.26 per unit

City Fees: Administration \$0.86 p/u, Household Hazardous Waste \$0.91 p/u and AB 939 4.25% of base rate

Notes:

X means collection frequency per week,
WK means week

*Excludes HHW, Administrative and AB 939 fees. Includes Contracting Fee, Recycle Ranger Funding, Recyclables Rebate, Solid Waste Vehicle Road Impact Reimbursement, Audit costs and all other costs included under this Agreement (see Sections 12.4.1 and 7.2.6).

\$2.26 per unit for Recyclable Collection from Multi-family Bin Customers (Required)



COMMERCIAL COLLECTION RATE SCHEDULE

(Subject to Special Commercial Rate Adjustment per Section B.4.3)

July 1, 2019 to June 30, 2020

(Rates* shall be for service monthly)

| BIN SIZE | 1X WK | 2X WK | 3X WK | 4X WK | 5X WK | 6X WK | 7X WK | Extra |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Commercial Cart | \$61.05 | \$131.61 | \$202.24 | \$272.82 | \$343.42 | \$414.01 | \$484.58 | \$78.17 |
| 1 Cubic Yard | \$78.18 | \$152.50 | \$226.85 | \$286.06 | \$356.66 | \$427.27 | \$497.86 | \$78.17 |
| 1.5 Cubic Yard | \$80.92 | \$157.82 | \$234.73 | \$311.63 | \$388.55 | \$465.43 | \$542.36 | \$78.17 |
| 2 Cubic Yard | \$92.20 | \$179.78 | \$267.39 | \$352.00 | \$429.30 | \$506.57 | \$586.33 | \$78.17 |
| 3 Cubic Yard | \$106.17 | \$207.03 | \$307.88 | \$397.14 | \$484.05 | \$574.34 | \$684.58 | \$78.17 |
| 4 Cubic Yard | \$120.15 | \$234.28 | \$339.89 | \$434.84 | \$541.16 | \$640.62 | \$753.22 | \$78.17 |
| 6 Cubic Yard | \$148.12 | \$288.81 | \$408.04 | \$531.56 | \$629.55 | \$751.02 | \$863.69 | \$78.17 |
| 3 Cubic Yard Compactor | \$151.30 | \$296.50 | \$441.74 | \$586.95 | \$732.21 | \$877.44 | \$1,022.67 | \$161.81 |
| 4 Cubic Yard Compactor | \$171.22 | \$333.88 | \$496.51 | \$659.18 | \$821.84 | \$984.51 | \$1,147.15 | \$161.81 |

City Fees: Administration 9.15% of base rate and AB 939 4.25% of base rate

Notes:

X means collection frequency per week,
WK means week

*Excludes HHW, Administrative and AB 939 fees. Includes Contracting Fee, Recycle Ranger Funding, Recyclables Rebate, Solid Waste Vehicle Road Impact Reimbursement, Audit costs and all other costs included under this Agreement (see Sections 12.4.1 and 7.2.6).



COMMERCIAL ADDITIONAL SERVICES

(Subject to Special Commercial Rate Adjustment per Section B.4.3)

July 1, 2019 to June 30, 2020

| Additional Bin and Other Fees | Rate* |
|---|----------------------|
| 3-Yard Temporary Bin (includes delivery, seven day rental and disposal) | \$125.87 per dump |
| 3-Yard Temporary Bin – (rental per day beyond seven days) | \$11.82 per day |
| Commercial Bulky Waste Pickup | \$36.98 per item |
| Bin Re-delivery Fee (if bins are pulled for non-payment) | \$66.58 per bin |
| Bin Cleaning (over once per year) | \$66.58 per cleaning |
| Bin Overage Cleanup (following one written warning) | \$44.37 per event |
| Commercial HHW Collection | \$36.98 per item |

*Excludes HHW, Administrative and AB 939 fees. Includes Contracting Fee, Recycle Ranger Funding, Recyclables Rebate, Solid Waste Vehicle Road Impact Reimbursement, Audit costs and all other costs included under this Agreement (see Sections 12.4.1 and 7.2.6).



OTHER ADDITIONAL SERVICES
 (Not Subject to Special Rate Adjustment)

July 1, 2019 to June 30, 2020

| Additional Bin and Other Fees | Rate* |
|---|---|
| Compactor Box at Pier: - per pull - per ton | \$154.30 per pull \$66.30 per ton |
| Two 35 or One 64 Gallon Commercial Organics Cart | \$25.00 per month for service up to 7X/WK |
| Organics Cart Contamination Fee | \$50.00 per occurrence |
| Return Trip Charge | \$65.59 per trip |
| Emergency Service Rates – one crew and one collection truck | \$110.96 per hour |
| HHW Event (per Appendix D of Agreement) | \$41,133.72 per event |

Notes:

X means collection frequency per week,
 WK means week

*Excludes HHW, Administrative and AB 939 fees. Includes Contracting Fee, Recycle Ranger Funding, Recyclables Rebate, Solid Waste Vehicle Road Impact Reimbursement, Audit costs and all other costs included under this Agreement (see Sections 12.4.1 and 7.2.6).



AMENDED APPENDIX I PURSUANT TO THE FIRST AMENDMENT

Enhanced Diversion Programs

Contractor shall implement the following programs at the start of service under this Agreement in accordance with the following terms:

I.1 Residential Organics Program

Through the Green Waste Cart Collection program under Section 5.6.1, Contractor shall Collect in the Green Waste Cart, and divert from landfilling, Organics as defined in Section 1.63A.

I.2 Commercial Organics Program

- a) Contractor shall offer Organic Waste recycling services to all other Solid Waste generators in the City including all City Facilities and schools. Contractor shall be responsible for ensuring that the Organic Waste recycling services it offers meet the requirements of AB 1826 and SB 1383. Contractor shall make available information related to its Organic Waste recycling program and shall promote said program through its website, mailers, brochures, billing inserts, email content, social media, and online announcements.
- b) Contractor shall be responsible to ensure that all Organic Waste it Collects is delivered to a properly permitted Organic Waste Processing Facility where it is processed in a manner that complies with AB 1826 and SB 1383, using methods that are approved by the California Department of Resources, Recycling and Recovery (CalRecycle) so as to ensure the handling of such Organic Waste qualifies for diversion credit.
- c) Contractor shall offer Organic Waste recycling services at rates that do not exceed the maximum rates set forth in Appendix E to all Customers. Contractor shall offer Organic Waste Recycling services to Commercial Customers using either a sixty-four (64) gallon Cart or two 35-gallon Carts, to be collected at a frequency of one or more times per week that meets the Organics service needs of the Customer at a cost of \$25.00 per month effective July 1, 2019. Contractor shall offer Multi-Family Premises Organic Waste Recycling Carts in thirty-five (35), sixty-four (64) or ninety-two (96) gallon Carts at a cost of \$3.48 per month effective July 1, 2019. Multi-Family Premise Customers with 96-gallon organics carts that regularly exceed the cart manufacturer's recommended maximum weight limit may have their cart replaced with one or more 64 or 35-gallon carts. The Commercial Organics Waste Recycling Carts will be cleaned or exchanged by Contractor at least once annually at no additional charge, or more frequently if needed by the Customer to reduce odor and vector issues.
- d) On behalf of City, Contractor shall regularly identify opportunities for, barriers to, and incentives for Organic Waste recycling, and shall engage in Customer education and outreach related to Organic Waste recycling, all in a manner that ensures City is in compliance with its related



obligations pursuant to AB 1826 and SB 1383. The method(s) by which Contractor contacts Customers for these purposes, unless otherwise specified, may be by any reasonable means Contractor desires (which may include direct mail, email, telephone calls, site visits and/or such other methods as Contractor reasonably deems appropriate), provided that such methods result in compliance with all obligations any related requirements of CalRecycle.

I.3 Composting of Pier Compactor Roll-Off

Contractor shall deliver all Solid Waste Collected from the Pier Compactor per Section 5.15.7 for composting. Contractor shall divert a minimum of 65% of Pier Compactor Roll-off tonnage.

I.4 Mixed Waste Processing of All Residential Refuse

Contractor shall send all Refuse Collected in the City in Refuse Carts (including Single Family and Multi-Family Refuse Carts) for processing to recover Recyclables prior to landfilling. Contractor shall divert from landfilling a minimum of 8.5% of Solid Waste Collected from Residential Refuse Carts.

I.5 Processing of all Other Refuse

To recover Recyclables prior to landfilling, Contractor shall process all Refuse Collected from all Bin Customers (Multi-Family, Commercial, City and School), Refuse from City-sponsored events and all other Refuse not composted or otherwise processed, and divert from landfilling a minimum of 41% of the tonnage Collected.

I.6 Minimum Diversion Requirement

The minimum diversion requirement of 59% per Sections 5.5.6, 10.4.B.22, and 13.3.1.Q shall be increased to 75%.

I.7 SB 1383 Programs

A. Mandatory Compliance and Outreach for State Regulations

Contractor shall assist City by gathering required Customer data, performing site visits, public outreach, and other requirements in order to comply with State requirements and regulations such as mandatory commercial recycling and AB 1826, and control of short-lived climate pollutants. The parties acknowledge that CalRecycle is in the process of implementing SB 1383 (Public Resources Code Section 42652 et seq.), which establishes targets to achieve a 50 percent reduction in the level of the statewide disposal of Organic Waste from the 2014 level by 2020 and a 75 percent reduction by 2025. The law grants CalRecycle the regulatory authority required to achieve the organic waste disposal reduction targets and establishes an additional target that not less than 20 percent of currently disposed edible food is recovered for human consumption by 2025.

B. Food Rescue and Donation Program

Contractor shall coordinate food rescue and donation efforts with each Customer deemed to generate Organics Waste as required by CalRecycle. Contractor will work with food generating



establishments to capture any currently unreported donation efforts, create educational outreach material to foodservice sales representatives and food generating establishments, and add information on food non-profits on the Contractor's City-dedicated website.

C. Contamination and Route Audits

Contractor shall perform contamination monitoring, route reviews, and inspections in compliance with the CalRecycle requirements under SB 1383, and provide results of all SB 1383 related activities to the City as part of the monthly reporting.

D. Containers

Contractor shall comply with CalRecycle Cart and Bin requirements under SB 1383, including but not limited to color and labeling requirements. All Containers must be compliant with SB 1383 requirements by January 1, 2032.

E. Public Education and Outreach

Contractor shall provide additional education and outreach in accordance with the CalRecycle requirements under SB 1383. All public education materials shall be approved in advance by City. Such outreach shall include, but not be limited to:

1. Designated Recycling and Organics Outreach Coordinators

The Contractor will hire and train Customer outreach specialists to assist the Customers and the City with meeting the requirements of SB 1383. Coordinators shall be able to visit Multi-Family and Commercial Customers, civic groups, school assemblies, and homeowners' associations, to promote and explain the Recycling and Organics programs, and participate in demonstrations, and civic events.

Ongoing Outreach to be performed by Outreach Coordinators:

- Provide Organic Waste Recycling information to all Customers including Step by Step process; guidelines for Organics program training; do's and don'ts of separation; signage examples; source reduction suggestions; links to online City programs/resources; Good Samaritan Law definition; information on environmentally preferable purchasing policies; and resource list of sustainability programs and toolkits from trade organizations like the National Restaurant Association and US Composting Council Curb to Compost Toolkit and/or government agencies like the EPA toolkit for Reducing Food Waste and Packaging and FTC Guidelines on compostable and degradable claims.
- Provide samples of indoor and outdoor Container options and signage.
- Contact or provide information to help identify Customer's "startup team" to implement the program and provide long term support.
- If necessary or if requested by customers, conduct, comprehensive, in-house, multi-lingual trainings with kitchen and janitorial staff at no additional charge.
- Follow-up and monitor to ensure successful participation, which shall include visual audits and additional training when necessary.
- Create solutions for the identified challenges and waste stream specifics.
- Connect Customers with food donation programs where applicable.
- Contractor shall produce, keep current, and provide information to the public on SB 1383 and the identification of new Customers.
- On an annual basis, Coordinators shall conduct Customer surveys and onsite waste assessments of Customers subject to the requirements of SB 1383 that do not receive Contractor provided Organic Waste Recycling, utilize an in-house



program, donate edible foods to a charitable organization or Recycle using a third-party vendor.

2. Corrective Action Notice

Contractor shall warn Customers who have Non-organic Waste in their Organics Waste Container, or Organic Waste or Recyclables in their Trash Containers as required by CalRecycle under SB 1383. If, after three written warnings in a six-month period, the Container continues to be contaminated, a contamination fee may be charged in accordance with the approved rate schedule. Contractor must leave instructive warning notices on the contaminated Containers, indicating the issue, how to correct it, and that the Customer will be charged a contamination fee if behavior is not corrected. The format of the warning notice must be approved by City. Contractor shall report monthly to City any warning notices issued, including the customer name, service address, the date contamination was observed, the person who conducted the inspection, any photographic evidence of the violation that was obtained, and any other information reasonably requested by the City. Contractor will also provide copies of written notices to the City on a monthly basis.

3. Annual Brochure/Mailing per Section 10.5.2

Contractor shall include language related to SB 1383 programs and compliance in the Annual Brochure/Mailing per Section 10.5.2 of the Agreement.

4. Annual Noticing

Contractor will prepare a letter for City approval and send to all SB 1383 non-compliant Customers detailing their non-compliance and annual reporting requirements to CalRecycle. The letter is to be printed using the City's electronic letterhead. Contractor will contact all non-compliant customers identified using the Contractor's database. Contractor will provide the City a list of all non-compliant Customers including but not limited to contact person, service and billing addresses, phone number, email, account notes and any information relating to the previous refusal of organics program services to report to CalRecycle.

5. Web Site Page

Contractor shall dedicate one page of a Contractor web site to City services related to SB 1383, including, at a minimum, listing contact names, food recovery options, links to the CalRecycle website, and numbers for Customer Service and information on Organics Collection programs.

6. Additional SB 1383 Education and Outreach as Required by SB 1383

Company shall provide any additional education and outreach in accordance with the CalRecycle requirements under SB 1383.

All brochures, mailings, and other educational materials are to be approved by City in advance of distribution, and shall not bear City seal unless otherwise approved by City. Any outreach material utilizing paper provided and distributed by Company shall be made from recycled-content paper and must be labeled "Printed on Recycled Paper" on the outreach material.

F. SB 1383 Reporting

The information listed shall be the minimum reported monthly:

- a) On a monthly basis, Contractor will provide to City any SB 1383 reporting worksheets provided or required by CalRecycle;
- b) Warning notices issued for contaminated Containers;
- c) Number of Food Waste Diversion Program Participants;
- d) Summary of complaints and resolutions;
- e) Report of contacts, visits and results of any site visits with regards to SB 1383 compliance;



- f) List of Customers that do and do not participate in an Organics program, whether the Organics program is provided by Contractor or another party;
- g) Which Customers are required to participate in an Organics Recycling program per Public Resources Code Section 42649.81;
- h) Customers participating in food recovery programs separated Commercial or Multi-Family Units;
- i) Customers using third-party recycling separated by Commercial or Multi-Family Units; and,
- j) Any additional information that may be requested by CalRecycle or City related to Recycling and Organics programs, including but not limited to compliance activities related to SB 1383.



**APPENDIX L PURSUANT
TO THE FIRST
AMENDMENT**

STREET SWEEPING SERVICES

SECTION 1. DEFINITIONS

City - The City Council of Redondo Beach or its designated representative.

CONTRACTOR - A person or organization identified as such in the Agreement and is referred to throughout the Agreement Document. The term CONTRACTOR means the CONTRACTOR or his/her authorized representative.

Curb Mile: "curb mile" means one mile (5,280 feet) of City street from the face of curb extending out into the street, the width of the sweeper.

Daily - Refers to normal hours of work from Monday through Sunday with the exception of holidays.

Days - When used to designate a period of time, days shall be in reference to calendar days, unless otherwise specified.

Director of Public Works - That person designated by City Council as Director of Public Works or his/her designated representative.

Specifications - The written directions, provisions and requirements pertaining to the work and to the quantities and qualities of labor, equipment and materials furnished under this agreement.

Subcontractor - An individual, firm or corporation supplying labor or labor and materials for work under this agreement and whose contractual relationship is with the CONTRACTOR and not the City.

Refuse - Shall mean all types of debris including dirt, sand, pine needles, rock, paper, and leaves.

Business District - Shall be deemed to mean that territory described as commercial, industrial or manufacturing districts in the zoning may be territory of the City of Redondo Beach; and also all that territory abutting upon any public highway or street within said City, when fifty percent (50%) or more of the frontage thereon for a distance of three hundred (300) feet or more is now, or may hereafter be, occupied by buildings in use for business purposes.

Residence District - Shall include all that portion of said City not included within the business district as herein defined, including also such residences or dwelling structures as may exist in such district or any other area of the City of Redondo Beach.



Shall - Shall be mandatory.

May - Shall be permissive.

Working Day - Shall mean Monday through Sunday. **Sign Route** - Shall mean any street or alley posted with signs specifying a particular day for street sweeping.

Non-Posted Route - Shall mean any street that falls within the route map schedule that does not have a physical sign specifying street sweeping, including, but not limited to, one-way streets and "no stopping anytime" streets.

Resweeps - Those sweeps required of the CONTRACTOR when previous sweeps are deemed by City to be of poor quality, or when the CONTRACTOR has missed a street or sections of a street during regularly scheduled street sweeping.

Street - Shall mean any street in the City of Redondo Beach.

Alley - Shall mean any alley in the City of Redondo Beach.

Parking Lot - Shall mean any City-owned parking lot.

Painted Medians: Any section of road, roadway, or street that either has a two-way turn lane or non-landscaped median.

Median Island - Shall mean the raised portion of the street between opposing lanes of traffic.

Regular Sweeping - Shall mean sweeping of streets, alleys, parking lots, medians and other areas at pre-arranged scheduled intervals.

Walkway - Shall mean any City-owned walkway.



SECTION 2. SPECIFICATIONS

GENERAL

The CONTRACTOR shall provide at his/her own risk and cost all labor, materials, tools, equipment, transportation, hauling, dumping and other items needed to do the work as described herein.

SCOPE OF WORK

The CONTRACTOR shall perform all work necessary to complete the services in a manner satisfactory to the Public Works Director or his/her designee. The work to be completed under these specifications shall include the furnishing of all labor, material, equipment, tools, and any other incidental expense necessary to perform the following services for the City of Redondo Beach:

- a. The CONTRACTOR shall be responsible for sweeping and cleaning the City's public right-of-way, whether it is a sign route or non-posted route, including all streets, whether curbed or uncurbed, alleys, medians, and public parking lots.
- b. All sign routes shall be swept in accordance with the times and days posted on the City signs. See attached Street Sweeping Schedule.
- c. All non-posted routes shall be swept in accordance with section (g) as well as with the residential and business/commercial districts' schedules provided to the CONTRACTOR by the City.
- d. CONTRACTOR to be responsible for sufficient water for the street sweeping equipment necessary to comply with these specifications. CONTRACTOR is to contact California Water Service Company and obtain a water meter if deemed necessary by the City. The CONTRACTOR shall endeavor to not waste water and shall conserve wherever and whenever possible in his/her operations.
- e. The discharge of non-stormwater into storm drain inlets, catch basins, or into the curb-and-gutter leading to the storm drain system is strictly prohibited by Chapter 8.44 Stormwater and Urban Runoff Pollution Control Regulations and under the Federal Clean Water Act.
- f. Monthly statement. CONTRACTOR shall submit a monthly statement reporting total daily loads of debris and refuse hauled to dumpsite. CONTRACTOR shall also submit a monthly statement reporting the daily sweeper miles.
- g. The following areas outside the sign routes shall be swept in accordance with the following specification, excluding holidays:
 - (1) Pacific Coast Highway (PCH)
 - Southbound on PCH shall be swept on Mondays and Northbound on PCH from Herondo Street to Palos Verdes Boulevard shall be sweep on Fridays.



- Northbound from Prospect Avenue to Palos Verdes Boulevard including both sides of medians within that area shall be swept on Thursdays.

(2) The Riviera Village

The Riviera Village shall be swept on Mondays and Fridays from 6:00 am to 8:00am.

The Riviera Village consists of the following blocks:

- 100 and 200 block of Avenue I
- Riviera Village Triangle Parking Lot
- 1700, 1800, and 1900 block of South Catalina Avenue
- 1800 block of South Elena Avenue
- 100 block of Via Valencia
- 200 block of Avenida Del Norte
- Entire block of Via El Prado
- 200 and 300 block of Vista Del Mar

(3) North Redondo Beach Bike Path

- Shall be swept once a week between 6:00 am to 8:00 am from Felton Lane and Rockefeller Lane to Robison Street.

(4) City Alleys

- All City alleys shall be swept twice a month

(5) Parking Lots

- All City owned parking lots shall be swept twice a month during the hours of 6:00 am to 9:00 am. List of City Owned Parking lots will be provided to CONTRACTOR by the Public Works Director or Designee.

(6) Esplanade

- The westside of Esplanade from Knob Hill Avenue to Miramar Park shall be swept on Mondays and Fridays between 6:00 am and 8:00 am

(7) Harbor Area (Mondays 6:00 am to 8:00 am)

- Harbor Drive from Pacific Avenue to Herondo Street
- Portofino Way
- Yacht Club Way
- Lot 13

(8) George Freeth Way and Lot 5

- Shall be swept twice on Thursdays for the Redondo Beach Farmer's Market
- In the morning between 6:00 am and 7:00 am
- In the afternoon between 2:00 pm and 3:00 am

(9) City Yard

- The City Yard at 531 North Gertruda Avenue shall be swept once a month at a time agreed to between the CONTRACTOR and the Public Works Director or designee.



(10) Civic Center (515 Diamond Street)

- Shall be swept once a week between 6:00 am to 8:00 am.

(11) Painted Medians

- Shall be swept on an as needed basis, no more than twice a month, determined by the Public Works Director or designee.

(12) Artesia Boulevard

- Shall be swept on Tuesdays and Thursdays between 6:00 am to 8:00 am from Aviation Boulevard to Hawthorne Boulevard both northbound and southbound directions.
- Medians from Aviation Boulevard to Hawthorne Boulevard shall be swept once a week between 6:00 am to 8:00 am on both northbound and southbound directions.

LEVEL OF CLEANING

- The CONTRACTOR must employ sufficient personnel to perform all work as scheduled and approved by the City. All work shall be performed in accordance with this agreement so as to maintain a pleasing aesthetic appearance of the City.
- The City and the CONTRACTOR will meet weekly at mutually agreed times. Inspection of the area included in the agreement will be made by the City and CONTRACTOR weekly. The results of each inspection will be recorded, forwarded to the CONTRACTOR and retained for reference.

REPORTS

- Deficiency Report. The CONTRACTOR is required to correct any deficiencies found by inspection and listed in a deficiency report. Said deficiencies shall be corrected within the time specified by the City (seven (7) calendar days).
- Weekly Request. The CONTRACTOR's representative shall contact the City on a weekly basis for notification of deficiencies requiring correction or for changes of any type.

WORKING TIME LIMITS

Residential districts shall be swept between the hours of 8:00 am and 4:00 pm in accordance with the schedule provided by the Public Works Department.

Business districts or commercial zones shall be swept starting no earlier than 6:00 am and no later than 9:30 am in accordance with the schedule provided by the Public Works Department.

DAMAGES

The CONTRACTOR shall report without delay any damage to City equipment, City



property or private property. The CONTRACTOR shall be liable for damages caused by his/her actions. Any repairs and associated cost resulting from CONTRACTOR caused damage shall be the responsibility of the CONTRACTOR.

DISPOSAL OF SWEEPINGS AND/OR DEBRIS

The CONTRACTOR shall dispose of all sweepings accumulated as a result of cleaning operations and shall not allow any sweepings to remain on the public street or other public property for more than one hour after it is accumulated.

ALL DEBRIS AND SWEEPINGS SHALL BE DELIVERED TO THE CITY YARD TRASH CONTAINERS.

Spillage resulting from hauling on or across the public roadways shall be immediately removed at CONTRACTOR's expense.

When entering or leaving roadways carrying public traffic, the CONTRACTOR's equipment, whether empty or loaded, shall in all cases yield to public traffic.

Debris is defined as bottles, cans, paper, trash, sand, litter and all foreign matter, etc.

MONTHLY CLEANING SCHEDULE

The CONTRACTOR is required to furnish a monthly cleaning schedule to include planned activities for all persons performing any function of the agreement. The monthly schedule shall be submitted to the City.

The schedule shall show manpower, equipment and time during the day that the work is planned. The City will provide a form for the CONTRACTOR to use.

SIGNS

Street sweeping signs have been installed throughout the City. The CONTRACTOR shall schedule his/her work to be performed within the posted hours.

SWEEPING ROUTES

City shall provide CONTRACTOR with schedule and map delineating those districts within the City marked for sweeping Monday through Friday inclusive. All streets within the route map schedule must be swept whether it is a sign route or a non-posted route. The sweeping schedule shall be maintained unless a change therein is first approved in writing by the Director of Public Works and notice thereof given as hereinafter provided.

RESWEEPS

Should the CONTRACTOR sweep an area that is deemed by the City to be of poor quality, the CONTRACTOR shall be responsible for returning to that area and resweeping that area the same day.

Should the CONTRACTOR fail to sweep, the CONTRACTOR shall provide the City with documentation within twenty-four (24 hours) of the missed sweep and reasoning for failing



to sweep an area. If a missed sweep is reported within the same day, the CONTRACTOR shall sweep the missed area on the same day, if operationally feasible.

OFFICE FOR INQUIRIES AND COMPLAINTS

The CONTRACTOR shall maintain an office at some fixed place and shall maintain telephone therein, listed in the telephone directory in his/her own name or in the file name by which he/she is commonly known, and shall at all times during the hours between 8:00 am and 5:00 pm of each working day have a full-time employee at said office for the answering of inquiries and for receiving complaints from the Director of Public Works. The telephone number of a designated employee available between 5:00 pm and 8:00 am for emergency calls and complaints shall be furnished the Director of Public Works. The CONTRACTOR shall maintain a written log of all complaints, the date thereof, and the action taken pursuant thereto or the reason for non-action. Such a log of complaints shall be open to the inspection of the Director of Public Works.

The CONTRACTOR shall make every reasonable effort to respond to complaints on the same day they are received and shall report to the Director of Public Works within twenty-four (24) hours as to the action taken concerning each complaint.

PUBLIC RELATIONS

CONTRACTOR is required to have radio-equipped street sweepers and a supervisor available by telephone on a 24-hour basis who is assigned to provide direction and prompt attention to requests from the City for emergency service. Response shall be within one hour after request is received.

CONTRACTOR shall, in person or through his/her agent, investigate any complaint, which may concern, or be involved in, the performance of the agreement. CONTRACTOR shall report to the Director of Public Works, or the designee, the following working day as to the action taken with reference to the complaint and, when necessary, complete the Service Request, which will remain on file at City Hall. Complaints received before noon shall be answered the same day; complaints received after noon shall be answered the following day.

BARRIERS

The CONTRACTOR shall provide all labor, materials and equipment to install barriers advising the public of hazards due to cleaning. Upon completion of the work, the CONTRACTOR shall promptly remove all signs and warning devices.

When performing work under this agreement, should the CONTRACTOR appear to be neglectful or negligent in furnishing warning and protective measures, the City may direct attention to the existence of a hazard. The necessary warning and protective ensures shall be furnished and installed by the CONTRACTOR, at the CONTRACTOR's expense.

POSSIBLE AREA CLOSURE

In the event any of the work area is unusable for any reason, including acts of nature or vandalism, the Director of Public Works may declare a closure of any portion of the work



area. The CONTRACTOR shall not be entitled to compensation for any portion of the work area closed by the Director of Public Works.

CITY OBSERVED HOLIDAYS/WORK RESPONSIBILITIES

| <u>Holiday</u> | <u>Month Observed</u> |
|------------------------|-----------------------|
| Independence Day | July |
| Labor Day | September |
| Veteran's Day | November |
| Thanksgiving Day | November |
| Day After Thanksgiving | November |
| Christmas Eve | December |
| Christmas Day | December |
| New Year's Eve | December |
| New Year's Day | January |
| Martin Luther King Day | January |
| President's Day | February |
| Memorial Day | May |



SECTION 3. PERSONNEL AND SUPERVISION

PERSONNEL REQUIREMENTS

The CONTRACTOR shall use and furnish all labor necessary for the satisfactory performance for the work set forth in this agreement.

CONTRACTOR'S EMPLOYEE PERFORMANCE

The CONTRACTOR agrees to require his/her employees to present a neat appearance at all times while engaged in the performance of their duties. The employees shall also maintain good bearing and deportment toward the public. Should for any reason an employee be unsatisfactory in the opinion of the City, the CONTRACTOR, when notified in writing, shall cause that employee to be removed from the job and replaced by a satisfactory employee.

CONTRACTOR'S EMPLOYEE ATTIRE

The CONTRACTOR shall require each of his/her employees to adhere to a basic standard of working attire. This standard is a clean uniform with the CONTRACTOR's company name or insignia clearly visible, proper shoes, other gear as required by State Safety Regulations and proper wearing of the clothing. Shirts shall be worn at all times, buttoned and tucked in.

TYPICAL TASKS OF CONTRACTOR'S EMPLOYEES

The CONTRACTOR shall supply employees with the skills to perform various semi-skilled duties in connection with cleaning functions; cleaning rubbish and debris; operating a variety of hand and power tools; cleaning of public facilities, and operating light equipment.

KNOWLEDGE & ABILITIES OF CONTRACTOR'S EMPLOYEES

Employees must have the ability to use and maintain various tools, ability to perform heavy manual labor, ability to follow oral and written instructions.

SPECIAL SWEEPING ACTIVITY REQUIREMENTS

The CONTRACTOR if so requested by the Director of Public Works shall supply additional employees for additional sweeping or emergency sweeping. Any additional sweeping will be paid at a rate of \$85.00 for a minimum of one hour. Any emergency sweeping will be paid at a rate of \$150.00 for a minimum of one hour. Additional sweeping is any sweeping that is pre-approved and requested by the City for special events or activities. Emergency Sweeping is any sweeping during Saturday or Sunday that is requested by the City.

LEVEL OF SUPERVISION

The CONTRACTOR shall provide adequate supervision as to furnish proper surveillance of workmanship and adherence to the schedule by the employees performing the work. The field supervisor or his/her representative shall check with the Department of Public Works weekly as to (1) schedule of work, (2) complaints and (3) adequacy of performance. The CONTRACTOR shall submit such reports as the City may require insuring compliance with scheduled work. The Supervisor shall be in the City at least 20% of the time while work is in progress. The CONTRACTOR shall be penalized Two Hundred and Fifty Dollars (\$250) per week for failing to have a supervisor in the City at least seven hours per week.



APPROVAL OF SUPERVISOR

The Supervisor shall be someone other than the labor type of employee provided in this agreement. The CONTRACTOR shall provide in writing to the City (before starting work under this agreement) the name of the Field Supervisor. After approval of the Field Supervisor, the CONTRACTOR may substitute another individual provided the CONTRACTOR makes a written request to the City and said request is approved. The Supervisor should have at least five years practical experience in supervision.

EMERGENCY TELEPHONE NUMBERS

The CONTRACTOR shall provide the City throughout the duration of this agreement at least two (2) telephone numbers of qualified persons who can be called anytime that the CONTRACTOR's representative is not immediately available at the job site. An emergency 24-hour number shall also be provided. The emergency number shall be to contact a representative of the CONTRACTOR who can take the necessary action required to alleviate an emergency condition.

INCLEMENT WEATHER

The CONTRACTOR shall contact the City for the determination of non-operational conditions. During inclement weather, the CONTRACTOR shall provide staffing for citywide debris removal and clean up if requested by the Public Works Director or designee. If sweeping does not occur on a given day, the CONTRACTOR shall credit the City for those hours. Any debris removal and clean-up above and beyond regularly scheduled sweeping will be charged at the rates stipulated in the "SPECIAL SWEEPING ACTIVITY REQUIREMENTS" section less any credit. Credit hours should be accounted for and reported in the monthly statement by the CONTRACTOR.



SECTION 4. EQUIPMENT AND MATERIALS

EQUIPMENT

Equipment and Use of Equipment. CONTRACTOR's street sweeping equipment shall meet the following requirements:

- A. CONTRACTOR shall use street sweeping equipment in conformance with the highest standard of street sweeping. Sweeper speed and broom pattern shall be in accordance with manufacturer's recommendations. Sweepers at work shall not exceed the **maximum speed of 10 mph**; sweepers when driven shall have a maximum of the posted speed limit.
- B. CONTRACTOR shall use such standard heavy street sweeping equipment as is necessary to clean the City streets of paper, dirt, rocks, leaves and debris.
- C. CONTRACTOR shall maintain all equipment. It should be clean and in good mechanical condition, uniformly painted and numbered.
- D. CONTRACTOR shall use equipment deemed acceptable by express written approval of the Director of Public Works. The North Redondo Bike Path shall be swept by a smaller sweeper unless otherwise approved in writing by the Public Works Director or their designee.
- E. CONTRACTOR's equipment shall be subject to inspection by the Director of Public Works or Designee and upon notification in writing to the CONTRACTOR that any equipment does not comply with the standards herein, such equipment shall be removed from service by the CONTRACTOR and not again so used until inspected and approved in writing by the Director of Public Works or Designee.
- F. Sweeper must have a dual cutter broom.

VEHICLES

CONTRACTOR shall display the name of his/her firm on any vehicles used by the CONTRACTOR's employees to carry supplies and equipment. The firm name shall be in letters large enough to be easily legible from a distance of fifty (50) feet.



EQUIPMENT MAINTENANCE

All equipment used by the CONTRACTOR shall be kept in a neat and clean appearance. The equipment shall also be kept in top mechanical condition and properly adjusted, both from an operational standpoint and from a safety standpoint.

SAFETY LIGHTS

All vehicles shall be equipped with an operational rotating amber light when parked or used on public streets.

EQUIPMENT NOISE

City noise level requirements shall apply to all equipment on the project or related to the project including but not limited to trucks, or transient equipment that may or may not be owned by the CONTRACTOR. The use of loud sound signals shall be voided in favor of light warnings except those required by safety laws for the protection of the public or CONTRACTOR's personnel.

AIR POLLUTION

CONTRACTOR shall comply with all air pollution control rules, regulations, ordinances and statutes which apply to any work performed pursuant to the agreement and shall not discharge smoke, dust or any other air contaminants into the atmosphere in such quantity as will violate the regulations of any legally constituted authority. All power sweeping equipment (including Strand Sweeper) must use alternative fuel in accordance with the South Coast Air Quality Management District Rule No. 1186.1.

MATERIALS TO BE PROVIDED BY CONTRACTOR

The CONTRACTOR at his/her own cost and expense shall furnish all necessary materials, and tools supplies of good quality and in the amounts necessary to fulfill this agreement and to accomplish an acceptable and professional level of cleaning.



SECTION 5. ITEMS OF WORK

AREA CLEANING

The cleaning work pertaining to the City of Redondo Beach has been organized into specific work activities and frequency schedules. The CONTRACTOR shall report to the Director of Public Works or his/her designee for resolution of any cleaning problems or concerns.

POWER SWEEPING

All streets and paved parking lots shall be swept according to the frequency schedule. Street sweepers shall be equipped to perform left and right hand-pick-up and shall at all times travel in a direction "with" traffic. Any sweeper shall have the capability of picking up broken glass.

SAND REMOVAL

When sand is blown into an agreement area on a regularly scheduled route the CONTRACTOR shall with due diligence remove the sand. The CONTRACTOR shall not be entitled to any extra compensation.

LITTER PICK UP

Litter pick up shall include the hand cleaning and removal of debris from an agreement area where the power sweeper is not effective, such as adjacent to traffic islands or medians and curb ways. Litter pick up shall be performed during the regularly scheduled sweeping.

