



City Council

Redevelopment Agency

AGENDA

Wednesday

Regular

**Closed Session 5:30 p.m.
Regular Session 6:00 p.m.**

October 5, 2011

**City Hall
100 West California Avenue
Ridgecrest CA 93555**

(760) 499-5000

**Ronald H. Carter, Mayor
Marshall G. Holloway, Mayor Pro Tempore
Jerry D. Taylor, Vice Mayor
Steven P. Morgan, Council Member
Jason Patin, Council Member**

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LAST ORDINANCE NO. 11-03
LAST RESOLUTION CITY COUNCIL NO. 11-75
LAST RESOLUTION REDEVELOPMENT AGENCY NO. 11-02
LAST RESOLUTION FINANCING AUTHORITY NO. 11-xx

CITY OF RIDGECREST

**CITY COUNCIL
RIDGECREST REDEVELOPMENT AGENCY
FINANCING AUTHORITY**

AGENDA

Regular Council/Agency Meeting
Wednesday October 5, 2011

CITY COUNCIL CHAMBERS CITY HALL
100 West California Avenue
Ridgecrest, CA 93555

Closed Session – 5:30 p.m.
Regular Session – 6:00 p.m.

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the City Clerk (499-5002) five working days in advance of the meeting.

In compliance with SB 343. City Council/Ridgecrest Redevelopment Agency Agenda and corresponding writings of open session items are available for public inspection at the following locations:

1. City of Ridgecrest City Hall, 100 W. California Ave., Ridgecrest, CA 93555
2. Kern County Library – Ridgecrest Branch, 131 E. Las Flores Avenue, Ridgecrest, CA 93555
3. City of Ridgecrest official website at <http://ci.ridgecrest.ca.us>

Pursuant To California Government Code 54953 (B) (1) An Additional Call In Location Has Been Established For A Council Member Who Will Attend This Meeting Via Teleconference At 313 Joyce Ave Long Beach, MS

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

AGENDA - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR

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PUBLIC COMMENT – CLOSED SESSION

CLOSED SESSION – 5:30 p.m.

- GC54956.9 (A) Conference With Legal Counsel; Existing Litigation; City Of Ridgecrest v. Benz Sanitation, Inc.
- GC54956.9 (A) Conference With Legal Counsel; Existing Litigation, Benz Sanitation, Inc. v. City Of Ridgecrest
- GC54956.8 Real Property negotiations –located at Burns Ave. and S. Downs St., Real Property Quick Claim Deeds, Pacific Development, APN 509-030-27 & 19, 22, City Negotiators Kurt Wilson and James McRea
- GC54956.8 Real Property Negotiations – Located at 1521 N. China Lake Blvd., APN 419-073-16, City Negotiators Kurt Wilson and James McRea
- GC54957.6 Labor Negotiations – Mid-Management Group of Employees (MM); Confidential Group of Employees (CO); Management Group of Employees (MG) – Agency Negotiator City Manager Kurt Wilson

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORTS

- Closed Session
- Other

PUBLIC COMMENT

PRESENTATIONS

1. Government Finance Officer Association Award of Excellence Staheli
2. Public Safety Reorganization Strand

AGENDA - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR

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CONSENT CALENDAR

3. Approve A Real Property Quitclaim Deed, Pacific Development, APN 509-030-27) ("Parcel 27") And Exchange Of Parcels 19 & 22, A Correction Required From 2007 In The Recording Of Grant Deeds To The Prior Owners
McRea
4. Approve A Resolution Of The City Council Of The City Of Ridgecrest Sustaining The Cordell Appeal Of SPR 11-03, APN 067-040-06, As Granted September 07, 2011
McRea
5. Approve A Resolution Of The City Council Of The City Of Ridgecrest Entering Into A Memorandum Of Understanding (MOU) With Penfield And Smith On College Heights Boulevard Phase II, Roadway Improvement Project And To Authorizing The City Manager To Sign The Document
Speer
6. Approve A Resolution Of The City Council Of The City Of Ridgecrest Authorizing The Expenditure Of Proposition 1B Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) Funds For The Construction Of A Transit Transfer Station In Inyokern (\$300,000) And A Bus Garage To Be Built At The City Corporation Yard (\$830,000)
Speer
7. Approve A Resolution Of The City Council Of The City Of Ridgecrest Approving Program Supplement Agreement No. 027-N To The Administering Agency-State (State California Department Of Transportation) Agreement No 09-5385R For The Design Of Traffic Signal Project At The Intersection Of South China Lake Boulevard And Upjohn Avenue And Authorizing The City Manager To Sign The Agreement Speer
8. Approve A Resolution Adopting A Benefit And Salary Agreement Between The City Of Ridgecrest And The Confidential Group Of Employees Wilson
9. Approve A Resolution Adopting A Benefit And Salary Agreement Between The City Of Ridgecrest And The Mid-Management Group Of Employees
Wilson
10. Approve A Resolution Announcing Proclamations Prepared For The Month Of October
Ford
11. Approve Minutes Of The Regular City Council/Redevelopment Agency Meeting Of August 17, 2011
Ford

AGENDA - CITY COUNCIL / REDEVELOPMENT AGENCY - REGULAR

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ORDINANCES

12. Ordinance 11-04, An Urgency Ordinance Of The City Council Of The City Of Ridgecrest Amending The Municipal Code With Regard To Solid Waste Curbside Pickup Lemieux
13. Ordinance 11-05, An Ordinance Of The City Council Of The City Of Ridgecrest Authorizing The City Manager To Execute An Agreement To Grant A Franchise For Solid Waste Hauling Services To Waste Management Of California, Inc Lemieux

DISCUSSION AND OTHER ACTION ITEMS

14. Discussion Of Creating Prioritized Infrastructure Projects Eligible For American Recovery and Reinvestment Act (ARRA) Stimulus Funding Taylor
15. Discussion Of Moving Forward To Contract A Lobbyist To Represent The City Of Ridgecrest Interests And Needs For Federal Funding Taylor
16. Discussion Of Proposals Received For Grant Administrative Services And Recommendation For Selection Of A Firm To Contract For Grant Administrative Services Wilson
17. Discussion Of Proposals Received For Human Resources Administration Services and Recommendation For Selection Of A Firm To Contract For Human Resources Administration Services Wilson

PUBLIC COMMENT

DEPARTMENT AND COMMITTEE REPORTS

Infrastructure Committee

Members: Steve Morgan, Jerry Taylor, Craig Porter, James Sanders
Meeting: 2nd Wednesday of the month at 5:00 p.m., Council Conference Room
Next Meeting: October 12, 2011

Quality of Life

Members: Chip Holloway, Jason Patin, Craig Porter, Carter Pope
Meetings: 1st Thursday of every even month at 12:00 p.m.; Kerr-McGee Center
Next Meeting: October 6, 2011

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October 5, 2011

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City Organization

Members: Ron Carter, Jerry Taylor, Lois Beres, Christopher LeCornu
Meeting: 3rd Tuesday of the month at 5:00 p.m.; Council Conference Room
Next meeting: October 18, 2011

Community Development Committee

Members: Steve Morgan, Jason Patin, Christopher LeCornu, James Sanders
Meetings: 1st Thursday of the month at 5:00 p.m.; Council Conference Room
Next Meeting: October 6, 2011

Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)

Members: Ron Carter, Chip Holloway, Ron Strand
Meetings: 2nd Monday of odd numbered months at 6:00 p.m., Kerr-McGee Center
Next Meeting: November 14, 2011

Ridgecrest Area Convention and Visitors Bureau (RACVB)

Members: Chip Holloway, Jason Patin
Meetings: 1st Wednesday of the month, 8:00 a.m.
Next meeting: November 2, 2011 and location to be announced

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

CITY MANAGER/EXECUTIVE DIRECTOR REPORTS

MAYOR AND COUNCIL COMMENTS

ADJOURNMENT

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING AUTHORITY AGENDA ITEM

SUBJECT:

Real Property Quitclaim Deed, Pacific Development, APN 509-030-27 ("Parcel 27") And Exchange Of Parcels 19 & 22, A Correction Required From 2007 In The Recording Of Grant Deeds To The Prior Owners.

PRESENTED BY:

James E. McRea

SUMMARY:

The Kern County Assessor's Office has advised First American Title Insurance Co. their insured, PAM Ridgecrest Venture, that the City failed to record the necessary deeds at the time the attached Certificate of Compliance was recorded (i.e. a deed for portions of Parcels 2 and 3 (see map). The City tried to correct this problem in 2007 by recording the attached Grant Deed to the prior owners, but the legal description only contained Parcel 2 of the Lot Line Adjustment instead of Parcels 2 and 3 as it should have. Now we need a deed for this Parcel 3, which now has the APN 509-030-27 ("Parcel 27"), in order to clean up title and have the Assessor's Office show the new owner PAM Ridgecrest as the owner of Parcel 27. Parcels 19 & 22 are also incorrectly shown as to being deeded to the City and they were not recorded.

First American Title Insurance Co has provided the Grant Deed requested and has indicated that they will record the other two Grant Deeds for Parcels 19 & 22 to the City concurrent with the recording of Parcel NO.27. The Certificate of Compliance was negotiated to create a triangular parcel rather than a rectangle parcel to provide uniform frontage on So. China Lake Blvd. The City has indicated that PAM Ridgecrest Venture could have first right of refusal to acquire the triangular site, conditioned on the proposed future utilization of the site and its fair market value at that time.

The appropriate background documents are provided in the attachments, the Grant Deed will be developed by the Title Company.

FISCAL IMPACT:

None, equal real property exchanges.

Reviewed by Finance Director

ACTION REQUESTED:

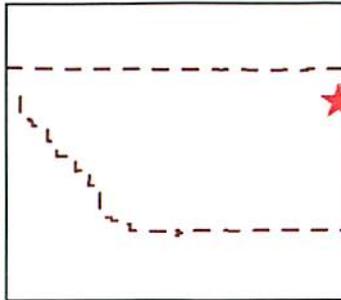
Motion to authorize the City Manager to execute a Grant Deed for Parcel 27 by legal description as prepared by First American Title Insurance Co. No action is required to accept the other two parcels.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve A Motion Authorizing Execution Of A Grant Deed For Parcel 27 By Legal Description As Prepared By First American Title Insurance Co.

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Real Property Land Exchange



Legend

Roads

- Arterial
- Collector
- Highway
- Local
- Ramp
- Unpaved

County of Kern

Assessment Parcels

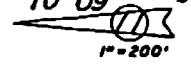
Assessor Map Books

Map center: 56050, -240457

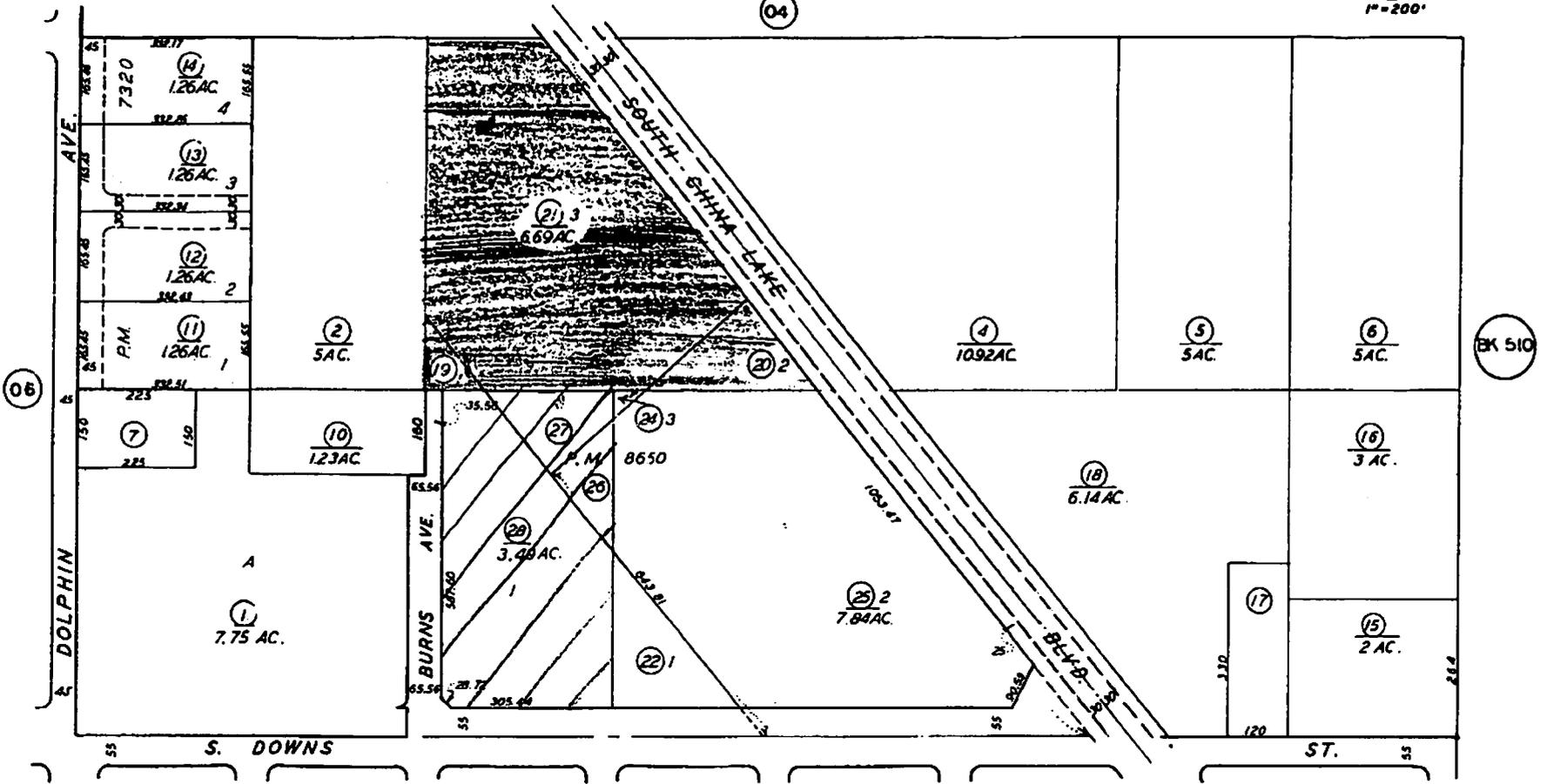
Scale: 1:5,098

This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

Notes: Certificate of Compliance for Real Property Exchange APN's: 509-030-19, 22, 26, 27, 28, & 24



Prescription: Kern, CA Assessor Map 509.3 Page: 1 of 1
Order: 1 Comment:



- KEY**
- Originally Parcel 3
 - Originally Parcel 9
 - Originally Parcel 8

Revised: Sept. 26, 2007

Note: This map is for assessment purposes only. It is not to be construed as portraying legal ownership or divisions of land for purposes of zoning or subdivision law.

ASSESSORS MAP NO. 509-03
COUNTY OF KERN

RECORDED AT THE REQUEST OF
Campos, Miller, Hess and Cote

002766

RECORDED BY
GALE S. ENSTAD
KERN COUNTY RECORDER
95 JAN 10 AM 8:00

AFTER RECORDING RETURN
TO: CITY OF RIDGECREST
100 W. CALIFORNIA AVE.
RIDGECREST, CA 93555

ORS 3.00
HUFF 1.00
REC-FE 3.00
STATE 11.00
CHSLR
#153300 C001 R01 TOR:31

SUBJECT: Lot Line Adjustment for Campos, Miller, Hess and Cote & City of Ridgecrest
A request to adjust the property lines between parcels 1 and 2 of Parcel Map 8650
and a third parcel immediately adjacent to these two properties.

CERTIFICATE OF COMPLIANCE

WHEREAS, In accordance with Section 66499.35 (a) of the Subdivision Map Act and the
Municipal Code of the City of Ridgecrest, the owners of the three parcels of real property described
in Exhibit A, *Old Descriptions*, have requested that the three parcel's lot lines be adjusted; and

5	OR
1	MD
3	UI
2	NA
2	BT

WHEREAS, the City of Ridgecrest had determined that the three parcels resulting from said minor
lot line adjustment and described in Exhibit A, *New Description*, will comply with the provisions
of the Subdivision Map Act and Ordinances enacted by the City of Ridgecrest pursuant to the
provisions of the Subdivision Map Act, and

WHEREAS, the Community Development Department of the City of Ridgecrest has determined
that said minor lot line adjustment is exempt from filing a parcel map.

NOW, therefore, in accordance with Section 66499.35b of the Subdivision Map Act, the City of
Ridgecrest hereby finds that the parcels of real property described in Exhibit A will comply with the
applicable provisions of the Subdivision Map Act and Ordinances.

FURTHER, that the City of Ridgecrest will cause this certificate of compliance to be filed for record
with the County Recorder of the County of Kern.

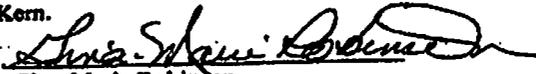

Gina-Marie Robinson
Planner
City of Ridgecrest

EXHIBIT "A"

OLD DESCRIPTIONS

PARCEL A City of Ridgecrest
 PARCEL 1 OF PARCEL MAP 8550 LOCATED IN THE CITY OF RIDGECREST, COUNTY OF KERN, STATE OF CALIFORNIA AS PER MAP RECORDED FEBRUARY 26, 1981 IN BOOK 41 OF PARCEL MAPS AT PAGE 104 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF KERN.

PARCEL B Cote, Miller, Hess & Campos
 PARCEL 2 OF PARCEL MAP 8550 LOCATED IN THE CITY OF RIDGECREST, COUNTY OF KERN, STATE OF CALIFORNIA AS PER MAP RECORDED FEBRUARY 26, 1981 IN BOOK 41 OF PARCEL MAPS AT PAGE 104 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF KERN.

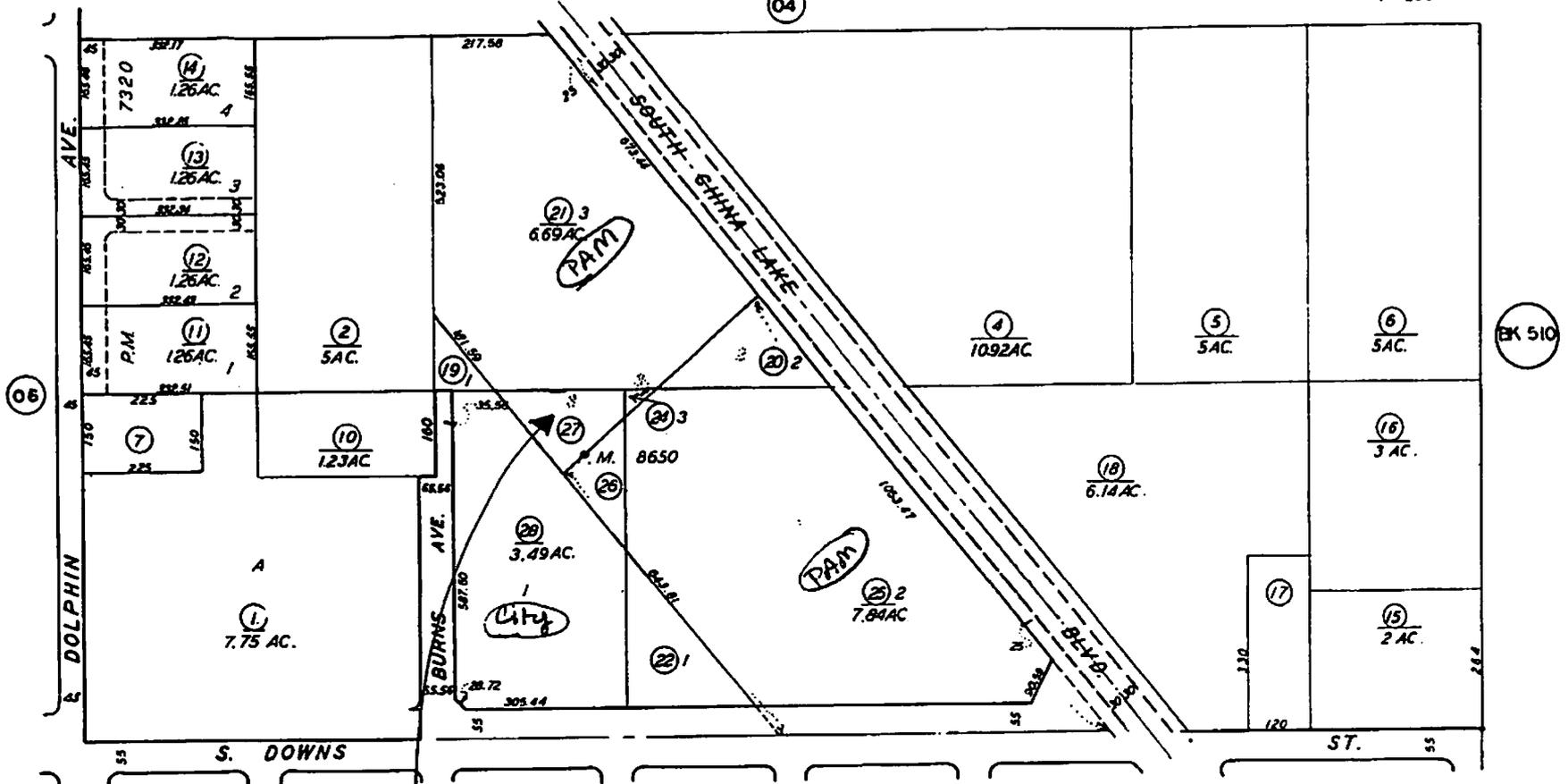
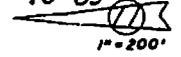
PARCEL C Campos, Cote, Miller & Hess
 ALL THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 9, T27S, R40E MDM LYING NORTHERLY OF THE NORTHERLY LINE OF CHINA LAKE BOULEVARD AS SAID ROAD IS DESCRIBED IN DEEDS RECORDED APRIL 12, 1942 IN BOOK 1131 PAGE 293 AND JULY 19, 1980 IN BOOK 3285 AT PAGE 403 BOTH OF OFFICIAL RECORDS IN THE CITY OF RIDGECREST, COUNTY OF KERN, STATE OF CALIFORNIA AS PER THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE SURVEYOR GENERAL.

NEW DESCRIPTIONS

PARCEL 1 City of Ridgecrest
 ALL THAT PORTION OF THE WEST 1/2 OF THE SW 1/4 OF SECTION 9 T27S R40E MDM LYING SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE NW 1/4 OF THE SW 1/4 OF SAID SECTION 9, EAST OF THE WEST LINE OF THE SW 1/4 OF SAID SECTION 9 AND NORTH OF A LINE WHICH IS PARALLEL TO AND 490 FEET NORTHWESTERLY OF THE NORTH RIGHT OF WAY LINE OF CHINA LAKE BLVD AS RECORDED IN BOOK 3277 AT PAGE 904 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF KERN.

PARCEL 2 Cote, Miller, Campos & Hess
 ALL THAT PORTION OF THE WEST 1/2 OF THE SW 1/4 OF SECTION 9 T27S R40E MDM LYING EAST OF THE WEST LINE OF SAID SW 1/4, SOUTH OF A LINE WHICH IS PARALLEL TO AND 490 FEET NORTHWESTERLY OF THE NORTH RIGHT OF WAY LINE OF CHINA LAKE BLVD AS RECORDED IN BOOK 3277 AT PAGE 904 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF KERN, AND SOUTHWESTERLY OF A LINE WHOSE NORTHERLY ENDPOINT LIES 843.81' NORTHEASTERLY OF THE INTERSECTION OF THE HEREIN DESCRIBED PARALLEL LINE AND THE WEST LINE OF SAID SW 1/4 AS MEASURED ALONG SAID PARALLEL LINE AND WHOSE SOUTHERLY ENDPOINT LIES 1053.47' NORTHEASTERLY OF THE INTERSECTION OF THE HEREIN DESCRIBED NORTH RIGHT OF WAY LINE AND THE WEST LINE OF SAID SW 1/4 AS MEASURED ALONG SAID NORTH RIGHT OF WAY LINE.

PARCEL 3 Cote, Campos, Miller & Hess
 ALL THAT PORTION OF THE WEST 1/2 OF THE SW 1/4 OF SECTION 9 T27S R40E MDM LYING SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE NW 1/4 OF THE SW 1/4 OF SAID SECTION 9, WEST OF THE EAST LINE OF THE WEST 1/2 OF THE SW 1/4 OF SAID SECTION 9, SOUTH OF A LINE WHICH IS PARALLEL TO AND 490 FEET NORTHWESTERLY OF THE NORTH RIGHT OF WAY LINE OF CHINA LAKE BLVD AS RECORDED IN BOOK 3277 AT PAGE 904 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF KERN, AND NORTHEASTERLY OF A LINE WHOSE NORTHERLY ENDPOINT LIES 843.81' NORTHEASTERLY OF THE INTERSECTION OF THE HEREIN DESCRIBED PARALLEL LINE AND THE WEST LINE OF SAID SW 1/4 AS MEASURED ALONG SAID PARALLEL LINE AND WHOSE SOUTHERLY ENDPOINT LIES 1053.47' NORTHEASTERLY OF THE INTERSECTION OF THE HEREIN DESCRIBED NORTH RIGHT OF WAY LINE AND THE WEST LINE OF SAID SW 1/4 AS MEASURED ALONG SAID NORTH RIGHT OF WAY LINE.



Portion of Parcel 3 needing to be conveyed by the City to PAM

Revised: Sept. 26, 2007

Note: This map is for assessment purposes only. It is not to be construed as portraying legal ownership or divisions of land for purposes of zoning or subdivision law.

ASSESSORS MAP NO 509-03
COUNTY OF KERN

Description: Kern, CA Assessor Map 509.3 Page: 1 of 1
Order: 1 Comment:

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING AUTHORITY AGENDA ITEM

SUBJECT:

Resolution 11- : A Resolution of the Ridgecrest City Council affirming the appeal of conditions as specified in PC Resolution 11-09, and the approval of SPR 11-03 to construct a New Office Building at the SW corner of N. China Lake Blvd. and Felspar Ave., 643 N. China Lake Blvd., APN 067-040-06. Applicant: Mr. Chuck Cordell

PRESENTED BY:

James E. McRea

SUMMARY:

The City Council at its regular meeting of September 7, 2011 conducted a duly noticed Public Hearing for the appeal of Conditions of Approval by PC Resolution 11-09 for SPR 11-03 to construct a New Office Building at 643 N. China Lake Blvd. The City Council sustained the appeal and deleted Section 3; conditions 1(a)(iv) and 2 relating to street and drainage improvements.

Resolution 11- , is presented to affirm that action to approve SPR 11-03 as modified by the deletion of Section 3; conditions 1(a)(iv) and 2.

FISCAL IMPACT:

Prior Agency approval of an OPA for development and blight removal.
not yet adopted.

Reviewed by Finance Director

ACTION REQUESTED:

Motion for adoption of Resolution No. 11- , confirming the approval of SPR11-03 and sustaining the appeal and modification of conditions of approval.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve a resolution sustaining the appeal and modification of conditions.

Submitted by: James E. McRea
(Rev. 6/12/09)

Action Date: October 5, 2011

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RESOLUTION NO. 11-XX

A RESOLUTION OF THE RIDGECREST CITY COUNCIL AFFIRMING THE APPEAL OF CONDITIONS AS SPECIFIED IN PLANNING COMMISSION RESOLUTION 11-09, DELETING SECTION 3; CONDITIONS 1(a)(IV) and 2 IN THE APPROVAL OF SPR 11-03.

WHEREAS, The City of Ridgecrest and the Planning Commission at the conclusion of a duly noticed Public Hearings adopted approval of SPR 11-03 as conditioned,

WHEREAS, the appeal of specific conditions was sustained and the conditions modified to delete Section 3: 1(a)(iv) and 2 of PC Resolution 11-09, relating to street and drainage improvements by the City Council of the City of Ridgecrest pursuant to the determination and appeal of Section 20-22.6.

NOW THEREFORE, BE IT RESOLVED that the Ridgecrest City Council sustained the appeal by the owner at the regular meeting of September 7, 2011 for SPR 11-03 and that action is confirmed by this Resolution and Section 3; 1(a)(iv) and 2 are deleted from the conditions of approval of PC Resolution 11-09.

APPROVED AND ADOPTED this 5th day of October, 2011 by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT: Request for authorization to enter into a Memorandum of Understanding (MOU) with Penfield and Smith on College Heights Boulevard Phase II, Roadway Improvement Project and to authorize the City Manager to sign the document.

PRESENTED BY: Dennis Speer, Public Works Director

SUMMARY:

Professional services were necessary in connection with the College Heights Boulevard Project Phase II and the costs of the services exceeded the budget amount for construction management and inspection. Penfield and Smith performed services in excess of the budgeted amount and are seeking reimbursement by Caltrans.

The reimbursement process by Caltrans requires that a "Finance Letter" be submitted with explanation of the extra costs, as well as cancelled check(s) showing payment to Penfield and Smith for services rendered. The City would agree to pay Penfield and Smith for the extra work performed on the project specifically for invoices 105879, 105880, and 105881 totaling \$35,339.45.

In the event that Caltrans does not reimburse the City for the \$35,339.45, Penfield and Smith has provided a Letter of Credit to reimburse the City up to the total cited.

FISCAL IMPACT:

Temporary payment in the amount of \$35,339.45 to be reimbursed by Caltrans

Reviewed by Finance Director

ACTION REQUESTED:

Authorize entering into a Memorandum of Understanding with Penfield and Smith on the College Heights Boulevard Phase II, Roadway Improvement Project, and authorize the City Manager to sign the document.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action As Requested: Approve A Resolution Authorizing A Memorandum Of Understanding Between The City Of Ridgecrest And Penfield And Smith On The College Heights Boulevard Phase II, Roadway Improvement Project, And Authorizing The City Manager To Sign The Agreement

Submitted by: Dennis Speer

Action Date: October 5, 2011

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RESOLUTION NO. 11-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST ENTERING INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH PENFIELD AND SMITH ON COLLEGE HEIGHTS BOULEVARD PHASE II, ROADWAY IMPROVEMENT PROJECT AND TO AUTHORIZING THE CITY MANAGER TO SIGN THE DOCUMENT

WHEREAS, Professional services were necessary in connection with the College Heights Boulevard Project Phase II and the costs of the services exceeded the budget amount for construction management and inspection, and

WHEREAS, Penfield and Smith performed services in excess of the budgeted amount and are seeking reimbursement from Caltrans, and

WHEREAS, Caltrans requires that a "Finance Letter" be submitted with explanation of the extra costs, as well as cancelled check(s) showing payment to Penfield and Smith for services rendered, and

WHEREAS, The City would agree to pay Penfield and Smith for the extra work performed on the project specifically for invoices 105879,105880, and 105881 totaling \$35,339.45, and

WHEREAS, In the event that Caltrans does not reimburse the City for the \$35,339.45, Penfield and Smith has provided a Letter of Credit to reimburse the City up to the total of \$35,339.45.

NOW THEREFORE, be it resolved, The City Council Of The City Of Ridgecrest Requests Authorizes Entering Into A Memorandum Of Understanding With Penfield And Smith On College Heights Boulevard Phase II, Roadway Improvement Project And Authorizes The City Manager To Sign The Memorandum of Understanding.

APPROVED AND ADOPTED this 5th day of October 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC, City Clerk

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MEMORANDUM OF UNDERSTANDING

Between

PENFIELD & SMITH, ENGINEERS, INC.
and
THE CITY OF RIDGECREST, CALIFORNIA

Subject: College Heights Blvd Phase II Improvements – Professional Services Fees

Professional services necessary in connection with the College Heights Blvd Phase II Improvements ESPL – 5385 (0338) project for project/construction management and inspection exceeded the budget amount approved by Purchase Order 006549. Penfield & Smith has agreed to perform services in excess of the budgeted amount, pending reimbursement of the excess amount by Caltrans to the City and/or issuance of a credit for such services by Bowman Asphalt Inc.

Reimbursement by Caltrans requires that a revised "Finance Letter" be submitted with explanation of the extra costs, as well as cancelled check(s) showing payment to Penfield & Smith for services rendered.

The City of Ridgecrest agrees to pay Penfield & Smith for extra work performed on the subject project according to its May 19, 2010 Consultant Agreement with Penfield & Smith. Specifically, P&S Invoices 105879, 105880, and 105581 totaling \$35,339.45 will be paid to Penfield & Smith by October 19, 2011.

In the event that Caltrans does not reimburse The City of Ridgecrest, and no credit is received from Bowman Asphalt, Penfield & Smith has provided the attached Letter of Credit to reimburse the City of Ridgecrest up to the total cited above.

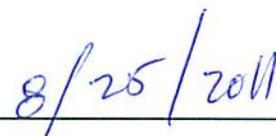
Agreed:

City Manager
City of Ridgecrest



Hady Izadpanah, P.E.
President
Penfield & Smith Engineers, Inc.

Date:



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IRREVOCABLE STANDBY LETTER OF CREDIT

Letter of Credit Number: L11-192-02

Date of issuance: July 15, 2011

Expiry Date: December 31, 2011

Beneficiary: City of Ridgecrest
100 West California Avenue
Ridgecrest, CA 93555

Applicant: Penfield & Smith Engineers, Inc.
P.O. Box 98
Santa Barbara, CA 93102

Dear Sirs or Madam,

We hereby establish our Irrevocable Standby Letter of Credit No. L11-192-02 (the "Letter of Credit") in your favor, for the account of Penfield & Smith Engineers, Inc. up to the aggregate amount of thirty five thousand three hundred thirty nine U.S. dollars and forty five cents (\$35,339.45).

The aggregate amount of this Letter of Credit is available by presentation of your draft(s) drawn on us, at sight and duly endorsed, accompanied by the following:

The original of this Irrevocable Standby Letter of Credit and any amendments; and

A letter of certification signed by a representative of Beneficiary stating that such monies are due and owing to Beneficiary and certifying that reimbursement by Caltrans of fees for professional service paid by the City of Ridgecrest to Penfield & Smith Engineers, Inc. in an amount not to exceed the amount cited above have been requested and denied in writing by Caltrans. Such letter shall further state that the amount(s) drafted have not been credited to the City of Ridgecrest by Bowman Asphalt, Inc.

Other Conditions:

Partial drawings are allowed. Upon a partial drawing, the balance available shall be reduced accordingly.

This Letter of Credit shall not be renewable beyond its final expiration date of December 31, 2011.

All Draft(s) so drawn must bear the clause, "Drawn under Montecito Bank & Trust Irrevocable Standby Letter of Credit No. L11-192-02 dated July 15, 2011.

We hereby engage with you that draft(s) so drawn shall be duly honored upon presentation if drawn and negotiated in compliance with the terms hereof.

Bank's Initials 

Irrevocable Standby Letter of Credit #L11-192-02
Applicant: Penfield & Smith Engineers, Inc.

Except so far as otherwise expressly stated herein, this Letter of Credit is subject to the International Standby Practices, 1998 Edition ("ISP98") International Chamber of Commerce Publication No. 590. With respect to matters not covered by the ISP98, this Letter of Credit shall be governed by the Uniform Commercial Code.

MONTECITO BANK & TRUST

By: _____



Michael J. Floyd
Senior Vice President-Chief Credit Officer
Credit Administration

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CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT:

Approval of the expenditure of Proposition 1B Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) funds for the construction of a transit transfer station in Inyokern (\$300,000) and a bus garage to be built at the City Corporation Yard (\$830,000).

PRESENTED BY:

Dennis Speer, Director of Public Works

SUMMARY:

On August 17, 2011 the City Council approved two proposed transit projects. The first was for a transit transfer station in Inyokern (\$300K). The second was for a bus garage to be built at the City Corporation Yard (\$830K). The resolution approving these projects was forwarded to the Kern Council of Governments (KCOG). At a regular meeting held on September 15, 2011, KCOG approved these projects. The State now requires a resolution from the City Council that specifically states that the City Council "approves the expenditure of PROPOSITION 1B Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) funds for the construction of a transit transfer station in Inyo-Kern (\$300,000) and a bus garage to be built at the City Corporation Yard (\$830,000)".

The attached resolution provides the required language.

Staff recommends that the City Council approve the resolution that authorizes the expenditure of PROPOSITION 1B Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) funds for the construction of the proposed transit projects.

FISCAL IMPACT: None

Reviewed by Finance Director

ACTION REQUESTED:

Approve the resolution that authorizes the expenditure of PROPOSITION 1B Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) funds for the construction of the proposed transit projects.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve a resolution authorizing the expenditure of Proposition 1B funds in the amounts of \$300,000 for a Transit Transfer Station in Inyokern and \$830,000 for the construction of a Bus garage at the City Corporation Yard.

Submitted by: Dennis Speer
(Rev. 6/12/09)

Action Date: October 5, 2011

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RESOLUTION NO. 11-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING THE EXPENDITURE OF PROPOSITION 1B PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA) FUNDS FOR THE CONSTRUCTION OF A TRANSIT TRANSFER STATION IN INYOKERN (\$300,000) AND A BUS GARAGE TO BE BUILT AT THE CITY CORPORATION YARD (\$830,000).

WHEREAS, the State of California advised the Kern Council of Governments that \$ 7.2 million in PTMISEA funds must be encumbered in the region by mid September, and

WHEREAS, these funds will leave the region if not encumbered, and

WHEREAS, the Kern Council of Governments issued a call for projects, and

WHEREAS, the City of Ridgecrest identified two eligible projects, and

WHEREAS, the first project is for a transit transfer station in Inyokern (\$300,000), and

WHEREAS, the second project is for a bus garage to be built at the City Corporation Yard (\$830,000), and

WHEREAS, the Kern Council of Governments accepted and approved these projects at its September 15, 2011 meeting, and

WHEREAS, the State of California requires the approval of the expenditure of PROPOSITION 1B (PTMISEA) funds for these projects by City Council resolution.

NOW THEREFORE, be it resolved that the City Council of the City of Ridgecrest hereby approves the expenditure of PROPOSITION 1B (PTMISEA) funds for the construction of a transit transfer station in Inyokern (\$300,000) and a bus garage to be built at the City Corporation Yard (\$830,000).

APPROVED AND ADOPTED this 5th day of October by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

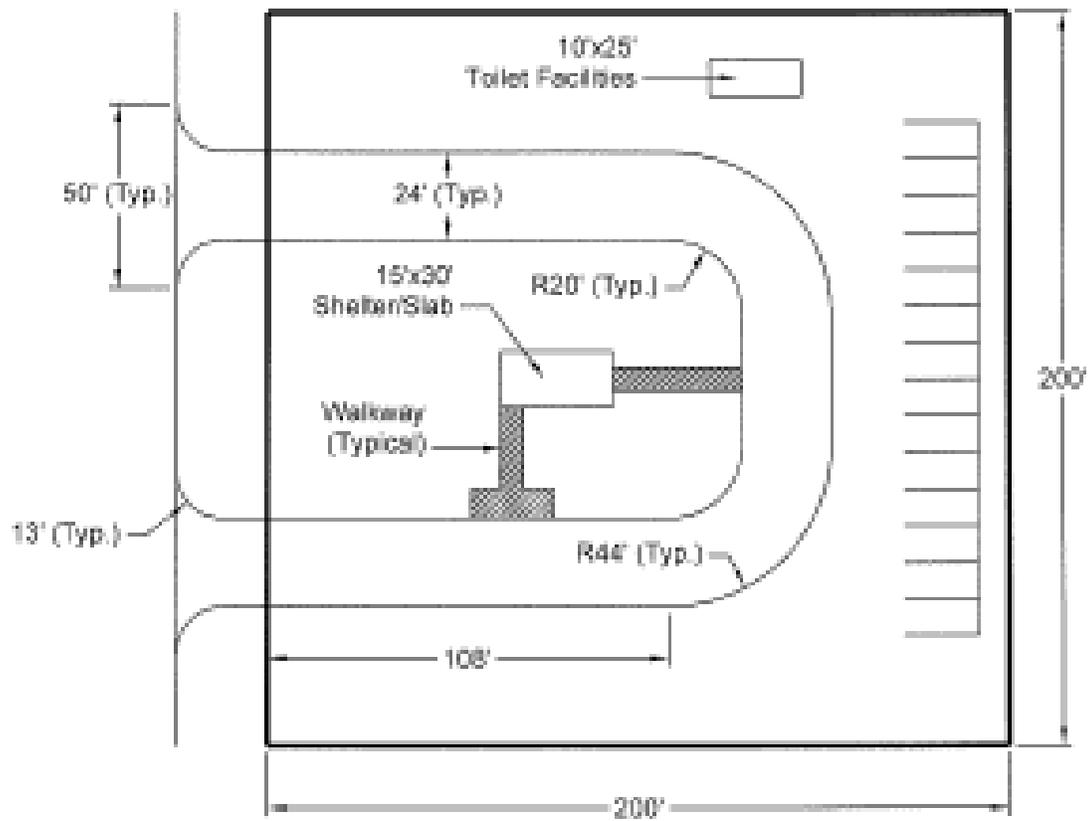
Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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RIDGECREST TRANSIT TRANSFER STATION AT INYOKERN



Scale: 1" = 50'

Transit Transfer Station - RTS (COR) @ I/K

Cost Summary

<u>Item</u>	<u>Description</u>	<u>Amount</u>
1	Land	10,000
2	Grading	10,000
3	Paving	37,500
4	Curbs	12,000
5	Concrete Flatwork	5,500
6	Shelter	40,000
7	Electrical/Lighting	15,000
8	S &W	20,000
9	Restrooms ?	40,000
10	LS ?	10,000
	Subtotal	<hr/> \$200,000
	Design	20,000
	CM	30,000
	Contingencies	50,000
	Total	<hr/> \$300,000

Bus Garage



Bus Garage

ACCT #	DESCRIPTION OF WORK	BID AMOUNT
	BASE CONTRACT:	
210	Architect	EXCLUDE D
230	Surveying/Grading Plan	EXCLUDE D
235	Site Plan Review	EXCLUDE D
245	Soils Report	EXCLUDE D
260	Building Permits	EXCLUDE D
265	Traffic Impact Fees	EXCLUDE D
270	Structual Engineering	EXCLUDE D
285	Demolition	EXCLUDE D
315	Asphalt	EXCLUDE D
325	Earthwork	EXCLUDE D
335	Underground Utilities	30,000.00
345	Sewer	30,000.00
355	Masonry/Trash Enclosure	EXCLUDE D
365	Shop Equipment/ lifts,jacks,oil dispensers	100,000.00
375	Fencing	EXCLUDE D
410	Plumbing	35,628.00
420	Concrete	126,900.00
	Seal Concrete Floor	
	SITE CONCRETE	
425	Metal Building	169,571.00
433	Anchor Bolts/Torque Tests	2,500.00
435	Erection	120,000.00
460	Metal Building Insulation	included
470	Metal Studs & Drywall	32,760.00
480	Roll Doors	included
515	Electrical	EXCLUDE D
520	Fire Alarm System	EXCLUDE

			D
523	Fire Sprinklers		EXCLUDE D
525	Underground Fire Water Supply		EXCLUDE D
527	Fire Hydrants		EXCLUDE D
529	Fire Extinguishers		EXCLUDE D
530	HVAC		17,500.00
540	Ceiling/T-Bar		EXCLUDE D
550	Doors/Jambs/Hardware		4,800.00
570	Painting		3,150.00
610	Wall/Ceiling Insulation		EXCLUDE D
615	Toilet Accessories		3,500.00
620	FRP		3,300.00
630	Toilet Partitions		EXCLUDE D
635	Handicap Hardware		INCLUDED
645	Cabinets/Installation		EXCLUDE D
660	Carpet/Flooring		EXCLUDE D
675	Ceramic Tile		EXCLUDE D
690	Lockers		EXCLUDE D
790	Construction Clean-Up		13,592.18
795	Supervision		33,980.45
796	Liability Insurance		2,718.44
797	Overhead		58,392.01
798	Profit		40,144.50
	Allowance Material/Labor		
	BASE CONTRACT:		828,436.57
	NOTE: EXCLUDED ARE ANY DISCIPLINES NOT INCLUDED ABOVE		
	GENERAL REQUIREMENTS DETAILED:		
	Temporary Fencing		
	Portable Restrooms		
	Water Service/Drinking Water		
	Temporary Power		
	Temporary Utilites		
	Construction Trailer		
	Other		
	Other		

		Other	
			0.00
	GENERALLY EXCLUDED ITEMS		
		Compaction Testing	
		Sewer Tie-in From Building	
		Cal Water Connection Fee	
		PG&E Trans/Pad/Connect Fee	
	COSTS COMMONLY PAID PRIOR TO CONTRACT:		
210		Architect	
230		Surveying/Grading Plan	
235		Site Plan Review	
245		Soils Report	
260		Building Permits	
265		Traffic Impact Fees	
425		Metal Building/Deposit	
		OTHER	0.00
TOTAL			828,436.57

NOTE
:

Contract amount excludes any items not specifically listed in contract.

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CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT:

Request for approval of Program Supplement Agreement No.027-N to the Administering Agency-State (State California Department Of Transportation) Agreement NO 09-5385R for the design of a traffic signal project at the intersection of South China Lake Boulevard and Upjohn Avenue and to authorize the City Manager to sign the agreement.

PRESENTED BY:

Dennis Speer, Director Public Works

SUMMARY:

The Program Supplement Agreement is for the design of the Traffic Signal project at the intersection of South China Lake Boulevard and Upjohn Avenue. The total estimated cost of this preliminary engineering work is \$35,000.00. The funding source for this project is the Highway Safety Improvement Program.

The local match is \$3,500.00 and will be funded out of the TAB project fund approved by previous City Council Resolution 11-49.

The State requires that one person in the local agency be designated to sign the agreements with the State. The City's Master Agreement with the State stipulates the City Manager as the designated person.

FISCAL IMPACT:

\$3,500.00

Reviewed by Finance Director

ACTION REQUESTED:

Approval of Program Supplement Agreement No. 027N and to authorize the City Manager to sign the agreement(s).

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve the resolution approving Program Supplement Agreement No. 027N and authorizing the City Manager to sign the agreement(s)

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RESOLUTION NO. 11-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING PROGRAM SUPPLEMENT AGREEMENT NO. 027-N TO THE ADMINISTERING AGENCY-STATE (STATE CALIFORNIA DEPARTMENT OF TRANSPORTATION) AGREEMENT NO 09-5385R FOR THE DESIGN OF TRAFFIC SIGNAL PROJECT AT THE INTERSECTION OF SOUTH CHINA LAKE BOULEVARD AND UPJOHN AVENUE AND AUTHORIZING THE CITY MANAGER TO SIGN THE AGREEMENT

WHEREAS, the City of Ridgecrest is eligible to receive Federal and/or State funding for certain transportation projects, through the California Department of Transportation, and

WHEREAS, Program Supplemental Agreements need to be executed with the California Department of Transportation before such funds can be claimed, and

WHEREAS, this is a traffic signalization project at intersection of South China Lake Boulevard and Upjohn Avenue; and

WHEREAS, the total estimated cost of this preliminary engineering work is \$35,000.00 and the funding source being the Highway Safety Improvement Program, and

WHEREAS, matching funds in the amount of \$3,500.00 is coming from funding source TAB project funds per City Council Resolution 11-49, and

WHEREAS, the State requires that one person in the local agency be designated to sign the agreements with the State, and

WHEREAS, The City's Master Agreement with the State stipulates the City Manager as the designated person, and

NOW THEREFORE, be it resolved that the City Council approves Program Supplement Agreement No. 027-N to the Administering Agency-State (State California Department Of Transportation) Agreement No 09-5385R for the design of traffic signal project at the intersection of South China Lake Boulevard and Upjohn Avenue and authorizes the City Manager to execute the Program Supplemental Agreement with the California Department of Transportation.

APPROVED AND ADOPTED this 5th day of October 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

PROGRAM SUPPLEMENT NO. N027
 to
 ADMINISTERING AGENCY-STATE AGREEMENT
 FOR FEDERAL-AID PROJECTS NO 09-5385

Adv Project ID Date: August 31, 2011
 0900020111 Location: 09-KER-0-RGCR
 Project Number: HSIPL-5385(042)
 E.A. Number:
 Locode: 5385

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 02/02/07 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. _____ approved by the Administering Agency on _____ (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION:
 Intersection of South China Lake Boulevard and Upjohn Avenue

TYPE OF WORK: New traffic signals, interconnect communication cable, and ADA curb ramps **LENGTH:** 0.1(MILES)

Estimated Cost	Federal Funds		Matching Funds	
	LS3E		LOCAL	OTHER
\$35,000.00		\$31,500.00	\$3,500.00	\$0.00

CITY OF RIDGECREST	STATE OF CALIFORNIA
	Department of Transportation
By _____	By _____
Title _____	Chief, Office of Project Implementation
Date _____	Division of Local Assistance
Attest _____	Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:
 Accounting Officer Manuella Rie Date 8/31/11 \$31,500.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

SPECIAL COVENANTS OR REMARKS

1. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.
2. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).
3. In the event that right of way acquisition for or construction of this project of the initial federal authorization for preliminary engineering is not started by the close of the tenth fiscal year following the fiscal year in which the project is authorized, the ADMINISTERING AGENCY shall repay the Federal Highway Administration through Caltrans the sum of Federal funds paid under the terms of this agreement.
4. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumbrances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

5. The Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its

SPECIAL COVENANTS OR REMARKS

DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

6. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Excluded Parties List System (EPLS).
7. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

8. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

Failure to do so will cause a delay in the State processing invoices for the construction phase. Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

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CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT:

Resolution approving amendments to the Compensation Plan for members of the Confidential group of employees

PRESENTED BY:

Kurt Wilson – City Manager

SUMMARY:

This Resolution amends the Compensation Plan for members of the Confidential employees, an unrepresented group of employees whose primary responsibilities include confidential functions for payroll and finance.

This Compensation Plan is a result of conversations and dialogue with affected members and takes into account the current economic condition of the City.

FISCAL IMPACT:

Funds Are Appropriated In The Approved FY12 Budget

Reviewed by Administrative Services Director

ACTION REQUESTED:

Approve Resolution Adopting A Compensation Plan For Members Of The Confidential Group Of Employees.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve A Resolution Authorizing A Compensation Plan For Members Of The Confidential Group Of Employees

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RESOLUTION NO. 11-XX

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
APPROVING BY REFERENCE AND AUTHORIZING
EXECUTION OF A COMPENSATION PLAN WITH THE
CONFIDENTIAL GROUP OF EMPLOYEES**

The City Council of the City of Ridgecrest, California, hereby approves by reference and authorizes the City Manager to execute the Compensation Plan between the City of Ridgecrest and the Confidential Group of Employees for the term July 1, 2011 through June 30, 2012 and will become effective July 1, 2011.

APPROVED AND ADOPTED this 5th day of October 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT:

Resolution approving a Compensation Plan with members of the Mid-Management group of employees

PRESENTED BY:

Kurt Wilson – City Manager

SUMMARY:

This Resolution amends the Compensation Plan for members of the Mid-Management group, an unrepresented group of employees whose primary responsibilities include direct line supervisory and/or special exempt professional positions.

This Compensation Plan is a result of conversations and dialogue with the members and takes into account the current economic condition of the City.

FISCAL IMPACT:

Funds Are Appropriated In The Approved FY12 Budget

Reviewed by Administrative Services Director

ACTION REQUESTED:

Approve Resolution Authorizing A Compensation Plan For Members Of The Mid-Management Group Of Employees.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve Resolution Authorizing A Compensation Plan For Members Of The Mid-Management Group Of Employees.

Submitted by: Kurt Wilson
(Rev. 2-14-07)

Action Date: October 5, 2011

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RESOLUTION NO. 11-XX

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
APPROVING BY REFERENCE AND AUTHORIZING
EXECUTION OF A COMPENSATION WITH THE MID-
MANAGEMENT GROUP OF EMPLOYEES**

The City Council of the City of Ridgecrest, California, hereby approves by reference and authorizes the City Manager to execute the Compensation Plan between the City of Ridgecrest and the Mid-Management Group of Employees for the term July 1, 2011 through June 30, 2012 and will become effective July 1, 2011.

APPROVED AND ADOPTED this 5th day of October 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT: A Resolution Of The Ridgecrest City Council Announcing Proclamations Prepared For The Month Of October

PRESENTED BY:
Rachel J. Ford, City Clerk

SUMMARY:

The Ridgecrest City Council receives requests for presentation of ceremonial proclamations for various events and observations. The resolution lists proclamations that have been processed and will be presented to requesting organization.

1. Energy Awareness Month – October 2011

TO BE PRESENTED TO KERN COUNCIL OF GOVERNMENTS UPON ADOPTION OF THIS RESOLUTION.

FISCAL IMPACT: None
None

Reviewed by Finance Director

ACTION REQUESTED:

Adopt resolution authorizing a proclamation for Energy Awareness Month for October 2011

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve the resolution as presented to Council

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RESOLUTION NO. 11-XX

**A RESOLUTION OF THE RIDGECREST CITY COUNCIL
ANNOUNCING PROCLAMATIONS PREPARED FOR THE
MONTH OF OCTOBER 2011**

The Ridgecrest City Council receives requests for presentation of ceremonial proclamations for various events and observations. The following proclamation has been processed and will be presented to Kern Council of Governments upon adoption of this resolution:

Proclamation Title

1. *Energy Awareness Month – October 2011*

APPROVED AND ADOPTED this 5th day of October, 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, CMC
City Clerk

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A Proclamation of The City Of Ridgecrest, California

Energy Awareness Month

WHEREAS, Ridgecrest is an active member of the Kern Energy Watch Partnership, which is a partnership between local governments in Kern County, Pacific Gas & Electric Company, Southern California Edison Company, Southern California Gas Company, Kern Economic Development Corporation, and Kern Council of Governments; and

WHEREAS, citizens and businesses spend substantial amounts of money and resources for energy and it makes economic sense and good public policy to encourage energy awareness in Ridgecrest; and

WHEREAS, asking individuals to take five minutes to review their daily routine to conserve energy, empower others to take action, and join together to save energy and money; and

WHEREAS, energy efficiency programs enhance our environment by improving air quality, reducing greenhouse gases and other pollutants, and conserving natural resources; and

WHEREAS, Kern Energy Watch promotes energy efficiency with Take 5 for Energy Conservation! Posters, Save Energy Stickers, and Success Stories; and

WHEREAS, October 3rd-7th, 2011 will be celebrated as Rideshare Week, promoting saving energy in the transportation sector by encouraging people to ride their bikes, carpool, vanpool, ride the bus, or walk; and

WHEREAS, Energy efficiency improvements can be realized through wise energy attitudes, behaviors, and organizational decisions; and

WHEREAS, the 2011 Energy Awareness Month theme is Turn Words into Action; Turn Action into Results.

Now, therefore, be it proclaimed:

The City Council of the City of Ridgecrest does hereby proclaim the month of October 2011 to be Energy Awareness Month to be celebrated by the City of Ridgecrest, its employees, residents of all ages, and businesses throughout the community.

Proclaimed October 5, 2011


Ronald H. Carter, Mayor


Marshall "Chip" Holloway
Mayor Pro Tem


Jerry D. Taylor
Vice Mayor


Steven P. Morgan
Council Member


Jason Patin
Council Member

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CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA ITEM

SUBJECT: Minutes of the Regular City Council/Redevelopment Agency Meeting of August 17, 2011
PRESENTED BY: Rachel J. Ford, City Clerk
SUMMARY: Draft minutes of the Regular Council/Redevelopment Agency Meeting of August 17, 2011
FISCAL IMPACT: None Reviewed by Finance Director:
ACTION REQUESTED: Approve minutes
CITY MANAGER 'S RECOMMENDATION: Action as requested:

Submitted by: Rachel J. Ford
(Rev. 6-12-09)

Action Date: September 7, 2011

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**MINUTES OF THE REGULAR MEETING OF THE
RIDGECREST CITY COUNCIL AND
RIDGECREST REDEVELOPMENT AGENCY**

**City Council Chambers
100 West California Avenue
Ridgecrest, California 93555**

**August 17, 2011
5:30 p.m.**

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by City Council/Redevelopment Agency. Meetings are recorded solely for the purpose of preparation of minutes.

Pursuant To California Government Code 54953 (B) (1) An Additional Call In Location Has Been Established For A Council Member Who Will Attend This Meeting Via Teleconference At County Inn (Lobby), 44941 Worth Avenue, California MD 20619

CALL TO ORDER – 5:30 p.m.

ROLL CALL

PRESENT: Mayor Ronald H. Carter; Mayor Pro-Tem Marshall ‘Chip’ Holloway; Vice Mayor Jerry D. Taylor; and Council Member Jason Patin

ABSENT: Council Member Steven P. Morgan

STAFF: Kurt Wilson City Manager; Rachel J. Ford, City Clerk; Keith Lemieux, City Attorney and other personnel

APPROVAL OF AGENDA

Motion To Approve Agenda Made By Council Member Holloway, Second By Council Member Patin. Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

PUBLIC COMMENT – CLOSED SESSION

- None presented

CLOSED SESSION – 5:30 p.m.

GC54956.9 (A) Conference With Legal Counsel; Existing Litigation; City Of Ridgecrest V. Benz Sanitation, Inc.

MINUTES – CITY OF RIDGECREST – CITY COUNCIL/REDEVELOPMENT AGENCY – REGULAR

August 17, 2011

Page 2 of 17

GC54956.9 (B) Conference With Legal Counsel, Potential Litigation – Public Disclosure Of Potential Litigant Would Prejudice The City Of Ridgecrest

GC54957.6 Labor Negotiations – United Food and Commercial Workers Local 8 (UFCW); Police Employee Association of Ridgecrest (PEAR); Mid-Management Group of Employees (MM); Confidential Group of Employees (CO); Management Group of Employees (MG) – Agency Negotiator City Manager Kurt Wilson

REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

CITY ATTORNEY REPORTS

- Closed Session
 - Benz matter – received report – no action taken
 - Did not meet on other litigation matter.
 - Met on negotiations – received report – no action taken
- Other
 - Benz litigation matter – hearing last week, issue was attempt by Benz to get arbitrator to agree they had a right to continue trash service after September 2. Arbitrators order confirmed that service ends September 2.

PUBLIC COMMENT

- Mike Neel – regarding latest news regarding city providing documents. Gave timelines listed in newspaper articles. Statements regarding attorney fees and continued stalling by the City.

Mayor carter acknowledged the presence of Boy Scout Troop 838.

CONSENT CALENDAR

1. Approve A Resolution Of The Ridgecrest City Council Authorizing The City Manager To Enter Into Memorandum Of Agreement With Sierra Sands Unified School District For Law Enforcement Services (School Resource Officer Program) Strand
2. Approve A Resolution Of The City Council Of The City Of Ridgecrest Approving The Final Balancing Change Order In Contract Price In The Amount Of \$500,351.89; And Authorizing The City Manager To Sign The Notice Of Completion; The City Clerk To File The Notice Of Completion; The Finance Director To Transfer Funds And City Staff To Release

Retention On The College Heights Boulevard Phase I South China Lake Boulevard To Dolphin Avenue Speer

3. **Approve A Resolution Of The City Council Of The City Of Ridgcrest Approving The Final Balancing For Change Order For Contract Price In The Amount Of \$312,354.39; And Authorizing The City Manager To Sign The Notice Of Completion; The City Clerk To File The Notice Of Completion; And City Staff To Release Retention On The College Heights Boulevard Phase II Dolphin To Franklin** Speer
4. **Approve A Request For Authorization To Enter Into A Warranty Agreement For Pavement Repairs On College Heights Boulevard Phase I & II, Roadway Improvements Project With Bowman Asphalt, Inc And To Authorize The City Manager, To Sign The Agreement** Speer
5. **Approve A Resolution Of The Ridgcrest City Council To Grant A Designated Period For Two Years Additional Service Credit (Golden Handshake) For The Eligible Local Miscellaneous Member** Staheli
6. **Approve A Resolution Of The Ridgcrest City Council Declaring And Certifying The Redevelopment Agency Enforceable Obligation Statement** Staheli
7. **Approve Minutes Of The Regular City Council/Redevelopment Agency Meeting Of July 20, 2011** Ford
8. **Approve Minutes Of The Regular City Council/Redevelopment Agency Meeting Of August 3, 2011** Ford

Items pulled: 2, 3, 4, & 6

- Jerry Taylor – Asked if percentage listed on item 5 applied to all employees.
 - Tyrell Staheli - yes

Motion To Approve The Consent Calendar With Exception Of Items 2, 3 4, And 6 Was Made By Council Member Patin, Second By Council Member Holloway. Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

Item 4 discussion:

- Jason Patin – Asked about the warranty for repairs to project?
 - Dennis Speer – responded this item is to award the remedial work done.
- Chip Holloway – asked if a 2 year warranty was enough?
 - Dennis Speer – confirmed that this warranty is in addition to normal requirements.
- Jason Patin – Asked if staff was comfortable that the integrity of street was ok?

- Dennis Speer – explained that there had been major issues along the joints and work has been done and the street is now in compliance.

Item 6 discussion

- Chip Holloway – Asked if the document for enforceable obligations is a full listing of all City obligations.
 - Tyrell Staheli – Stated the document lays out all enforceable obligations pursuant to AB 1x26 and lays out any obligations we have under contract. Due to state by august 28 and must stick to this for payments but may be amended.
 - Kurt Wilson – Added that the State is poising to take over and these are contractual obligations and must be paid. If state takes our money they have to leave this amount.

Motion To Approve Items 2, 3, 4, & 6 Made By Council Member Holloway, Second By Council Member Patin. Motion Carried By Roll-Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, And 1 Absent (Council Member Morgan).

DISCUSSION AND OTHER ACTION ITEMS

9. Approve A Resolution Of The Ridgecrest City Council Designating Voting Delegate And Alternates For The League Of California Cities Annual Conference Wilson

- Kurt Wilson – gave staff report
- Ron Carter – recommend Chip as an officer of the league
- Marshall 'Chip' Holloway is selected as League of California Cities delegate, alternates to be Ron Carter and Jerry Taylor.

Public Comment – item 9

- None presented

Motion To Approve A Resolution Designating A Voting Delegate And Alternates For The League Of California Cities Annual Conference Made By Council Member Patin, Second By Council Member Holloway. Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

10. Approve A Resolution Of The City Council Of The City Of Ridgecrest Approving The Proposed Public Transportation Modernization, Improvement And Service Enhancement Account (PTMISEA) Transit Projects Speer

- Dennis Speer – gave staff report
- Chip Holloway – any match?
 - Dennis Speer – no match

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- Jerry Taylor – asked what is currently being done for transfer; where will the new transfer be located; if this proposal was only a concept subject to change; are there any environmental issues; if the garage building shown in the packet was the projected size and would it accommodate the new buses; what were the plans for the current garage structure and could it be used for Parks and Recreation equipment?
 - Dennis Speer – responded that with regard to the current transfer station there is an agreement with an Inyokern gas station but the new project proposed includes land acquisition as small as a single acre. With respect to the proposed garage building, the information provided in the packet was directly from a vendor and is an example of what the building would look like and would be large enough to house the larger buses for the deviated fixed route system. The current facility could be available for use by other departments or agencies.
- Chip Holloway – inquired if land could be leased rather than purchased and Dennis responded that a long-term lease may satisfy the requirements of the project but not clear on the details as yet. the State emphasis is to put together a list for funding with the highest priority going to regional issues.
- Jason Patin – expressed concern about building on leased land.
- Jerry Taylor – inquired if the transfer station would be ranked higher than the garage and Dennis stated that it had been implied by the State that projects benefiting the region would take precedence.
- Chip Holloway – asked if the current agreement cost us anything and Dennis reaffirmed that there would be no cost to the City.
- Jerry Taylor – Stated that he would like a motion indicating to the State that the garage would be ranked as first in order of importance
- Dennis Speer – assured Council that the following Wednesday each agency would present their projects to Kern COG. Starla Shaver, in order to complete application, contacted state and they agreed with Mr. Taylor having the garage was of major significance. Our buses provide passengers to multiple counties and the state representative sent an email that says the garage project if submitted to the state with a letter of support from Kern COG, would be approved.

PUBLIC COMMENT

- No member of the public presented comment.

Motion To Approve A Resolution Approving The Proposed Public Transportation Modernization Improvement And Service Enhancement Account (PTMISEA) Transit

Projects Made By Council Member Patin, Second By Council Member Holloway. Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

11. Approve A Minute Motion for Implementation Of Certain Tax Allocation Refunding Bonds Series 2010 (TAB) Projects Relating To The Old Town Enhancement Program By The Ridgcrest Redevelopment Agency/City Council/Financing Authority **McRea**

- Jim McRea – gave staff report.
- Jerry Taylor – committee has been working on this and appreciate this coming to council, short term support to jump start program.
- Jason Patin – from beginning this was designed to give them a head start and later they will stand on their own. Branding is the last piece of the OTAP plan before it is done. The committee will be disbanded after the plan is done.
- Jerry Taylor – important to close this out and get the downtown district going.

PUBLIC COMMENT

- Dave Matthews – want someone to explain the difference between minute motions.
 - Jim McRea – just a motion based on the minutes of the meeting authorizing the action.

Minute Motion To Approve Payment For The Old Town Banner Poles And Brackets And Implementation Of The Old Town Wednesday Market As A City Event For 2011 Made By Council Member Holloway , Second By Council Member Patin . Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

12. Minute Motion Acknowledging A Site Plan Review (SPR 11-03) And Accepting An Appeal Of Approval By The Planning Commission By Resolution 11-09, And Scheduling A Public Hearing Thereon. SPR 11-03 Is An Application To Construct A New Office Building At The SW Corner Of N. China Lake Blvd. And Felspar Ave., APN 067-040-06 **McRea**

- Jim McRea – gave staff report recapping planning commission actions.
- Jason Patin – statement is in favor of moving forward with recommendation to hear the appeal. Serious issues with planning commission decision.
- Jerry Taylor – need to look at taking this to appeal, need to fix the regulations that tied the planning commission hands, direction to staff.
- Ron Carter – appeal set for next regular council meeting.

Minute Motion Acknowledging A Site Plan Review (SPR 11-03) And Accepting An Appeal Of Planning Commission Approval Resolution 11-09 And Scheduling A Public Hearing For The Appeal Made By Council Member Taylor, Second By Council Member Holloway Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

13. Approve A Resolution Of the Ridgecrest City Council Authorizing A Declaration of Support for the California Partnership for the Eastern Sierra Regional Broadband Consortium Holloway

- Chip Holloway – gave staff report outlining the potential funding for digital 395 projects.
- Jason Patin – encouraged support of the partnership.

Motion To Approve A Resolution Authorizing A Declaration Of Support For The California Partnership For The Eastern Sierra Regional Broadband Consortium Made By Council Member Holloway , Second By Council Member Patin . Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

14. Discussion And Presentation To Council With Regards To Federal Lobbyist Holloway/Patin

- Chip Holloway – made aware of a consortium in the community exploring the idea of a federal lobbyist. One lobbyist agreed to give a presentation to council. This is one cog that could potentially help us achieve our goals.
- Ron Carter – support concept of lobbyist but want a needs assessment and RFP but don't feel we should give any agency an advantage by allowing a presentation.
- Chip Holloway – don't think this is giving anyone an advantage, if we do an RFP then everyone will be given the opportunity to present to council.
- Jason Patin – not moving forward to make a decision, want to find out what the opportunities are and this agency is willing to give a presentation of what can be.
- Ron Carter – will allow the presentation to proceed but not in agreement with presentation.
- Jerry Taylor – understand the concerns. Ask again in the future things be more forthcoming.
- John Boylan and Steve McGinnis – gave PowerPoint presentation.
- Mayor Carter – how can we help local business and generate revenue for economy
- John Boylan – we do a lot of community involvement with education and hospitals and local businesses. Lots of opportunities available
- Ron Carter – what can you do for local businesses
- John Boylan – transportation and roads, jobs, infrastructure, all help the community
- Ron Carter – trying to generate revenue from federal government because base is large and doesn't generate property tax.
- John Boylan – recent base in another community gave property back on tax rolls for schools and other community agencies.
- Chip Holloway – we have a need that requires a champagne budget and ours is participating in the 12 step program right now. Ballpark investment?

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- John Boylan – 2 year investment would typically begin producing results. One client is state of Mississippi, each year our fee has been approved because of the worthwhile efforts. Opportunities out there and lobbyists help find them and get them. Also transparency in how much each agency is paying for lobbyist, all on the web.
- Chip Holloway – is no excess money in the federal budget.
- John Boylan – have to have someone who knows where the money is and who has strong congressional connections. Also involves creative programs and approaching the military directly.
- Chip Holloway – if we go down this road, am curious whose call would get answered first?
- John Boylan – have a team that will all work to answer all calls. Key issue when interviewing federal lobbyists for conflict of interest.
- Jason Patin – a lobbyist would help us determine our true needs and get them to an achievable strategy.
- John Boylan – our teams looks at the general plan and determines the achievable goals and then coordinates with staff so the request will be acceptable. We have understanding where there is money, what is available, and what might be possible for your organization.

PUBLIC COMMENT – ITEM 14

- Renee Westalusk – ballpark cost
- John Boylan – RFP process potential it isn't appropriate to give costs right now, based on the RFP requirements and scope of work. Fees are available at other firms on website.
- Speaker – economic development affects everyone in the community. Creating strong local economy important and chamber and other local business are here to help.
- Ron Carter – been discussing how to do a needs assessment, are we still looking at doing that.
- Speaker – absolutely
- Jason Patin – good place to start is the strategic planning session outcome.
- Mick Gleeson – had opportunities to go to DC, some navy communities do better than others and we are not a strong player in how we participate in decisions made by the navy. We have gap in how we can influence decisions. Need to be at the table when the decisions are made back east. Difficult for us to compete and lobbyist could help. This community has sacrificed as much or more for the benefit of the navy and we are not competing for a fair share of the pie. Asking we learn to compete in a fair way which lobbyist offer us that service. Visited this agencies office, close to white house and company is credible. We need to find a solution quickly.
- Jay Chun – question lobbyist, in-house capability but if we want something outside those do you have the ability to provide?

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- John Boylan – absolutely, we look at the capabilities needed and then provide them in multiple areas. we can put together a team to get the best results for our clients.
- Barbara Auld – been knocking on doors for over a year and glad to see this type of access being discussed. Thanked Chip and Jason for bringing this up. Been trying to get everyone's attention and glad to see that we are finally looking at something that can help us work to improve the local economy. Glad everybody is getting aboard. Do it.
- Gary Charlton – don't take forever to come up with the right idea, this may not be it, there may be others it is time to get things going and take action. Do something, look at this and other options now, not 6 months or a year.
- Howard Auld – Barbara and I have been trying to do this for about 3 years. Needs assessment necessary, city has all the symptoms of a dying city, like to hear the strategy of 'where's the money'. A lot of money out there just needs to find it. Latest action item is to find a public/private partnership which may give us the ability to get the money needed for Ridgecrest.
- Mike Neel – agreed with initial assessment of presentation. Would like to ask council what results did we get from last lobbyist hired out of Sacramento? Quoted Mr. Milas as lobbyist being part of the problem, think about the real numbers we face right now and the allocations of funny money being printed like drunken men. Will overinflate the economy. We lost out on BRAC, how many people moved here of the over 2000 allocated positions. We are going to go toe-to-toe with PACS and Pt. Magu? Who is going to pay for this and who is going to get the money. Citizens have to clean the medians yet we are going to pay money for a lobbyist without real expectations. Get back to basics and do what you can with what you have. Playing games with funny money, just work within our budget.
- Speaker - many people worked hard to get BRAC, many hours spent. Since then we lost the empire challenge because larger cities combined with governmental city worked with their governors to take that from us. We need that power. We did not get Indian head because others hired people to work with them. Many agencies work to get businesses away from us because we are little. Need to support a strong lobbying position with stakeholders.
- Mike Lemming – know about challenges, see many positive things happen then we regress, need to think outside the box and this is a positive step. There are other avenues we also need to explore. We used to be the 2nd largest city and are now dropping, need to change that. We love this city and have a lot of great people here and need to do what we can to bring more business to town. Willing to support these positive steps.
- Barbara Auld – agree with Cathy, worked with BRAC in '93 and '95 then others took it up from '95 to 2005. Lobbying worked effectively then, but the fallout isn't happening because we have not brought forth the continued efforts. This city did the China Lake Alliance and it was effective, but weren't loud enough to keep what we were awarded. Speaking for future generations,

- Stewart Brille – worked on air pollution control district. Took 5 to 10 years for Ridgecrest to submit any proposals and during this time Tehachapi was receiving funds.
- Jack Noyer – talked about the art of the possible. How do we relocate the Mojave ground squirrel? Think we need to pursue lobbyist alternative, council members are very articulate but can't go to Washington to do everything needed. Need to do an RFP but need to get someone good soon or we will be looking like a ghost town.

COUNCIL COMMENTS

- Ron Carter – do support lobbyist and their efforts, thank the agency for coming tonight.
- Chip Holloway – much like the median cleanup created energy in this community, this effort has created energy. There is nothing that can bring one new dollar into this community that we should not investigate. Strategic planning session we agreed to look at all areas we can to bring economy into our community. You get what you pay for. Thanked everyone for attending. Stay engaged and keep the council committed. Need to look at all angles and come together as a group and move some direction. Didn't benefit from BRAC because we disengaged after the report came out. We need to act as if a BRAC was coming every moment. Thanked the presenters.
- Jason Patin – I believe we are moving forward. This is one lobbyist, one meeting to introduce the idea. One small step. Council members explore options daily and the public doesn't see it.
- Jerry Taylor – significant challenges here, challenges I see are vacant homes and efforts to raise money without earmarks. Questions of how to do these things in a positive way with a positive impact for our community. Get the biggest bang for the buck.
- Ron Carter – thanked council for bringing this forward, public needs to stay engaged and give their input. Important that you came here tonight. It will be up to the community to keep the focus and energy going.

10 minute break

15. Approval Of An Interim Solid Waste And Recycling Franchise

Wilson

- Kurt Wilson – gave PowerPoint presentation (*on file in the City Clerk's office*) and staff report, thanked city staff for their assistance with this process, especially city attorney and consultant from HF&H. Recapped interim franchise ordinance provisions including length of no more than 120 days. Current hauler agreement expires prior to midnight of September 2 and there is a need to have an interim hauler in place to cover the needs of the community during the process of contracting a new franchise. 10-day public notice to be published and anticipate a permanent hauler by September 7. Had good conversations with the current hauler in efforts to retain them as the interim but were unable to reach an

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agreement. Explained the process taken in obtaining a permanent hauler which incorporated the interim hauler. Most documentation presented includes the long-term hauler. Outlined services that will be presented for citizens that were expressed by the citizens during various meetings prior to beginning discussions with potential haulers. Thanked the citizen evaluation panel who worked diligently to review the proposals

- Robert Hilton – described the proposals from each of the five bidders and gave overall information about each company and what each offered in commercial and residential services. Late developments offered by 3 companies is a variety of different service options for residential. Reviewed exceptions that each agency had for the contract and other options offered outside the contract at no additional charge. Rates offered by each agency were reviewed.
- Kurt Wilson – summarized the presentation. Capable haulers, substantial increase in service, substantial decrease in price.
- Rob Hilton – reviewed the interim franchise process.
- Keith Lemieux – clarified that discussion have been for permanent franchise, tonight's discussion is to focus on the interim franchise only. One proposed franchisee insisted on mandatory trash, to make it clear it is our intent to revise portions of the municipal code before issuing the permanent franchise but won't happen before the interim franchise is necessary. One revision is to make residential trash a voluntary system. Terms for interim does not include all of these functions however would be included in the permanent franchise at the same rate. Roll-out for the bins will be discussed later. Council to decide on interim franchise tonight and resolutions are available for public to see.
- Rob Hilton – gave overview of how companies typically will respond for a quick roll-out and routes at an emergency rate. In this situation there are options where that is not a requirement. Each of the two companies being considered will be given 10 minutes to discuss their options.
- Kurt Wilson – staff has made some assumptions based on the evaluation and council has the right to move in whatever direction they choose.
- Waste Management – gave PowerPoint presentation of their company. *(copy on file in the City Clerk's office)*
- Sunset Waste Systems – gave PowerPoint presentation of their company. *(copy on file in the City Clerk's office)*

COUNCIL COMMENTS – ITEM 15

- Jerry Taylor – column for pricing structure titled alternate
- Rob Hilton – responded, alternate was feedback for good ideas and the other was the RFP baseline

PUBLIC COMMENT – ITEM 15

- Renee Westalusk – asked how trash and recyclables be handled
 - Waste Management – solid waste will utilize local landfill, recyclables will go to facility in Lancaster and processed elsewhere. Long-term, if

- selected, is to take directly to sun valley facility that can process larger quantity.
- Sunset Waste Systems – local landfill via a local transfer facility that will be developed to sort recyclables then take to Fresno for processing.
- Dave Matthews – need clear picture of September logistics for conversion. Service with Benz would terminate on Friday, will I have a container the previous week to use for early week pickup? Gap in transition.
 - Kurt Wilson – overlap or gap between current and proposed hauler? Yes, there will be a gap because the current agreement with Benz will expire and then a new agreement would go into effect the next day. Staff is working to expedite the change so are looking at options such as staging during the short gap.
- Renee Westalusk – annually takes yard debris to landfill. Will I still have the privilege or does everything have to go into the bins.
 - Rob Hilton – thru agreement and municipal code, there is no prohibition for any party to self-haul their waste to another facility. It is your waste until deposited into a container.
- Renee Westalusk – notification of pickup date for residential?
 - Rob Hilton – both presenters have agreed to maintain the current service days.
- Renee Westalusk – same day pickup for recyclable and trash?
 - Rob Hilton – same day however recyclable is by-weekly
- Speaker – what happens to waste that is in recyclables?
 - Rob Hilton – disposal is the responsibility of the hauler
- Jeremy Lower – waste management employee and community resident. Look forward to opportunity to service this community. Interim transition, bound to be hiccups and company strives to take care of customer service.
- Tom Wiknich – will city drop off areas at corp. yard and landfill be continued?
 - Rob Hilton – both will operate a drop-off but locations may change.
- Tom Wiknich – county agreement?
 - Kurt Wilson – have an agreement with county and sole decision of council.
- Barbara Auld – how long is estimated gap and will we continue to have 2 carts?
 - Rob Hilton – anticipated containers delivered by September 5. Both companies have agreed to do an extensive outreach with the community and get input from the citizens on individual needs.
- Howard Auld – I don't understand everything presented here but do understand that this evening's decision is the 4 month period between Benz and the long-range franchise. Whoever is awarded the contract this evening, they are taking a real risk. Is city responsible for costs incurred for bringing all this here if they are not awarded the long-term contract?
 - Kurt Wilson – is a substantial risk and the price is higher because of the risk, both haulers have discussed the risk and are willing to take it on. City not liable for those costs.
 - Rob Hilton – difference in the contracts, sunset is taking all the risk and Waste Management offers equipment and customer list purchase option for city or long-term franchisee.

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- Howard Auld – huge logistic operation. Don't understand how it can be done. Mentioned rental properties. Admire anyone able to do this in that short amount of time.
- Stan Rajtora – liability discussed, do we know a dollar value of what these companies are taking on?
 - Rob Hilton – waste management proposed cost of cart and bins is 1.3 million dollars. Capped liability to city for acquisition of customer data at \$100,000. Investment would continue to benefit citizens because assets would remain deployed in the field.
 - Kurt Wilson – that is a cost that would be likely taken on by the permanent franchisee.
- Susan Morgan – supports waste management, is familiar with their services in other communities.

COUNCIL COMMENTS – ITEM 15

- Jason Patin – two very viable companies. Liked aspects presented by both companies. Is concerned with how long the transition will take for the citizens and both companies will be in our sights for the long-term. Ready to make a decision tonight for short-term.
- Chip Holloway – interim rate question?
 - Kurt Wilson – normally the rate for interim would be significantly higher but have reached this rate for both short and long term.
- Chip Holloway – tenant v. landlord situation?
 - Kurt Wilson – what is proposed is because we are still honoring the subscription service for short-term. Bound by municipal code until it is changed.
- Chip Holloway – on the interim basis what level of service will be available?
 - Waste Management – for residential we will consider the 96 gallon and recycling would be optional. Commercial will be maintained initially. Recycling will be by-weekly.
 - Sunset Waste Systems – residential would be provided plastic liners and collection at the street, no recycling during interim. Commercial would be at the same level of service. Long-term program would include all options offered.
- Chip Holloway – will long-term be required to purchase the carts?
 - Rob Hilton – have not concluded long-term negotiations.
- Chip Holloway – roll-out discussion and customer list. On September 2 a residents cart gets picked up do they have to call to get a new one or will they assume everyone has a cart.
 - Rob Hilton – opt-outs would be skipped and all others would receive a cart. Determinations for others would be made later.
- Chip Holloway – vacation hold? Did all agencies offer this?
 - Rob Hilton – not available during interim and if council adopts a subscription system then would not be necessary.

- Chip Holloway – a tremendous risk taking interim and hoping to get the long-term. Have to have an impeccable roll-out and any mistakes must be taken care of immediately.
- Jerry Taylor – do not take this lightly and is not easy to undertake. This is officially not a long-term contract but in many ways is making that decision tonight. In my mind we are making that decision. At this point we need to move forward, based on price, quality of service, and we can have carts rolled out in week one am willing to make a decision this evening.

Motioned To Move Forward With Interim Franchise Agreement With Waste Management And Authorizing The City Manager To Sign The Agreement Made By Council Member Patin, Second By Council Member Taylor. Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, And 0 Absent (Council Member Morgan)

ORDINANCES

16. Second Reading And Adoption, Ordinance 11-03, An Ordinance Of The City Of Ridgecrest Electing To Comply With And Participate In The Alternative Voluntary Redevelopment Program Contained In Part 1.9 Of Division 24 Of The California Health And Safety Code Lemieux

- Keith Lemieux – gave staff report and latest developments pertaining to redevelopment assembly bill 1x26 and 1x27.
- Jason Patin – under current situation of moving forward, is the 20% housing set-aside frozen?
 - Jim McRea – yes, no new contracts in any form.
- Jerry Taylor – made motion

PUBLIC COMMENT

- None presented

Motion To Waive Reading In Full And To Adopt By Title Only As An Urgency Ordinance, Ordinance No. 11-03, An Ordinance Of The City Of Ridgecrest Electing To Comply With And Participate In The Alternative Voluntary Redevelopment Program Contained In Part 1.9 Of Division 24 Of The California Health And Safety Code Made By Council Member Holloway, Second By Council Member Patin. Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

Requires A Second

Motion To Adopt, By Title Only An Urgency Ordinance, Ordinance No. 11-03, An Ordinance Of The City Of Ridgecrest Electing To Comply With And Participate In The Alternative Voluntary Redevelopment Program Contained In Part 1.9 Of Division 24 Of The California Health And Safety Code Made By Council Member Holloway,

Second By Council Member Patin. Motion Carried By Roll Call Vote Of 4 Ayes, 0 Nays, 0 Abstain, 1 Absent (Council Member Morgan)

Requires A Second

PUBLIC COMMENT

- Anna Marie Bergen's – referred to the take pride in Ridgecrest motto adopted for city birthday. Encouraged city council to take pride in Ridgecrest for our 50th birthday.
- Tom Wiknich – flag presented to city with that motto was presented by Anna Marie during her time on the council.

DEPARTMENT AND COMMITTEE REPORTS

Infrastructure Committee

Members: Steve Morgan, Jerry Taylor, Craig Porter, James Sanders

Meeting: 2nd Wednesday of the month at 5:00 p.m., Council Conference Room

Next Meeting: September 14, 2011

- Jerry Taylor – did not meet due to lack of quorum

Quality of Life

Members: Chip Holloway, Jason Patin, Craig Porter, Carter Pope

Meetings: 1st Thursday of every even month at 12:00 p.m.; Kerr-McGee Center

Next Meeting: September 1, 2011

- Chip Holloway – august 30 and 31 from 12pm-2pm

City Organization

Members: Ron Carter, Jerry Taylor, Lois Beres, Christopher LeCornu

Meeting: 3rd Tuesday of the month at 5:00 p.m.; Council Conference Room

Next meeting: September 20, 2011

- Jerry Taylor – did not meet.

Community Development Committee

Members: Steve Morgan, Jason Patin, Christopher LeCornu, James Sanders

Meetings: 1st Thursday of the month at 5:00 p.m.; Council Conference Room

Next Meeting: September 1, 2011

- Jason Patin – met and discussed two topics, housing set-aside has been tabled and Mr. Morgan wants to educate local builders. May reschedule the September meeting.

Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)

Members: Ron Carter, Chip Holloway, Ron Strand

Meetings: 2nd Monday of odd numbered months at 6:00 p.m., Kerr-McGee Center

Next Meeting: September 12, 2011

- Ron Carter – announced next meeting date

Ridgecrest Area Convention and Visitors Bureau (RACVB)

Members: Chip Holloway, Jason Patin

Meetings: 1st Wednesday of the month, 8:00 a.m.

Next meeting: September 7, 2011 and location to be announced

- Chip Holloway – announced next meeting date

OTHER COMMITTEES, BOARDS, OR COMMISSIONS

- none

CITY MANAGER/EXECUTIVE DIRECTOR REPORTS

- Kurt Wilson – pleased to pass this trash milestone and thanked city staff in every department who has worked with this. Staff has taken a beating both at front counters and telephone. Special thanks to city attorney and HF & H consultants. Next meeting may be able to present a public hearing for long-term franchise and first reading of an ordinance.

MAYOR AND COUNCIL COMMENTS

- Ron Carter – thanked community members who came forward to discuss the lobbyist. Keep coming forward and making your comments.
- Jerry Taylor – thanked the public for coming out last weekend to help with medians.
- Jason Patin – all for as many short-term meetings necessary to get the long-term hauler selected. Lobbyist comments made good points, I was elected to bring ideas to increase revenues in this community and feel this is a good start. I want to move the pots of money from Washington to Ridgecrest instead of to other cities. The presence of the base in our community brings options to Ridgecrest. Thanks to the citizen evaluation panel who reviewed the proposals, these gentlemen did a tremendous job for our community. Would like to set up some

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joint use meetings with other agencies in the city. School going back in session so watch out for the students.

- Chip Holloway – for Regina, Kennedy, Regan, and Ma and you were not welcomed in a nice way to this community during this trash thing yet you continued to work for our community. Keith was also beaten up during this process and want to thank you and Keith for the outstanding work you have done. I know you are a family man and have had to put your family back with the number of hours you have put into this issue. Staff has also suffered and they deserve a lot of credit for getting us back to this point. Cal Recycles also deserves credit for working with us in this process. The proposals on the disk that I received were so large that I really appreciated having a citizen panel to review them. Thanks to everyone who participated in the median cleanup, excited in the proposal waste management has included. With school starting, there is a large issue at the front gate of the base, please have your badge out and ready. Also no sneaking thru the turn lanes or you will be ticketed. Thanked everyone who came to give comments on the federal lobbyist. I'm more concerned with what we have missed by not having a lobbyist than what we did get. Military banners look great. John Hirschman of Springhill suites found a nugget of a loophole regarding per diem and Kevin McCarthy's office is now working on it. We are following thru and hopefully this will increase our TOT revenues by 20%.
- Ron Carter – asked community to thank Kurt and Keith for their outstanding efforts.

ADJOURNMENT at 10:00 pm

Rachel J. Ford, CMC, City Clerk

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING AUTHORITY AGENDA ITEM

SUBJECT:

Second Reading And Adoption, An Urgency Ordinance Of The City Council Of The City Of Ridgecrest Amending The Ridgecrest Municipal Code As It Relates To Curbside Service

PRESENTED BY:

Keith Lemieux – City Attorney

SUMMARY:

The City of Ridgecrest currently has in place a trash program that requires mandatory service for all residential and commercial property owners within the City. This ordinance would revise this program to only require commercial property and certain multi-family residential properties to receive mandatory trash service. Residential trash service would be made voluntary

In addition, this ordinance revises various parts of the Municipal Code to provide consistency on the subject of exclusive trash franchises. Currently the Municipal Code allows for exclusive trash franchises. We have revised the code so that this intent is more clearly expressed in other portions of the code. These changes also streamline or eliminate parts of the code that related to the mandatory residential system such as delinquency collections

Concurrently with the consideration and adoption of this ordinance, the City is considering and adopting an ordinance granting a franchise for solid waste hauling services. The City Council finds and declares that the granting of a solid waste handling franchise under the circumstances currently before the City Council is necessary to preserve the public health, safety and welfare of the City in that it is needed to continue uninterrupted trash hauling services. It is necessary for this ordinance to be adopted and to take effect before the effective date of the ordinance adopting the trash hauling franchise so that certain provisions of this ordinance become effective as to that franchise. Therefore, the City Council finds and declares that it is necessary for this ordinance to take immediate effect in order to preserve the health and welfare of the citizens of Ridgecrest

This ordinance was heard for first reading on September 7, 2011 and legal notices were published pursuant to regulations. This ordinance will be adopted by no less than a four-fifths vote of the City Council and shall be effective immediately upon its passage

FISCAL IMPACT:

No Fiscal Impact

Reviewed by Finance Director

ACTION REQUESTED:

Second reading and adoption of the proposed ordinance as an urgency ordinance of the Council

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve the following motions:

1. *Motion To Waive Reading In Full And Adopt By Title Only, Ordinance No. 11-04, An Ordinance Of The City Council Of The City Of Ridgecrest Amending The Ridgecrest Municipal Code As It Relates To Curbside Service*

Requires A Second

2. *Motion To Adopt, By Title Only, Ordinance No. 11-04, An Ordinance Of The City Council Of The City Of Ridgecrest Amending The Ridgecrest Municipal Code As It Relates To Curbside Service*

Requires A Second

Submitted by: Keith Lemieux

Action Date: October 5, 2011

(Rev. 6/12/09)

ORDINANCE NO. 11-04

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIDGECREST AMENDING THE RIDGECREST MUNICIPAL CODE AS IT RELATES TO CURBSIDE SERVICE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RIDGECREST as follows:

Section 1. Purpose.

The City of Ridgecrest currently has in place a trash program that requires mandatory service for all residential and commercial property owners within the City. The following ordinance would revise this program to only require commercial property and certain multi-family residential properties to receive mandatory trash service. Residential trash service would be made voluntary.

Section 2. Amendment.

Section 3-5.109 of the Ridgecrest Municipal Code is amended and reenacted to read as follows:

"3-5.109 Limitations.

(a) Except as provided in Section 3-5.703, any franchise granted pursuant to the provisions of this Article shall be nonexclusive.

(b) No privilege or exemption shall be granted or conferred by any franchise except as specifically prescribed in this Article.

(c) Any privilege claimed under any franchise by the grantee in any street or public property shall be subordinate to any prior lawful occupancy of the streets or public property.

(d) Time shall be of the essence of any franchise. The grantee shall not be relieved of his obligation to comply promptly with any of the provisions of this Article or by any failure of the City to enforce prompt compliance.

(e) Any right or power in, or duty impressed upon, any officer, employee, department, or board of the City shall be subject to transfer by the City to any other officer, employee, department, or board of the City.

(f) The grantee shall have no recourse whatsoever against the City for any loss, cost, expense, or damage arising out of any provision or requirement of this Article or of any franchise or because of the enforcement of the provisions of this chapter.

(g) The grantee shall be subject to all City laws, rules, regulations, and specifications heretofore or hereafter enacted or established.

(h) No person, firm, or corporation in the existing service area of the grantee shall be arbitrarily refused service; provided, however, the grantee shall not be required to provide service to any customer who does not pay the applicable fee or monthly service charge.

(i) The Council shall impose additional terms and conditions for the granting of a franchise as are necessary to implement the provisions of this Article including but not limited to provisions concerning the facilities of the grantee and operational standards. These additional terms and conditions shall be set forth in the ordinance granting the franchise operations of any grantee or from any provision of this Article."

Section 3. Amendment.

Section 3-5.110 of the Ridgecrest Municipal Code is amended and reenacted to read as follows:

"3-5.110 Reserved Rights.

(a) Nothing contained in this Article shall be deemed or construed to impair and affect in any way, to any extent, the right of the City to acquire the property of the grantee, either by purchase or through the exercise of the right of eminent domain. The measure of damages if the grantor exercises the power of eminent domain shall be in accordance with laws as determined by a court of competent jurisdiction. Nothing contained in this Article shall in any way modify or abridge the City's right of eminent domain.

(b) there is hereby reserved to the City every right and power which is required to be reserved or provided by the provisions of this Article or by any law of the City, and the grantee, by its acceptance of any franchise, agrees to be bound thereby and to comply with any action or requirements of the City in its exercise of such rights or power heretofore or hereafter enacted or established.

(c) Except as provided in Section 3-5.703, neither the granting of any franchise nor any of the provisions contained in this Article shall be construed to prevent the City from granting any identical or similar franchise to any other person, firm, or corporation within all or any portion of the City.

(d) Neither the granting of any franchise nor any provision of this Article shall constitute a waiver or bar to the exercise of any governmental right or power of the City.

(e) The Council may do all things which are necessary and convenient in the exercise of its jurisdiction under the provisions of this Article and may determine any question of fact which may arise during the existence of any franchise. The City Manager is hereby authorized and empowered to adjust, settle, or compromise any controversy or charge arising from the operations of any grantee under the provisions of this Article, either on behalf of the City, the grantee, or any subscriber, on the best interests of the public. Either the grantee or any member of the public who may be dissatisfied with the decision of the City Manager may appeal the matter to the Council for hearing and determination. The Council may accept, reject, or modify the decision of the City Manager and the Council may adjust, settle, or compromise any controversy or cancel any charge arising from the franchise.

(f) No provision of this Article shall be deemed or construed so as to require the granting of a franchise when, in the opinion of the Council, it is in the public interest to restrict the number of grantees to one (1) or more.

Section 4. Amendment.

Section 3-5.703 of the Ridgecrest Municipal Code is hereby amended and reenacted to read as follows:

"3-5.703 Trash Collection Franchise.

(a) Pursuant to Section 3.5.103, *et seq.*, the City may grant an exclusive Trash Collection Franchise for trash collection service within all or any portion of the City. The City may grant an exclusive franchise for solid waste handling upon a determination that the public health, safety and well-being are thereby served. The franchise shall be granted by ordinance pursuant to the process set forth in this division.

(b) When an exclusive franchise agreement for the collection of waste is in effect, no person, other than employees of the franchisee may collect, haul or transport solid waste within the City, except as set forth below.

(c) The City may regulate, by ordinance or resolution, all aspects of the refuse service, including, but not limited to, frequency of collection, means of collection and transportation, level of services, charges, fees, and nature, location, and extent of providing such services.

(d) The exclusive right of any Franchisee to collect refuse and recyclable waste material is subject to the following exclusions:

1. Gardeners and Landscapers. The collection, transportation and disposal by a gardener or landscaper of yard wastes which are generated as an incidental part of providing gardening, landscape maintenance services, provided that the gardener or landscaper is not a hauling service or solid waste enterprise, does not separately or additionally charge for the incidental service of removing, transporting or disposing of the yard waste, and utilizes only his or her own employees and equipment to collect, transport and dispose of same.

2. Contractors and Remodelers. The collection, transportation and disposal by a construction contractor, holding a contractor's license issued by the state of California, of inert materials or demolition waste from remodeling or construction jobs which are generated as an incidental part of providing such remodeling or construction services, provided that the construction contractor is not a hauling service or solid waste enterprise, does not separately or additionally charge for the incidental service of removing, transporting or disposing of the inert materials or demolition waste, and utilizes only his or her own employees and equipment to collect, transport and dispose of same.

3. Limitations and Exclusions. Any additional limitations and exclusions as set forth in the written Franchise Agreement.

(e) This section shall not limit the collection or hauling of waste to a landfill, transfer facility or recycle facility by a private party who is the business owner, home owner, residential property owner or residential tenant.

(f) No person shall interfere with the collection or disposal of solid waste, by a person authorized by license, franchise or contract to collect and dispose of same.

(g) No person other than the franchisee, or an agent or employee thereof, shall tamper or meddle with, or remove items from, a container or receptacle placed for collection of solid waste by the city or the Franchisee.

(h) It shall be unlawful for any person to solicit, accept, engage or otherwise utilize solid waste handling service for paid consideration by a person not authorized to provide such service.

(i) No person other than the Franchisee shall offer to handle solid waste or handle solid waste on behalf of another in exchange for compensation in any form or amount.

Section 5. Amendment.

Section 3-5.704 of the Ridgecrest Municipal Code is hereby amended and reenacted to read as follows:

"3-5.704 Fees.

Any grantee of a Trash Collection Franchise shall pay to the City a Franchise Fee as set by the City.

Section 6. Amendment.

Chapter XIII of the Ridgecrest Municipal Code is amended and reenacted to read as follows:

"CHAPTER XIII. SANITATION SOLID WASTE, YARD WASTE AND HOUSEHOLD HAZARDOUS WASTE MANAGEMENT

13-1 Purpose.

This chapter is adopted to protect the welfare of the public with respect to sanitation.

13-1.2 Definitions.

For the purposes of this chapter, the following words and phrases are defined as follows:

"Recyclable material" means materials that are segregated at the source from other refuse for the purpose of recycling and includes, but is not limited to, paper, glass, metals, wood, plastics, wastes, bulky goods, waste oil, and construction and demolition materials. Recyclable material which is commingled or mixed with refuse shall be considered to have been discarded and shall be deemed refuse for purposes of this ordinance.

"Refuse" means all wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, discarded home and industrial appliances, manure, vegetable or animal wastes, and other discarded wastes, but excluding hazardous waste or substances, radioactive waste, untreated medical waste, and liquid waste. Recyclable waste material is considered refuse for purposes of this chapter. The term "refuse" shall be synonymous with the term "solid waste" as used in the Integrated Waste Management Act, Public Resources Code Section 40000, *et seq.*

"Rubbish" means treated wood, treated wood products, printed matter, paper, pasteboard, rags, straw, used and discarded clothing, used and discarded shoes and boots, combustible waste pulp, and other products such as are used for packaging or wrapping crockery, ashes, cinders, floor sweepings, mineral or metallic substances, earth, rock, used, demolished or discarded building materials, and other waste material other than hazardous waste or yard waste.

"Solid waste" or "Waste" means garbage, refuse, rubbish, and other materials and substances discarded or rejected as being spent, useless, worthless, or in excess to the generator thereof at the time of such discard or rejection and which are normally discarded by or collected from residential premises, non-residential premises and institutional establishments, which are acceptable at Class III landfills under applicable law, and which are originally discarded by the first generator thereof and have not been previously Processed. Solid Waste includes any discarded materials, other than (1) abandoned vehicles or parts thereof, (2) household hazardous waste, hazardous waste or low-level radio-active waste regulated under Chapter 8 (commencing with Section 114960 of Part 9) of Division 104 of the Health and Safety Code, (3) medical waste regulated pursuant to the Medical Waste Management Act (Part 14 (commencing with Section 117600) of Division 104 of the Health and Safety Code), (4) dewatered, treated or chemically fixed sludge or biosolids, or (5) yard waste. Notwithstanding any provision to the contrary, Solid waste or Waste includes recyclable materials and yard waste whenever a fee, charge, or other consideration, in any form or amount, is indirectly or directly paid by generator to any person in exchange for any form of storage, collection, transfer, removable, processing, consulting, brokering, disposal or equipment rental service ("fee for service").

"Yard waste" means organic material or garden trimmings.

13-1.3 Deposit in Public Place and Accumulation Prohibited.

(a) No person shall cause waste (except yard waste that is being actively composted) to be accumulated upon public or private property. Solid waste originating from premises shall be removed at least once per week. It is unlawful for the person having control of the premises to fail or neglect to provide for the removal of waste.

(b) Persons placing waste in public or private receptacles shall prevent the waste from being carried or deposited by the elements upon a public place. No person shall place solid waste into private receptacles owned by another person unless the owner of the receptacle has given prior permission.

(c) The deposit or accumulation of waste is a public nuisance, and the person owning, leasing, occupying or having charge or possession of a premises violating this section shall be subject to the provisions of Chapter IV, Article 15.

(d) Only recyclable materials shall be deposited in marked recycling containers. Recyclable materials shall not be deposited in receptacles marked to receive solid waste.

13-2 Solid Waste Collection for Commercial Premises and Certain Multi-Family Residential Structures.

(a) Every person in possession, charge or control of a multi-family residential establishment, church, business, commercial, or industrial establishment shall subscribe for and pay the franchisee for solid waste collection and disposal at such rates as may be set by franchisee and approved by resolution of the City Council. "Franchisee" means the entity with whom the City has contracted under a franchise agreement to handle waste pursuant to Section 3-5.703 of the Municipal Code. "Multi-family residential structure" means residential structures that contain five or more separate dwelling units.

(b) Franchisee shall collect solid waste from commercial premises on such days and at such frequencies as the generator or owner (or the Owner's designee) and franchisee shall mutually determine, but collection shall be performed at least once each seven (7) days.

(c) Upon reasonable notice from franchisee and approval of the City Council, owners of commercial premises shall comply with mandatory waste separation requirements, such as the separation of solid waste, yard waste and recyclable materials.

(d) On the specified collection days, the receptacles for each person who receives solid waste collection services, shall be readily accessible for removal and emptying of the material contained therein as specified by the franchisee and in compliance this Municipal Code. Such containers shall be filled no more than level full and shall have the lids of such portable receptacles kept closed or shall be kept covered if a lid is not available, except when depositing waste, to prevent the loss of any waste material. "Level full" means that the amount of refuse deposited in a commercial container does not exceed the lowest top edge thereof, such that the lid can be completely closed. Receptacles shall be readily accessible for collection.

(e) The Franchisee shall remove from the premises all Solid waste which has been properly placed for collection. Any removal of Solid waste by the Franchisee shall be performed in a neat, orderly and quiet fashion, and the premises shall be left in a clean and orderly condition.

13-3 Accumulation, Disposal and Destruction of Waste.

(a) No person shall burn waste.

(b) No person shall bury waste (except yard waste being actively composted).

(c) No person shall keep, accumulate or permit to be accumulated waste (except yard waste being actively composted), on any public or private place unless in a receptacle Such

receptacles must include close-fitting lids or covers which shall be kept closed at all times, except when necessarily opened to permit waste to be taken there from or deposited therein.

13-4 Household Hazardous Waste.

13-4.1 Owner Obligations for Household Hazardous Waste.

(a) Household hazardous waste may only be disposed at a licensed and permitted household hazardous waste collection facility. "Household hazardous waste" means waste material that is purchased by the general public for household use which is toxic, corrosive, flammable, ignitable or reactive and may pose a substantial hazard to human health or the environment when improperly managed.

(b) No household hazardous waste shall be included in or combined with solid waste that is submitted for collection by the City's franchise trash hauler.

13-5 Transportation of Waste.

13-5.1 Transportation. Waste shall be carried on city streets by all persons in a manner that prevents dust, debris or other materials from falling upon the streets and adjacent lands.

13-5.2 Vehicle Maintenance. Every truck, vehicle or trailer used for collection of solid waste, recyclable materials and/or yard waste shall be kept well painted and clean inside and out.

13-5.3 Emergency Removal. Nothing in this chapter shall be deemed to interfere with the removal and hauling of materials determined by the City to require immediate removal so as to preserve public health.

Section 7. Urgency Ordinance.

Concurrently with the consideration and adoption of this ordinance, the City is considering and adopting an ordinance granting a franchise for solid waste hauling services. The City Council finds and declares that the granting of a solid waste handling franchise under the circumstances currently before the City Council is necessary to preserve the public health, safety and welfare of the City in that it is needed to continue uninterrupted trash hauling services. It is necessary for this ordinance to be adopted and to take effect before the effective date of the ordinance adopting the trash hauling franchise so that certain provisions of this ordinance become effective as to that franchise. Therefore, the City Council finds and declares that it is necessary for this ordinance to take immediate effect in order to preserve the health and welfare of the citizens of Ridgecrest.

This ordinance will be adopted by no less than a four-fifths vote of the City Council and shall be effective immediately upon its passage.

Section 8. Other.

Except as otherwise provided, the Ridgecrest Municipal Code is reaffirmed and readopted.

Introduced and first read at a meeting of the City Council of the City of Ridgecrest held the 7th day of September, 2011.

PASSED AND ADOPTED at a regular meeting of said City Council held on October 5, 2011, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, City Clerk

(Seal)

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING AUTHORITY AGENDA ITEM

SUBJECT:

Second Reading and Adoption, An Ordinance Of The City Council Of The City Of Ridgecrest Approving The Granting Of A Franchise For Solid Waste Collection Services To Waste Management Of California, Inc.

PRESENTED BY:

Keith Lemieux – City Attorney

SUMMARY:

The Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939") and subsequent modifications thereto, established a Solid Waste management process which requires cities and other local jurisdictions to implement source reduction, reuse and Recycling as integrated waste management practices. The City is obligated not only to abide by the provisions of Assembly Bill 939 (AB 939) but to protect the public health and safety of the residents of the City.

Pursuant to recent court rulings, the current Solid Waste Franchise expired on September 2, 2011. City of Ridgecrest adopted urgency ordinance no. 11-01 on August 3, 2011 which outlines a procedure for authorizing an interim franchise to provide an alternative procedure to issue interim franchises where necessary to preserve public health and safety. Additionally, City of Ridgecrest released a Request for Proposals (RFP) for companies interested in assuming a Solid Waste Franchise in the City of Ridgecrest. Results of the RFP were heard at the regular Council meeting of August 17, 2011 and Resolution No. 11-67 was approved authorizing an interim franchise to Waste Management of California, Inc.

The City Council has selected Contractor through a competitive procurement process and this ordinance will approve the granting of a franchise for solid waste collection service to Waste Management of California, Inc. (Exhibit A)

This ordinance was heard for first reading on September 7, 2011 and the following changes were made prior to motions for introduction and first reading were passed:

1. Ordinance effective date January 1, 2012
2. Exhibit C3 amended to specify rate for first additional recycle container is \$0 and rate for additional recycle containers thereafter a rate of \$7 per container

This ordinance is brought before Council for Second Reading and Adoption and requires two motions as listed below.

1. Motion To Waive Reading In Full And To Adopt By Title Only, Ordinance No. 11-05, An Ordinance Of The City Council Of The City Of Ridgecrest Approving The Granting Of A Franchise For Solid Waste Collection Services To Waste Management Of California, Inc.

Requires A Second

2. Motion To Adopt, By Title Only, Ordinance No. 11-05, An Ordinance Of The City Council Of The City Of Ridgecrest Approving The Granting Of A Franchise For Solid Waste Collection Services To Waste Management Of California, Inc.

Requires A Second

FISCAL IMPACT:

Revenue to the City of 10% of Gross Receipts

Reviewed by Finance Director

ACTION REQUESTED:

Approve the following two motions:

3. Motion To Waive Reading In Full And To Adopt By Title Only, Ordinance No. 11-05, An Ordinance Of The City Council Of The City Of Ridgecrest Approving The Granting Of A Franchise For Solid Waste Collection Services To Waste Management Of California, Inc.

Requires A Second

4. Motion To Adopt, By Title Only, Ordinance No. 11-05 An Ordinance Of The City Council Of The City Of Ridgecrest Approving The Granting Of A Franchise For Solid Waste Collection Services To Waste Management Of California, Inc.

Requires A Second

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Approve the aforementioned motions

Submitted by: Keith Lemieux
(Rev. 6/12/09)

Action Date: September 7, 2011

ORDINANCE NO. 11-05

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING THE GRANTING OF A FRANCHISE FOR SOLID WASTE COLLECTION SERVICES TO WASTE MANAGEMENT OF CALIFORNIA, INC.

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939") and subsequent modifications thereto, established a Solid Waste management process which requires cities and other local jurisdictions to implement source reduction, reuse and Recycling as integrated waste management practices; and

WHEREAS, AB 939 authorizes and requires local agencies to make adequate provisions for Solid Waste handling within their jurisdictions; and

WHEREAS, Section 40059 of the State Public Resources Code provides that the City may determine aspects of Solid Waste handling which are of local concern, including, but not limited to, frequency of Collection, means of Collection and Transportation, level of services, charges and fees and nature, location, and extent of providing Solid Waste handling services and whether the services are to be provided by means of partially exclusive or wholly exclusive Agreements, contracts, licenses, permits or otherwise; and

WHEREAS, the City is obligated to protect the public health and safety of the residents of the City and arrangements by waste haulers for the Collection of Solid Waste should be made in a manner consistent with the protection of public health and safety; and

WHEREAS, the City has entered into a compliance plan with CalRecycle in order to come into full compliance with AB939 and the implementation of and continued compliance with that plan and the City's Source Reduction and Recycling Element (SRRE) will become the primary responsibility of the City's franchise trash hauler; and

WHEREAS, the City Council determines and finds that the public interest, health, safety and well being would be served if the franchise trash hauler performs these services for Residential and Commercial Customers; and

WHEREAS, in accordance with Section 40059 of the State Public Resources Code, the City Council is empowered to enter into agreements with any Person or corporation and to prescribe the terms and conditions of such agreements; and

WHEREAS, the City Council has selected Contractor through a competitive procurement process; and

WHEREAS, Ridgecrest Municipal Code Section 3-5.105 requires that any franchise granted by the City be granted pursuant to an ordinance following a public hearing; and

WHEREAS, the City has conducted a duly-noticed public hearing and received comments from the public;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RIDGECREST as follows:

Pursuant to Ridgecrest Municipal Code Section 3-5.105, the City Council of the City of Ridgecrest does hereby approve and adopt the Franchise Agreement that is attached as Exhibit "A" to this ordinance with Waste Management of California, Inc., and authorizes the Mayor to sign this agreement. Pursuant to Ridgecrest Municipal Code Section 3-5.105(c), this franchise will be accepted in writing after first reading of the ordinance and before adoption of the ordinance.

PASSED, APPROVED, AND ADOPTED at a regular meeting of said City Council held on October 5, 2011, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Ronald H. Carter, Mayor

ATTEST:

Rachel J. Ford, City Clerk

(Seal)

SOLID WASTE FRANCHISE AGREEMENT
BETWEEN
THE CITY OF RIDGECREST, CALIFORNIA
AND
WASTE MANAGEMENT OF CALIFORNIA, INC.,
A WASTE MANAGEMENT COMPANY

September 7, 2011

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- B. Rate Adjustment Methodology**
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 - C2. Cost Basis for Proposal**
 - C3. Initial Rates for Collection Services**
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- H. City Service Locations**

SOLID WASTE FRANCHISE AGREEMENT

This Solid Waste Franchise Agreement (the "Agreement") is entered into on the seventh day of September, 2011, by and between the City of Ridgecrest (hereinafter, the "City"), and Waste Management of California, Inc., a California corporation, a Waste Management company (hereinafter, the "Contractor") (together, the "Parties").

RECITALS

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 ("AB 939") and subsequent modifications thereto, established a Solid Waste management process which requires cities and other local jurisdictions to implement source reduction, reuse and Recycling as integrated waste management practices; and

WHEREAS, AB 939 authorizes and requires local agencies to make adequate provisions for Solid Waste handling within their jurisdictions; and

WHEREAS, Section 40059 of the State Public Resources Code provides that the City may determine aspects of Solid Waste handling which are of local concern, including, but not limited to, frequency of Collection, means of Collection and Transportation, level of services, charges and fees and nature, location, and extent of providing Solid Waste handling services and whether the services are to be provided by means of partially exclusive or wholly exclusive Agreements, contracts, licenses, permits or otherwise; and

WHEREAS, the City is obligated to protect the public health and safety of the residents of the City and arrangements by waste haulers for the Collection of Solid Waste should be made in a manner consistent with the protection of public health and safety; and

WHEREAS, the City has entered into a compliance plan with CalRecycle in order to come into full compliance with AB939 and the Parties understand that the implementation of and continued compliance with that plan and the City's Source Reduction and Recycling Element (SRRE) will become the primary responsibility of the Contractor; and

WHEREAS, the City and the Contractor are mindful of the provisions of the laws governing the safe Collection, Transport, Recycling, and Disposal of Solid Waste, including AB 939 and the Resource Conservation and Recovery Act 42 U.S.C. 9601 et seq.; and

WHEREAS, the City Council determines and finds that the public interest, health, safety and well being would be served if the Contractor performs these services for Residential and Commercial Customers; and

WHEREAS, in accordance with Section 40059 of the State Public Resources Code, the City Council is empowered to enter into agreements with any Person or corporation and to prescribe the terms and conditions of such agreements; and

WHEREAS, the City Council has selected Contractor through a competitive procurement process and has authorized the execution of this Agreement on September 7, 2011; and

37 WHEREAS, neither the City nor Contractor could anticipate all of the possible needs,
38 considerations, or eventualities that may arise during the Term of this Agreement and the Parties agree
39 that they will work together in a spirit of mutual cooperation to resolve any such issues as and when
40 they arise;

41 NOW THEREFORE, in consideration of the respective and mutual covenants and promises
42 herein, and subject to all the terms and conditions hereof, the Parties agree as follows:

43

ARTICLE 1: GRANT AND ACCEPTANCE OF FRANCHISE

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Section 1.1: Grant and Limitations of Exclusive Franchise

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By the signing of this Agreement, the City grants to Contractor and Contractor accepts an exclusive franchise within the corporate limits of the City. Subject to the limitations described in the Municipal Code, the franchise granted to Contractor shall be the exclusive right to collect, transport, handle, process, recycle, and, dispose of all Solid Waste (including Greenwaste, Recyclable Materials, Construction & Demolition Waste and Food Waste) generated by Residential Premises and Non-Residential Premises in the City, as more particularly set out in the scope of services described in Article 4 of this Agreement and subject to the limitations described below in Section 1.1.A and except where otherwise precluded by Federal, State, and local laws and regulations.

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A. **Limitations to Exclusivity.** The award of this Agreement shall not preclude the categories of Solid Waste and Recyclable Materials listed below from being delivered to and Collected and Transported by others provided that nothing in this Agreement is intended to or shall be construed to excuse any Person from obtaining any authorization from the City which is otherwise required by law:

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1. **Recyclable Materials.** Other Persons shall maintain the right to accept donated Recyclable Materials and to pay the service recipient for Recyclable Materials so long as there is no net payment made by the service recipient to such other Person;

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2. **Self-Hauled Materials.** A Commercial business Owner or Resident may Dispose of Solid Waste and Recyclable Materials generated in or on their own Premises using their own vehicles and equipment, and, with respect to a commercial business, its own employees;

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3. **Donated Materials.** Any items which are donated by the Generator to youth, civic, or charitable organizations;

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4. **Beverage Containers.** Containers delivered for Recycling under the California Beverage Container Recycling and Litter Reduction Act, Section 14500, et seq. California Public Resources Code;

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5. **Materials Removed by Customer's Contractor as Incidental Part of Services.** Solid Waste and/or Recyclable Materials removed from a Premises by a contractor (e.g., gardener, landscaper, tree-trimming service, construction contractor, Residential clean-out service), using its own employees, vehicles and equipment as an incidental part of the service being performed and such contractor is providing a service which is not included in the scope of this Agreement;

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6. **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse or butcher shops, grease, or used cooking oil;

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7. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash, grit, and screenings;

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- 79 8. Excluded Waste. Excluded Waste regardless of its source; and,
80 9. Materials Generated by State, County, and Federal Facilities. Materials generated by State,
81 County, and Federal facilities located in the City.

82 Contractor acknowledges and agrees that the City may permit other Persons besides the Contractor to
83 Collect any and all types of materials excluded from the scope of this Franchise, as set forth above,
84 without seeking or obtaining approval of Contractor. If Contractor can produce evidence that other
85 Persons are servicing Collection Containers or are Collecting and Transporting Solid Waste and/or
86 Recyclable Materials (collectively "Franchised Materials") in a manner that is not consistent with this
87 Agreement or the City's Municipal Code, it shall report the location, the name and phone number of the
88 Person or company to the City Contract Manager along with Contractor's evidence. In such case, the
89 City may notify the Generator and Person providing service of Contractor's rights under this Agreement.

90 This Agreement and scope of this franchise shall be interpreted to be consistent with Applicable Law,
91 now and during the Term of the Agreement. If future judicial interpretations of current law or new laws,
92 regulations, or judicial interpretations limit the ability of the City to lawfully contract for the scope of
93 services in the manner and consistent with all provisions as specifically set forth herein, Contractor
94 agrees that the scope of the Agreement will be limited to those services and materials which may be
95 lawfully included herein and that the Agency shall not be responsible for any lost profits or losses
96 claimed by Contractor to arise out of limitations to the scope or provisions of the Agreement set forth
97 herein. In such an event, it shall be the responsibility of Contractor to minimize the financial impact of
98 such future judicial interpretations or new laws and the Contractor may meet and confer with Agency
99 and may petition for a Rate adjustment pursuant to Section 8.3.

100 **ARTICLE 2: REPRESENTATIONS AND WARRANTIES**
101 **OF THE PARTIES**

102 **Section 2.1: Representations and Warranties**

103 The Parties, by acceptance of this Agreement, represent and warrant that:

- 104 A. **Existence and Powers.** The Parties are duly organized and validly existing under the laws of the
105 State of California, with full legal right, power, and authority to enter into and perform their
106 obligations under this Agreement.
- 107 B. **Due Authorization and Binding Obligation.** The Parties have duly authorized the execution and
108 delivery of this Agreement. This Agreement has been duly executed and delivered and constitutes
109 the legal, valid, and binding obligation of the Parties, enforceable against the Parties in accordance
110 with its terms, except insofar as such enforcement may be affected by bankruptcy, insolvency,
111 moratorium, and other laws affecting creditors' rights generally.
- 112 C. **No Conflict.** Neither the execution, nor the performance by the Parties of their obligations under
113 this Agreement: (1) conflicts with, violates, or results in a breach of any law or governmental
114 regulations applicable to either Party; or, (2) conflicts with, violates, or results in a breach of any
115 term or condition of any judgment, decree, franchise, agreement (including, without limitation,
116 the certificate of incorporation of the Contractor), or instrument to which the Contractor or any
117 Affiliate is a party or by which the Contractor or any Affiliate or any of their properties or assets
118 are bound, or constitutes a default under any such judgment, decree, agreement, or instrument.
119 The Parties have read and are aware of the provisions of Section 1090 et seq. and Section 87100
120 et seq. of the California Government Code relating to conflicts of interest for public officers and
121 employees. Contractor represents it is unaware of any financial or economic interest of any public
122 officer or employee of the City relating to this Agreement.
- 123 D. **No Litigation.** There is no action, suit, or other proceeding as of the Agreement Date, at law or in
124 equity, before or by any court or governmental authority, pending, or to the Parties' best
125 knowledge, threatened against the either Party which is likely to result in an unfavorable decision,
126 ruling, or finding which would materially and adversely affect the validity or enforceability of this
127 Agreement or any such agreement or instrument entered into by either Party in connection with
128 the transactions contemplated hereby, or which would materially and adversely affect the
129 performance by that Party of its obligations hereunder or by the Contractor under any such other
130 agreement or instrument.
- 131 E. **No Legal Prohibition.** The Parties have no knowledge of any Applicable Law in effect on the
132 Agreement Date which would prohibit the performance by either Party of this Agreement and the
133 transactions contemplated hereby.
- 134 F. **Contractor's Statements.** The Contractor's Proposal and any other supplementary information
135 submitted to the City, which the City has relied on in awarding and entering this Agreement, do
136 not: (i) contain any untrue statement of a material fact, or (ii) omit to state a material fact that is

137 necessary in order to make the statements made, in light of the circumstances in which they were
138 made, not misleading.

139 G. **Contractor's Investigation.** Contractor has made an independent investigation (satisfactory to it)
140 of the conditions and circumstances surrounding the Agreement and the work to be performed
141 hereunder. Contractor has taken such matters into consideration in entering this Agreement to
142 provide services in exchange for the compensation provided for under the terms of this
143 Agreement.

144 H. **Ability to Perform.** Contractor possesses the business, professional, and technical expertise to
145 manage, Collect, Transport, and Dispose of the Solid Waste and to manage, Collect, Transport, and
146 Process Recyclable Materials and Compostable Materials; and Contractor possesses the
147 equipment, facility, and employee resources required to perform this Agreement.

148 I. **Voluntary Use of Designated Disposal Facility.** The Contractor, without constraint and as a free-
149 market business decision in accepting this Agreement, agrees to use the Approved Disposal
150 Location for the purposes of Disposing of all Solid Waste Collected in the City. Such decision by
151 Contractor in no way constitutes a restraint of trade notwithstanding any Change in Law regarding
152 flow control limitations or any definition thereof.

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ARTICLE 3: TERM OF AGREEMENT

154 Section 3.1: Term of Agreement

155 The Term of this Agreement is from the Agreement Date of January 1, 2012 through December 31, 2018
156 and shall continue in full force for a period of seven (7) years, unless earlier terminated pursuant to
157 Section 3.3 hereof. The Agreement may be extended in accordance with this Section or terminated
158 pursuant to Article 13.

159 Section 3.2: City's Option to Extend

160 This Agreement may be extended without amendment for a period of no less than one (1) year and no
161 more than five (5) additional years for a total Term that does not exceed twelve (12) years and three (3)
162 months, upon mutual agreement of the parties. If the City desires to extend the Agreement, the City
163 shall provide the Contractor with written notice of its desire to extend the Agreement at least one
164 hundred eighty (180) days before the expiration of the Term. Such notice by the City shall specify the
165 desired duration of the extension.

166 Section 3.3: Termination for Failure to Implement Services

167 The Contractor has agreed herein, through either its own labor, equipment, and facilities or facilities
168 provided by others, to implement various programs in order to expand the types of services provided to
169 the City. Failure to implement the services described in this Agreement upon the commencement of this
170 Agreement for any reason, shall constitute an Event of Default in accordance with Section 13.1 hereof.

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ARTICLE 4: SCOPE OF SERVICES

Contractor shall perform the Services described in this Article 4. This Article 4 describes the requirements for the services to be provided including the types and sizes of Containers to be provided by Contractor, available Service Levels and frequencies, acceptable and prohibited materials, and any additional services to be provided to Customers who subscribe to that program. Failure to specifically require an act necessary to perform the service does not relieve Contractor of its obligation to perform such act.

Section 4.1: Residential Services

Contractor shall provide the services described in this Section 4.1 to any Residential Customer within the City who subscribes with Contractor for such service. The Residential sector includes Multiple-Unit Dwellings with four (4) or less units.

A. **Solid Waste Collection.** Contractor shall Collect Solid Waste in Contractor-provided Carts one (1) time per week from Residential Customers and Transport all Solid Waste to the Designated Disposal Facility for Disposal.

- Containers:** Carts
- Container Sizes:** 95-gallons (or similar size); 65-gallons (or similar size); and 35-gallons (or similar size)
- Service Frequency:** One (1) time per week
- Service Location:** Curbside
- Acceptable Materials:** Solid Waste
- Prohibited Materials:** Recyclable Materials, Excluded Waste
- Additional Service:** Contractor shall provide additional Solid Waste Carts to Residential Customers upon request and may charge the “Additional Solid Waste Cart” Rate approved by the City.

B. **Recyclable Materials Collection.** Contractor shall Collect Recyclable Materials in Contractor-provided Containers one (1) time every other week from Residential Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

- Containers:** Carts
- Container Sizes:** 95-gallons (or similar size)
- Service Frequency:** One (1) time every other week on the same day as Solid Waste Collection
- Service Location:** Curbside
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Solid Waste, Excluded Waste
- Additional Service:** Contractor shall provide one (1) additional Recyclable Materials Cart to Residential Customers upon request at no additional charge and may charge the “Additional Recycling Cart” Rate approved by the City for any Carts requested by a Residential Customer which exceeds two (2). During the first two (2) Collection Days of each year for each Residential

210 Customer, Contractor shall Collect up to an additional five (5) bags of
211 Recyclables set out curbside at no additional cost to the Customer to
212 accommodate additional Recyclables generated during the Holidays.

213 **Section 4.2: Commercial Services**

214 Contractor shall provide the services described in this Section 4.2 to any Commercial Customer within
215 the City who subscribes with Contractor for such service. The Commercial sector includes Multiple-Unit
216 Dwellings with five (5) or more units.

217 A. **Solid Waste Collection.** Contractor shall Collect Solid Waste in Contractor-provided Containers not
218 less than one (1) time per week from Commercial Customers and Transport all Solid Waste to the
219 Designated Disposal Facility for Disposal.

220 **Containers:** Carts, Bins, Drop Boxes, Compactors
221 **Container Sizes:** 95-gallon Carts;
222 1.5-, 3-, 4-, and 6- cubic yard Bins; and,
223 Drop Boxes or Compactors (as requested by Customer)
224 **Service Frequency:** Up to five (5) times per week but not less than one (1) time per week, as
225 requested by Customer
226 **Service Location:** Curbside; or other Customer-selected service location at the
227 Commercial Premises (push/pull charges may apply if Container is not
228 immediately accessible by the Collection Vehicle).
229 **Acceptable Materials:** Solid Waste
230 **Prohibited Materials:** Recyclable Materials, Excluded Waste
231 **Additional Service:** Upon Customer request and to accommodate periodic additional
232 service needs, Contractor shall provide Collection service at a greater
233 frequency than the Customer's regularly scheduled service, up to the
234 maximum Service Frequency and Contractor may charge the
235 appropriate Rate for the higher Service Frequency.
236 Contractor shall provide a Bin exchange to any Commercial Customer
237 for cleaning and maintenance once (1) each year, upon Customer
238 request.
239 **Other Requirements:** Contractor shall, at Customer's request and for an additional charge,
240 open and close gates, push and/or pull Containers, lock and unlock
241 Containers, or perform other services as reasonably necessary to access
242 and empty Containers.

243 B. **Recyclable Materials Collection.** Contractor shall Collect Recyclable Materials in Contractor-
244 provided Containers not less than one (1) time every other week and, when appropriate based on
245 the volume of Recyclable Materials generated, up to one (1) time per week from Commercial
246 Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing
247 Facility for Processing.

248 **Containers:** Carts, Drop Boxes, Compactors
249 **Container Sizes:** 96-gallon Carts;
250 1.5-, 3-, 4-, and 6- cubic yard Bins; and,
251 Drop Boxes or Compactors (as requested by Customer)

294 the general public, including, but not limited to, arranging for the proper and legal Disposal of
295 hazardous substances encountered during its performance under this Agreement.

296 **Section 4.4: Other Services**

297 A. **Bulky Waste Collection.** Contractor shall offer Bulky Waste Collection Services to Residential
298 Customers on an on-call basis up to three (3) times per year (as requested by Customer) within
299 five (5) Business Days after the Customer-requested service date at no additional charge to
300 Customers. Contractor shall offer additional service levels and frequencies to Customers upon
301 request for an additional charge. Contractor shall make reasonable efforts to schedule on-call
302 Bulky Waste Collections on a day that is convenient to the Customer.

303 Contractor shall Collect Bulky Waste from Customers and Transport the Bulky Waste to the
304 Designated Disposal Facility.

305	Containers:	Not applicable
306	Service Level:	Up to three (3) cubic yards of Solid Waste, Recyclable Materials, and E- 307 Waste OR up to one (1) Appliance or Bulky Waste Item
308	Service Frequency:	Up to three (3) times per year (as requested by Customer)
309	Service Location:	Curbside
310	Acceptable Materials:	Solid Waste, Recyclable Materials, Bulky Waste, E-Waste, and U-Waste
311	Prohibited Materials:	Excluded Waste or any single item that exceeds two hundred (200) lbs. 312 in weight
313	Additional Service:	Contractor shall Collect additional items that exceed the above 314 described service level and may charge the "Additional Bulky Waste 315 Item" Rate approved by the City (as requested by Customer). 316 Contractor shall provide additional Collection events for a Customer 317 beyond three (3) per year and may charge the "Additional Bulky Waste 318 Item Collection" Rate approved by the City.
319	Other Requirements:	The Contractor shall provide the service to the Customer within five (5) 320 Business Days of the Customer's requested service date, as mutually 321 agreed upon by the Customer and Contractor.

322 B. **City Facilities and Events.** Contractor shall Collect Solid Waste and Recyclable Materials from City
323 facilities in the same manner as those services are provided to Commercial Customers. Contractor
324 shall provide service to all City facilities identified in Exhibit G as well as any future facilities owned
325 and operated by the City. Contractor shall provide Solid Waste and Recyclable Materials services
326 to City-sponsored public event held within the City to include, at a minimum, Carts for the
327 collection of both Solid Waste and Recyclable Materials and staffing sufficient to ensure that such
328 Carts are serviced frequently enough to prevent overflowing or spillage. Contractor shall provide
329 these services at no cost to the City or Customers.

330 In addition to the services described above, the Contractor shall provide City Hall with technical
331 assistance. This shall involve an assessment of its current Recycling Service Levels. The Contractor
332 shall supply City Hall with an adequate number of Recycling Containers, educational materials,
333 conduct a kick off meeting, and provide training of custodial staff.

334 C. **Christmas Trees.** The Contractor shall Collect all Christmas trees properly placed curbside by
335 Residential Premises on the first two (2) regularly scheduled Collection days after Christmas Day,
336 or such other days as agreed by the City Contract Manager and the Contractor, free of any
337 additional charge to any Customer.

338 D. **Special Services.** The Contractor shall have the right, but not the obligation, to provide additional
339 Special Services requested by any Customer which are directly related or ancillary to any of the
340 other Collection Services authorized hereunder. The nature and terms of any such Special Services
341 shall be negotiated with the Customer and compensation therefore shall be paid by the
342 requesting Customer. In the event that Customer and Contractor cannot agree on a rate, the
343 Contractor shall provide the City with information supporting the level of Rate proposed by the
344 Contractor. Upon receipt and review of such information, the City may set the Rate, which shall
345 become binding on the Contractor.

346 E. **Illegal Dumping.** Contractor shall, at all times, take reasonable measures to keep the roads and
347 streets in the City free from litter from the operations of its Operating Assets. In addition, within
348 the City, the Contractor shall, without charge to the City or Customers:

349 1. Cleanup three (3) cubic yards or less per event of non-Hazardous Waste from public areas
350 within one (1) Business Day, upon request by City;

351 2. Cleanup three (3) Bulky Waste Items or less per event of unquestionably discarded Bulky
352 Waste from public roadways or alleys when observed by Contractor’s personnel; and,

353 3. Provide Containers and Collection service for cleanup by City-provided labor crews and City-
354 coordinated volunteer cleanups of over three (3) cubic yards of illegally dumped waste.

355 Contractor shall work with the County to deliver such illegally dumped waste at the Designated
356 Disposal Facility at no additional charge to the City or Contractor. In the event that the Designated
357 Disposal Facility is required to charge for the receipt of such materials, the City and Contractor
358 shall meet and confer regarding the cost of Disposal of material related to this program and
359 Contractor shall be relieved of its requirement to Dispose of this material until arrangements can
360 be made for payment of such charges.

361 F. **Public Education and Outreach.** The Contractor shall perform all public education and outreach
362 activities as described in its Public Education and Outreach Plan in Exhibit C5.

363 G. **Median Weed Abatement.** Contractor shall perform monthly weed abatement on City medians
364 located on, at least, Drummond, Downs, and China Lake Boulevard. Collected material will be
365 diverted to the extent possible dependant on the composition of the material and volume
366 collected. Contractor shall provide this service through its own forces or the use of a
367 subcontractor. The Contractor’s annual budget for this program shall be five thousand dollars
368 (\$5,000). The Parties agree to meet on or about October 1, 2011 and thereafter prior to the
369 commencement of each Rate Year to develop the specifications and budget for the weed
370 abatement program.

371 H. **Recycling Participation Incentive Program.** Contractor shall provide and promote the “Think
372 Green Rewards Program” to Residential Customers that will award points to program participants
373 based on the amount of Recyclable Materials Collected on each Residential route. Points shall be

374 redeemable for discount coupons for local and national retail stores and restaurants and as
375 donations to charitable organizations or schools. Contractor will provide detailed specifications for
376 the Recycling Participation Incentive program for review and approval by City on or before January
377 1, 2012 and each June 1 thereafter beginning on June 1, 2013.

378 I. **WM Lamp Tracker Recycling for City Facilities.** Contractor shall provide all City facilities with a
379 fluorescent lighting recycling program using a mail-back program through United Parcel Service, or
380 some other Contractor selected parcel service which approves the shipment of such material.
381 Service shall be provided in various sizes and container types to accommodate various sizes
382 lighting. Container types and sizes shall include: four (4) foot, six (6) foot, and eight (8) foot
383 straight tubes, compact fluorescent bulbs, high intensity discharge (metal halide or sodium),
384 ultraviolet lighting, and “U-bent” lighting. Contractor shall offer this service to the City at a not to
385 exceed annual dollar value of one thousand dollars (\$1,000.00).

386 J. **Sharps Collection Program.** Contractor shall provide any Residential Customer with a Sharps home
387 delivery program, upon request. Contractor shall deliver an approved container to the requesting
388 Residential Customer’s home within one (1) week of request. Delivery of the container shall also
389 include recycling awareness materials and the approved sharps container. To ensure maximum
390 customer convenience, the collection of Sharps containers will be administered through a one and
391 four tenths (1.4) quart, postage paid, container approved by the United States Postal Service (or
392 other parcel service) for shipment of such material. Customers using the mail-based service will
393 receive one (1) sharps container/ mailing kit per calendar year at no charge. Additional sharps
394 containers/ mailing kits will be available for a fee. Outreach efforts shall include advertising on
395 City-specific website, bill inserts, and Contractor’s community education and outreach activities.

396 K. **Senior Sharps Event.** To keep Sharps, lancets, needles and other medications out of the waste
397 stream Contractor shall host an annual “Sharps Round-Up” to be held at a local senior center in
398 order that residents will be able to drop off used Sharps and learn about the Sharps program at no
399 extra charge. The schedule for each drop-off event shall focus on convenience to senior citizens,
400 shall allow drop-off for a minimum of four hours per event, and shall be approved by the City
401 Contract Manager.

402 L. **Community Drop Off Battery Recycling Program.** Contractor shall provide the City with postage-
403 paid 1.25- and 3.5-gallon buckets for alkaline-nickel batteries (Alkaline, Carbon-Zinc, NiCad, NiMH,
404 Silver Oxide, and Mercury) and postage-paid 5-gallon buckets for lead-acid batteries, upon request
405 by the City. Buckets shall be provided for up to four (4) select drop off locations, which will be
406 designated by the City Contract Manager and may include, but shall not be limited to, such
407 locations as the library, City Hall, or senior center. Residents may drop off their batteries at no
408 charge. City shall be responsible for mailing the full buckets to the recycling facility and Contractor
409 shall, within five (5) Business Days supply a replacement container. Contractor shall offer this
410 service to the City at a not to exceed annual dollar value of one thousand dollars (\$1,000).

411 M. **Newspaper Collection.** Contractor shall work with the City’s largest newspaper generator to
412 establish or enhance the current on-site newspaper recycling program.

413 N. **Green Business Certification.** The Contractor shall work with the City and Chamber of Commerce
414 to certify and recognize “green” businesses in the community. To participate, businesses may
415 complete an application with information about energy conservation, water conservation,

416 environmentally preferable purchasing, and waste reduction practices and other environmentally-
417 conscious policies practiced. Contractor shall work with the City to determine appropriate
418 requirements for certifying a business as a “Green Business” and Contractor shall coordinate such
419 certifications with the City, at the request of any business in the City. Awards shall be presented
420 annually at an event determined mutually by the City and the Contractor.

421 O. **California Redemption Value (CRV) Fundraising Challenge.** Subject to the requirements of
422 Applicable Law, Contractor shall offer to host its CRV Fundraising Challenge to all schools in the
423 City annually, with prizes awarded for the school facilities collecting the largest number of CRV
424 containers. Contractor shall provide each participating school with the cash value of all CRV
425 containers collected from that school during the program period. Contractor will provide detailed
426 specifications for the CRV Fundraising Challenge for review and approval by the City on or before
427 January 1, 2012 and each June 1 thereafter starting with June 1, 2013.

428 P. **Multi-Family Recycling Toolkit.** Contractor shall distribute public education and outreach
429 materials for both building managers and residents on Multi-Family Recycling programs. Materials
430 shall be bilingual, full color, and graphically-based. Materials shall include, at a minimum: i) a
431 “personal recycling bin” for each Multiple-Unit Dwelling that requests one, ii) an introductory
432 letter about the new Recycling program, iii) a guide for the property manager with information on
433 how to manage a Multi-Family Recycling program, iv) door hangers, v) Recycling Container labels,
434 and vi) workshops at community outreach events. Contractor shall contact each individual
435 property manager during the first six months of this Agreement to introduce the program, provide
436 the Multi-Family Recycling Toolkit, and determine the best Recycling program for each Customer.

437 Q. **Container Signage and Recycling Education.** On or before July 1, 2013, Contractor shall undertake
438 a pilot program to test the feasibility of wrapping Commercial Recycling Containers not located in
439 enclosures with customized Recycling education and artwork. The initial pilot plan will be for fifty
440 (50) Containers. If determined to be feasible, this program may be continued as a Change in Scope
441 under Section 4.8 of this Agreement.

442 R. **Annual Reuse Collection Event.** The Contractor shall host an annual City-wide reuse drop off
443 event for the Collection of unlimited amounts of reusable items including, but not necessarily
444 limited to clothing, books, toys, and textiles from Residential Customers. Contractor shall avoid
445 the Disposal of and donate such reusable items to the greatest extent practicable. Contractor
446 shall use the reuse drop-off event as an opportunity to provide outreach and educational
447 materials regarding other services provided under this Agreement.

448 S. **Mini Recycling and Drop off Facility.** Contractor shall host the a Recyclable Materials drop off
449 facility at the City’s corporate yard, or other location agreed-upon by the Contractor and City
450 Contract Manager, at no additional charge to the City. The Contractor shall provide Recyclable
451 Materials Bins at the drop-off facility in a number and size adequate to prevent overflowing of
452 material deposited therein. The drop-off facility shall accept all of the Recyclable Materials
453 accepted in the Commercial Recyclable Materials program. Contractor shall also provide a Bin for
454 Greenwaste at the drop-off facility. Contractor shall work with the City Contract Manager and the
455 County to ensure that Greenwaste Collected from the drop-off facility is Diverted to the extent
456 practical.

- 457 T. **Commercial Mix Waste Processing Pilot Program.** During Rate Period One, Contractor shall
458 operate a Commercial wet/dry selection pilot program that designates accounts with high
459 concentrations of Recyclable Materials in their Solid Waste Container to “dry” routes. Dry routes
460 shall be designed to avoid collection of food waste or other waste materials which would prevent
461 Recycling or make it significantly more difficult. Contractor shall identify Customers that are
462 suitable for a dry route on or before June 1, 2013. Contractor shall Process Recyclable Materials
463 Collected from the dry routes at the Approved Recyclable Materials Processing Facility.
464 Contractor shall provide a report to the City on this pilot program in its annual report described in
465 Exhibit D. Contractor’s report on this pilot program shall include information regarding the
466 number of Customers included in the program, volume of material Diverted by the program, and a
467 statement of the Contractor’s desire to either continue or cancel the program. This program may
468 be continued beyond Rate Period One without amendment to this Agreement as a Change in
469 Scope under Section 4.8.
- 470 U. **Green Works.** Contractor shall implement a workplace Recycling incentive program for
471 Commercial Customers. The program shall include, at a minimum: i) personal visits to and
472 information for business managers providing the technical assistance needed to establish a
473 successful workplace Recycling program; ii) flyers, posters, and stickers that Commercial
474 Customers can place at their indoor Recyclable Materials collection locations promoting the
475 Recycling program; and, iii) environmentally-conscious prizes (e.g. reusable water bottles,
476 reusable shopping bags, etc.) to be provided to employees as a reward for their contribution to
477 the success of the Recycling program.
- 478 V. **Waste Watch Program.** The Contractor shall include a neighborhood watch program to provide
479 observational assistance to the local law enforcement. The program shall involve a partnership
480 between local police and fire departments and the Contractor’s employees who are trained to
481 recognize and report unusual or suspicious situations to the appropriate emergency responder.
- 482 W. **Disaster Preparedness and Emergency Services Planning.** In the event of an emergency, disaster
483 or service interruption of any kind, the Contractor shall utilize its disaster plan and shall provide
484 the City with adequate emergency services. The Contractor shall follow its disaster plan is to be as
485 prepared as possible in order to minimize down time and expedite reestablishing service to
486 customers. A copy of this plan shall be available to the City Contract Manager upon request.

487 **Section 4.5: Standard of Performance**

488 Contractor shall at all times comply with Applicable Laws and provide services in a manner that is safe to
489 the public and the Contractor’s employees. Except to the extent that a higher performance standard is
490 specified in this Agreement, Contractor shall perform services in accordance with Solid Waste and
491 Recyclable Materials management practices common to California.

- 492 A. **Clean Up: Avoiding Damage to Property.** The Contractor shall use due care to prevent spills or
493 leaks of material placed for Collection. If any materials are spilled or leaked during Collection or
494 Transportation, the Contractor shall clean up all spills or leaks before leaving the site of the spill.
495 The Contractor shall close all gates after making Collections and shall not do damage to or trespass
496 upon private or public property.

497 B. **Hazardous Waste.** The Contractor acknowledges its obligation to arrange for the Disposal of
498 Hazardous Waste that inadvertently comes into its possession or control. The Contractor agrees to
499 establish all reasonable practices for the screening and elimination of Hazardous Waste from the
500 waste stream including, but not limited to, the training of personnel and the revision of such
501 practices as necessary to reflect prudent waste screening considered to be good practice in the
502 Solid Waste Collection and Disposal industry at the time.

503 If the Contractor finds what reasonably appears to be discarded Hazardous Waste or Household
504 Hazardous Waste at a Designated Collection Location, the Contractor, in addition to the procedure
505 outlined in the previous paragraph, shall either:

- 506 1. Notify the Owner or Generator, if such can be determined, that the Contractor may not
507 lawfully Collect such waste and leave a tag specifying the nearest location available for such
508 appropriate Disposal; or,
- 509 2. Follow such other procedure as the City Contract Manager shall approve.

510 In the event of a threat to the public health and safety, the Contractor shall immediately contact
511 the local fire department. The Contractor shall notify the City Contract Manager of such incident
512 within one (1) day.

513 C. **Employees:**

514 1. **Uniform.** The Contractor shall take all steps necessary to ensure that its employees
515 performing Collection Services conduct themselves in a safe, proper, and workmanlike
516 manner, and that they work as quietly as possible. All such employees shall at all times of
517 employment be dressed in uniforms with suitable identification.

518 2. **Driver Qualifications.** All drivers must have in effect a valid license, of the appropriate class,
519 issued by the California Department of Motor Vehicles. Contractor shall use the Class II
520 California Department of Motor Vehicles employer "Pull Notice Program" to monitor its
521 drivers for safety.

522 3. **Safety Training.** Contractor shall provide suitable operational and safety training for all of
523 its employees who operate Collection Vehicles or equipment. Contractor shall train its
524 employees involved in Collection to identify, and not to Collect, Excluded Waste. Upon the
525 City Contract Manager's request, Contractor shall provide a copy of its safety policy and
526 safety training program, the name of its safety officer, and the frequency of its trainings.

527 D. **Improper Loading of Containers.** The Contractor may decline to Collect any Solid Waste and
528 Recyclable Materials that been loaded or left for Collection in any manner which would prohibit its
529 safe Collection.

530 E. **Record of Non-Collection.** When any Solid Waste and Recyclable Materials placed for Collection
531 are not Collected by the Contractor, the Contractor shall leave a tag listing the reasons for such
532 non-Collection and a telephone number at which the Customer may contact the Contractor. This
533 information shall either be in writing or by means of a checked box on a form. The Contractor shall
534 maintain, at its place of business, a log book listing all such circumstances in which Collection is
535 denied. The log book shall contain the names and/or addresses of the Collection Premises

536 involved, the date of such tagging, the reason for non-Collection, and the date and manner of
537 disposition of each case. The log book shall be kept so that it may be conveniently inspected by
538 the City Contract Manager upon request. The log relating to any particular tagging shall be
539 retained for a period of one (1) year following such tagging. As an alternative to Non-Collection,
540 where the basis for the Non-Collection notice is not resolved by the Customer and where
541 photographic evidence is provided by the Contractor, Contractor may complete the Collection and
542 charge the Customer at the “extra can or bag of Solid Waste” Rate, as specified in Exhibit C3,
543 equivalent to the Customer’s Container size to compensate it for the costs of extra pickups and/or
544 sorting of materials.

545 F. **Fees and Gratuities.** The Contractor shall not, nor shall it permit any agent, employee, or
546 Subcontractor employed by it, to request, solicit, or demand, either directly or indirectly, any
547 compensation for the Collection of Solid Waste and Recyclable Materials or other Collection
548 Services, except such compensation as is specifically provided for herein as approved by the City.

549 G. **Compliance with Applicable Law.** The Contractor shall comply with all Applicable Law relating to
550 any aspect of the Collection Services or this Agreement, shall obtain and maintain all legal
551 entitlements required for the Operating Assets and the Collection Services, shall comply with all
552 valid acts, rules, regulations, orders, and directions of any Governmental Body applicable to the
553 Operating Assets and the Collection Services provided hereunder, and shall pay all taxes in
554 connection therewith. The Contractor shall keep all records indicating compliance required by the
555 Federal Immigration and Control Act of 1986 and shall make such records available for inspection
556 by the City Contract Manager upon request.

557 H. **Taxes and Utility Charges.** The Contractor shall pay all taxes lawfully levied or assessed upon or in
558 respect of the Operating Assets or the Collection Services, or upon any part thereof or upon any
559 revenues of the Contractor there from, and shall provide and pay the cost of all utilities necessary
560 for the operation of the Operating Assets and the provision of the Collection Services, when the
561 same shall become due.

562 **Section 4.6: Collection Locations**

563 A. **General.** The Contractor shall be responsible for the Collection of all Solid Waste and Recyclable
564 Materials placed for Collection in a legal manner. The Contractor shall immediately notify the City
565 Contract Manager of any condition at or near any Designated Collection Location which creates a
566 safety hazard or accessibility problem. Upon authorization by the City Contract Manager, the
567 Contractor shall discontinue Collection for any such location until the safety hazard or accessibility
568 problem is corrected. Contractor may charge the “Extra Pick-up” Rate in the amount set forth in
569 Exhibit C3 where its collection vehicle is required to return to the service location to complete
570 Collection due to a safety hazard or access restriction caused by the Customer and documented
571 with photographic evidence.

572 B. **Enclosures.** Where the Designated Collection Location is within an enclosure constructed pursuant
573 to the requirements of any public agency having jurisdiction over the design, construction, and
574 location of such enclosures, the Contractor shall be responsible for the removal and replacement
575 of all Containers placed therein. The Contractor shall use sufficient care in the handling of such
576 Containers so as to prevent any damage to the enclosure, the enclosure doors, and adjacent

577 facilities or improvements. The Contractor shall promptly repair at its own expense any such
578 enclosure or adjacent facilities or improvements damaged by the Contractor. The City shall resolve
579 any disputes relating to such damage, and the Contractor agrees to abide by such decision.

580 **Section 4.7: Other Wastes**

581 The Parties acknowledge that this Agreement is granted only with respect to the Collection Services and
582 does not include the Collection, Transportation, Processing, or Disposal of Hazardous Waste, Medical
583 Waste, and Liquid Waste. If the Contractor elects to provide any such services with respect to Hazardous
584 Waste, Infectious Waste, or any other waste regulated by the Department of Toxic Substances Control,
585 such services shall be performed by a separate legal entity separately insured and liable, and according
586 to Applicable Law. The Parties further acknowledge that the provision by the Contractor of any services
587 not specifically included within the Agreement are excluded from the protection of this Agreement and
588 may be the subject of competition among any and all legally authorized haulers.

589 **Section 4.8: Changes in Scope of Collection Services**

590 Pursuant to the Municipal Code, the City may modify the scope of services performed by the Contractor
591 pursuant to this Agreement.

592 The City shall provide written notice of any request modification to the scope of services provided by
593 Contractor pursuant to this Agreement, and the Contractor shall provide the City with any information
594 requested by the City in connection with the proposed changes. The Contractor shall, within sixty (60)
595 days after receipt of such notice by the City, respond to the City's order. The Contractor may seek
596 additional compensation in the event the scope of services is modified in accordance with this Section
597 4.8. The need for and amount of additional compensation shall be calculated following a change in
598 scope Rate review pursuant to Section 11.3.

599 **Section 4.9: Billing**

600 Contractor shall bill all Customers and be solely responsible for collecting billings at Rates set in
601 accordance with Article 11. Billing shall be performed on the basis of services rendered and this
602 Agreement shall create no obligation on the part of any Person on the sole basis of the ownership of
603 property.

604 Contractor's website shall provide Customers with the ability to pay their bills through an electronic
605 check or credit card and include the ability for Customer billings to be automatically charged on a
606 recurring basis. Contractor shall prepare, mail, and collect bills from Customers who decline to use such
607 internet-based billing system. Contractor shall make arrangements to allow Customers to pay bills by
608 cash, check, electronic check, money order, and credit card at a location within the City which shall be
609 available to Customers from 8:00 a.m. to 5:00 p.m. Monday through Friday.

610 Contractor shall maintain copies of all billings and receipts, each in chronological order, for the Term of
611 this Agreement, for inspection and verification by the City Contract Manager at any reasonable time but
612 in no case more than thirty (30) calendar days after receiving a request to do so.

613 Contractor shall be responsible for collection of payment from Customers with past due accounts (“bad
614 debt”). Contractor shall make reasonable efforts to obtain payment from delinquent accounts through
615 issuance of late payment notices, telephone requests for payments, and assistance from collection
616 agencies.

617 Invoices are due thirty (30) days following the date of the invoice. The date of the invoice shall not be
618 prior to the first day of the service period for the billing. In the event that any account becomes more
619 than forty-five (45) calendar days past due, Contractor shall notify such Customer of the delinquency via
620 written correspondence and telephone contact. Should any account become more than ninety (90)
621 calendar days past due, Contractor shall provide notice to the Customer via written correspondence,
622 with a copy to the City Contract Manager, that service may be discontinued if the account becomes
623 more than one hundred twenty (120) calendar days past due. Should any account become more than
624 one hundred twenty (120) calendar days past due, Contractor may discontinue providing service to the
625 Customer. No less than seven (7) calendar days prior to discontinuing service to a Customer, Contractor
626 shall notify the City Contract Manager of the address, Service Level, service frequency, and delinquent
627 billing amount. Contractor may withhold service from a delinquent account until past delinquencies are
628 paid in full. Upon restoring service to a previously delinquent account, Contractor may require a deposit
629 from the Customer not to exceed one (1) month’s billings at the Customer’s Service Level. Contractor
630 may charge interest at a rate of one and on-half percent (1 ½%), or the highest rate of interest allowable
631 under law, whichever is less, on account balances that are more than forty-five (45) calendar days past
632 due.

633 **Section 4.10: Transition to Next Contractor at End of Agreement**

634 If applicable, before expiration or earlier termination of this Agreement, Contractor will take direction
635 from the City and subsequent contractor to assist in a timely and orderly transition of services from
636 Contractor to subsequent contractor. In response to the City’s direction, Contractor shall provide then-
637 current route lists, which identify each Customer on the route, its service level (number of Containers,
638 Container sizes, frequency of Collection, scheduled Collection day), and any special Collection notes, and
639 detailed then-current Customer account and billing information. Contractor may, but shall not be
640 obliged to, sell Collection vehicles, equipment, or facilities to the next contractor.

ARTICLE 5: PROCESSING AND TRANSFER

641

642 **Section 5.1: Processing and Transfer Arrangements**

643 The Contractor shall make its own Processing and Transfer arrangements, so long as such arrangements
644 are in full compliance with Applicable Law. The City may order the Contractor to modify or terminate its
645 Processing and/or Transfer arrangements if:

- 646 A. The City determines that such arrangements threaten public health or safety, or
- 647 B. The City determines that the City is not adequately protected from liability for the activities of the
648 Processing or Transfer entities, or
- 649 C. The City determines that the diversion levels of the particular facility causes the City to be out of
650 compliance with AB 939 or any other regulations regarding Solid Waste and Recyclable Materials
651 management, or the Contractor is Disposing of Recovered Materials in a manner or volume which
652 does not result in significant diversion credit to the City.

653 In the event the City directs the Contractor to modify or terminate waste Processing or Transfer
654 arrangements, the City acknowledges that the Contractor shall nonetheless be entitled to recover,
655 through the Rates to be charged and authorized to be imposed hereunder, the reasonable costs of the
656 Contractor incurred in implementing such Processing or Transfer arrangements (determined in
657 accordance with generally accepted accounting principles).

658 **Section 5.2: Recyclable Materials Marketing**

659 The Contractor shall be responsible for marketing Recyclable Materials Collected in the City.
660 Contractor's marketing strategy shall make reasonable business efforts to promote the highest and best
661 use of materials presented in the waste management hierarchy established by AB 939. Where practical
662 and cost-effective, the marketing strategy should include use of local, regional, and domestic markets
663 for Recyclable Materials. Contractor shall make available to the City Contract Manager any and all
664 documentation of the final disposition of marketed Recyclable Materials as well as certification that
665 such materials have not been landfilled or incinerated.

666 **Section 5.3: Title to Recovered Materials**

667 As between the Parties, the Contractor has title to and liability for all Recovered Materials, and shall
668 indemnify, defend, and hold harmless the City from any property damage, personal injury, or
669 consequential damages suffered by any Person from exposure to or as a result of Processing any
670 Recovered Materials or subsequent product made from Recovered Materials based on any theory of
671 liability. The Contractor shall promptly notify the City of any claim by any Person arising out of the
672 marketing, Disposal, or reuse of Recovered Materials.

673

ARTICLE 6: SOLID WASTE DISPOSAL

674 Section 6.1: Solid Waste Disposal

675 A. **Disposal Generally.** The Contractor shall Transport and Dispose of all Solid Waste and Recyclable
 676 Materials which it Collects but does not divert from landfill Disposal at the Designated Disposal
 677 Facility in accordance with the requirements of Applicable Law, and shall comply with the
 678 requirements, rules and regulations of the Owner or operator of the Designated Disposal Facility.

679 B. **Designated Disposal Facilities.** The City shall have the right during the Term of the Agreement to
 680 designate the Designated Disposal Facility, or multiple concurrent Designated Disposal Facilities, in
 681 its sole and absolute discretion. The initial Designated Disposal Facilities shall be any of the Kern
 682 County landfills as approved by the City. The City shall notify the Contractor in writing of any
 683 changes in or additions to the Designated Disposal Facility. City acknowledges that the Contractor
 684 shall nonetheless be entitled to recover, through the Rates to be charged and authorized to be
 685 imposed hereunder, the reasonable costs of the Contractor incurred as the result of a change in
 686 the Designated Disposal Facility.

687 C. **Disposal Records.** The Contractor shall keep and maintain such logs, records, manifest, bills of
 688 lading or other documents as the City may deem to be necessary or appropriate to confirm
 689 compliance by the Contractor with this Agreement and shall retain all weight slips or other call
 690 information provided to the Contractor's drivers by the Owner or operator of the Designated
 691 Disposal Facility.

692 D. **Failure to Transport to Designated Disposal Facility.** The Contractor's failure to properly
 693 Transport, or cause to be Transported, Solid Waste and Recyclable Materials as described herein is
 694 an Event of Default. as described in Section 13.1.A of this Agreement, unless the failure to
 695 Transport such Solid Waste and Recyclable Materials to the Designated Disposal Facility is the
 696 result of an Uncontrollable Circumstance or such waste has been diverted by means of alternative
 697 technology allowing AB 939 diversion credit to the City; provided however, that any residue from
 698 Processing or diversion activities occurring within the County shall be Disposed at the Designated
 699 Disposal Facility.

700 E. **Flow Control Covenant.** The Contractor hereby waives any right which it may possess under
 701 Applicable Law to contest on any ground, constitutional, statutory, case law, administrative or
 702 otherwise: (a) the right, power, or authority of the City to engage in the practice of legal Solid
 703 Waste "flow control" or to enter into or perform obligations under this Agreement; or, (b) the
 704 right, power, or authority of the City to deliver or cause the delivery of all Solid Waste Collected
 705 within the City to the Designated Disposal Facility in accordance with this Agreement.

706 Section 6.2: Gate and Bin Fees

707 To the extent that the Contractor Disposes or causes the Disposal of Non-Residential Waste at the
 708 Designated Disposal Facility, it shall pay the bin fees and/or gate fees required under County Ordinance
 709 No. G-8057, as may be amended from time to time, unless specifically exempted hereunder.

711

ARTICLE 7: RECYCLING PROGRAMS

712

Section 7.1: The Contractor's Responsibility for Implementation

713 The Contractor will implement its Recycling Plan (Exhibit C6), SRRE programs (Exhibit E), and compliance
714 order programs (Exhibit F) in a manner approved by the City Contract Manager. The requirements of
715 and level of specificity contained within each of these exhibits may conflict or be redundant in some
716 cases. Regardless of such inconsistencies, Contractor shall be obligated to comply with all of the
717 requirements contained therein and in the case of any inconsistency, the City Contract Manager's
718 determination of which requirements must be met shall be conclusive.

719 In the event that the State of California diversion goals in existence at the time this Agreement is
720 effective are increased, the Contractor will be obligated to amend the Recycling Plan to the extent
721 necessary to comply with the increased diversion levels. In the event the City's SRRE is revised in
722 response to the increased requirements, the Contractor will, at the request of the City Contract
723 Manager, develop and submit for the City's approval suggested revisions to the Recycling Plan designed
724 to enable the City to meet the revised requirements, including estimated costs of implementation and
725 targeted diversion rates. After approval by the City, the Recycling Plan will be revised and the Contractor
726 will implement such revised Recycling Plan. City acknowledges that the Contractor shall nonetheless be
727 entitled to recover, through the Rates to be charged and authorized to be imposed hereunder, the
728 reasonable costs of the Contractor incurred as the result of implementation of the revised Recycling
729 Plan.

730

Section 7.2: Recycling Plan

731 The Contractor is responsible for developing and implementing Residential and Commercial source
732 reduction, Recycling, education, and outreach programs to all Customers in the City. The Contractor's
733 Recycling Plan is attached hereto as Exhibit C6. Any amendment to the Recycling Plan must be approved
734 by the City.

735

Section 7.3: Public Awareness

736 The Contractor agrees, at its own expense, to provide information to Customers at least quarterly on
737 such topics as proper Household Hazardous Waste Disposal, waste reduction and Recycling, or such
738 other topics included as part of the Contractor's Recycling Plan (Exhibit C6). Any reference to the City
739 must be approved in advance by the City Contract Manager. To the extent reasonably possible, the
740 Contractor shall accommodate the inclusion of any City-directed information on its regular billing
741 statements upon the request of the City Contract Manager without cost to the City. If the City requests
742 the distribution of information on a topic other than that required for compliance with the Recycling
743 Plan in a form that cannot be printed or included with the Contractor's regular bill, the City and
744 Contractor will share in the cost of printing and distribution.

745 **Section 7.4: Termination for Failure to Implement Strategies**

746 Failure to implement any one of the programs listed in the Recycling Plan (Exhibit C6), SRRE programs
747 (Exhibit E), and/or compliance order programs (Exhibit F) will be deemed an Event of Default unless
748 Contractor can demonstrate to the satisfaction of the City Contract Manager that implementation of
749 such programs is beyond the reasonable scope of their control despite their reasonable business efforts.
750 For example, and not by way of limitation, it is beyond the reasonable scope of the Contractor's control
751 to affect ordinances adopted by the City Council..

752

ARTICLE 8: OPERATING ASSETS

753 Section 8.1: Operating Assets

754 A. **Obligation to Provide.** The Contractor shall acquire and maintain at its own cost and expense,
755 Operating Assets which in number, nature, and capacity shall be sufficient to enable the
756 Contractor to provide the Collection Services in accordance with the terms hereof and such assets
757 shall be subject to inspection by the City at any time.

758 B. **Vehicle and Equipment Identification.** The Contractor's name, phone number, and Vehicle or
759 equipment number shall be visibly displayed in letters not less than three (3) inches in height on
760 both sides of its Vehicles or other Collection equipment used by the Contractor, as required by the
761 Municipal Code.

762 C. **Vehicle Specifications, Maintenance, and Appearance.** All Vehicles shall be properly registered
763 with the Department of Motor Vehicles of the State of California, shall be properly insured, shall
764 be of a type approved by the City, shall be kept clean and in good repair, and shall be continuously
765 maintained in a watertight condition. Vehicles used to Collect or Transport Solid Waste shall be
766 kept covered at all times except when such material is actually being loaded or unloaded, or when
767 the Vehicles are moving along a Collection route in the course of Collection. All Vehicles shall carry
768 a broom, shovel, and operable fire extinguisher. Solid Waste Collection Vehicles shall be washed
769 at least once every seven (7) days and cleaned and painted as required to maintain a clean
770 appearance. All Vehicles must be made available for inspection upon reasonable notice by the City
771 Contract Manager.

772 D. **Spillage.** Any cover or screen shall be so constructed and used that Solid Waste shall not blow, fall,
773 or leak out of the Vehicle onto the street. In the event of a spill, leak, or loss of payload during
774 transit, the Contractor shall immediately arrange for the clean-up and Transportation of the
775 payload to the appropriate facility at the Contractor's sole cost and expense, shall pay any
776 resulting fines, assessments, penalties, or damages resulting therefrom, and shall indemnify and
777 hold harmless the City in accordance with the procedures provided in Section 12.1 hereof from all
778 loss-and-expense resulting therefrom.

779 E. **Computer System Compatibility.** The Contractor shall maintain records and data in an electronic
780 format compatible with the versions of Microsoft Word and Excel currently in use by the City at
781 any given time during the Term of this Agreement. The Contractor will, at its cost and expense, if
782 requested by the City Contract Manager, provide any reports or data required by this Agreement
783 via email, on computer disc, or through other electronic format. Raw or printed data may not be
784 submitted as a substitute to the Contractor's obligation to provide various reports under this
785 Agreement.

786 Section 8.2: Operation and Maintenance of the Operating Assets

787 The Contractor, at its cost and expense, shall at all times: 1) operate the Operating Assets properly and
788 in a safe, sound, and economical manner; 2) shall maintain, preserve, and keep the Operating Assets in

789 good repair, working order, and condition; 3) shall staff the Operating Assets with the appropriate
790 number of licensed employees consistent with good management practice; and, 4) shall make all
791 necessary and proper repairs, replacements, and renewals, so that at all times the operation of the
792 Operating Assets may be properly and advantageously conducted. The Contractor shall maintain the
793 safety of the Operating Assets at a level consistent with Applicable Law, the Insurance Requirements,
794 and prudent Solid Waste management practices.

795 **Section 8.3: Containers**

796 A. **City Regulations.** The City shall approve the number, type, size, and other specific physical
797 requirements for Containers. The Contractor shall not be required to Collect Solid Waste and
798 Recyclable Materials from Containers which have not been approved by the City.

799 B. **General Requirements.** The Contractor shall supply the Containers for each Customer free of
800 charge upon inception of Collection Services. After emptying any Container, the Contractor shall
801 replace the Container in an upright position at the place where such Container was placed for
802 Collection. The Contractor shall handle Containers in a manner so as to prevent damage or
803 spillage, and shall not throw, drop, or otherwise mishandle Containers during or after emptying
804 them. The Contractor shall repair or replace, at its own expense and within five (5) days, any
805 Container which is damaged by the Contractor and which is no longer serviceable (e.g. broken
806 wheels, cracked lid, broken axle, cracked or leaking body, etc.)..

807 C. **Containers for Residential Customers.** The Contractor shall supply all Containers required for the
808 services provided under this Agreement. The Containers shall be sturdy, water tight, and equipped
809 with heavy-duty wheels and closeable lids. The Contractor shall maintain the Containers in good
810 repair, shall bear the cost of normal wear and tear, and shall replace the Containers as needed.
811 The Contractor may charge a fee to Customers that have Containers that must be repaired or
812 replaced due to other than normal wear and tear and will notify the City Contract Manager if such
813 fee has been charged. If repairs require removal of the Container from a Customer's Premises, the
814 Contractor shall supply the Customer with a replacement Container or "loaner" Container. The
815 Contractor shall, within seven (7) days, repair or replace damaged or dilapidated Containers. The
816 Contractor shall provide the Containers required pursuant to this Section at its own cost and
817 expense and any such Containers shall constitute Operating Assets. The Contractor shall promptly
818 replace stolen Containers, provided that the Contractor shall only bear the cost of replacement of
819 such Container the first time it is stolen; and, thereafter such cost of replacement shall be borne
820 by the Customer.

821 D. **Containers for Commercial Customers.** The Contractor shall provide, as an Operating Asset the
822 Containers required pursuant to Section 8.3 at its own cost and expense. Each such Container shall
823 be identified with the Contractor's name and phone number, and be equipped with heavy-duty
824 casters and closeable lids. Each such Container shall be watertight. The Contractor shall be
825 responsible for the general maintenance and repair of Containers so provided, and shall provide
826 an equivalent Container as replacement during repairs and maintenance. If repairing,
827 maintenance, steam cleaning, and/or repainting is required as a result of abuse, neglect, or misuse
828 on the part of any Customer, the Contractor may charge the Customer a fee, to compensate for
829 the cost thereof. The Contractor shall, within seven (7) days, repair or replace any stolen,
830 damaged or dilapidated Container, provided that the Contractor shall only bear the cost of

831 replacement of such Container the first time it is stolen and thereafter such cost of replacement
832 shall be borne by the Customer.

833 E. **Ownership of Containers.** All Containers for Solid Waste and Recyclable Materials provided by the
834 Contractor to Customers in accordance with this Agreement shall, at the sole discretion of the
835 City, the City may acquire or purchase the Containers upon expiration or early termination of this
836 Agreement for the net book value as of the date of expiration or termination of the Agreement,
837 based on a seven (7) year straight-line depreciation. In the event that the City desires to retain
838 ownership of said Containers, the City shall notify Contractor of such determination. Contractor
839 shall be entitled to receive payment from the City or a future franchisee to the City, the remaining
840 book value of such Containers based on a seven (7) year straight-line depreciation schedule. All
841 Containers in service upon the expiration or termination of the Agreement shall be assumed to
842 have been placed in service on September 5, 2011 unless Contractor can provide specific evidence
843 documenting the serial number (or other distinguishing inventory designation) of each and every
844 Container placed in service after that date and accompanying invoices from Contractor's
845 Container vendor(s) with matching identifying information.

846 **Section 8.4: Vehicle Requirements**

847 Contractor shall provide a fleet of Collection Vehicles sufficient in number and capacity to efficiently
848 perform the work required by the Agreement in strict accordance with its terms. Contractor shall have
849 available sufficient back-up Vehicles for each type of Collection Vehicle used to respond to scheduled
850 and unscheduled maintenance, service requests, complaints, and emergencies. All such Vehicles shall
851 have watertight bodies designed to prevent leakage, spillage, or overflow. All such Vehicles shall comply
852 with all Federal, State, and local laws and regulations including, without limitation, safety and emissions
853 requirements and such compliance shall come at no additional cost to the City or Customers during the
854 Term of this Agreement.

855 Collection Vehicles shall present a clean appearance while providing service under this Agreement.
856 Contractor shall inspect each Vehicle daily to ensure that all equipment is operating properly. Vehicles
857 that are not operating properly shall be taken out of service until they are repaired and operate
858 properly. Contractor shall repair, or arrange for the repair of, all of its Vehicles and equipment for which
859 repairs are needed because of accident, breakdown or any other cause so as to maintain all equipment
860 in a safe and operable condition.

ARTICLE 9: GENERAL REQUIREMENTS

861

862 Section 9.1: Public Access to the Contractor

863 A. **Office Facilities.** The Contractor shall establish and maintain an office within the City through
864 which the Contractor's representatives may be contacted, unless otherwise approved by the City
865 Contract Manager.

866 B. **Office Hours.** The Contractor's office hours shall be, at a minimum, from 8:00 a.m. to 5:00 p.m.
867 daily except Saturdays, Sundays, and holidays. These hours may be altered with the approval of
868 the City Contract Manager.

869 C. **Emergency Telephone Number.** The Contractor shall provide the City with an emergency
870 telephone number for use by the City Contract Manager outside normal business hours. The
871 Contractor shall have a representative, or an answering service to contact such representative,
872 available at the emergency telephone number during all hours other than normal office hours.

873 Section 9.2: Service Complaints

874 A. **Complaints to Contractor.** The Contractor shall maintain during office hours a complaint service
875 and telephone answering system having an answering capacity satisfactory to the City Contract
876 Manager. All service complaints and billing complaints will be directed to the Contractor. The
877 Contractor shall record all complaints in a log, including date, complainant name and address, and
878 nature and resolution of complaint. This log shall be available for inspection by the City Contract
879 Manager during the Contractor's regular office hours. Copies thereof shall be furnished to the City
880 Contract Manager upon request.

881 B. **Required Response to Complaints.** The Contractor, within twenty-four (24) hours of its receipt of
882 notice from a Customer or the City Contract Manager of a failure to provide any service(s) as
883 required by the terms of this Agreement, shall provide such service in a manner consistent with
884 the requirements of this Agreement.

885 Section 9.3: Accounting and Records

886 A. **Maintenance and Audit of Records.** The Contractor shall maintain in its principal office in the
887 County full and complete financial statements and accounting records for operations under this
888 Agreement. Contractor shall account for revenues received and expenses incurred as a result of
889 this Agreement separate from the accounting for other operations performed by Contractor or its
890 affiliates. The Gross Receipts derived from the Collection Services under this Agreement, whether
891 such services are performed by the Contractor or by a Subcontractor, shall be recorded as
892 revenues in the accounts of the Contractor. Upon demand, the Contractor shall permit the City
893 Contract Manager to examine and audit the books of account of the Contractor at any and all
894 reasonable times for the purpose of verifying Contractor's performance under this Agreement.
895 Upon request, the Contractor shall allow the City Contract Manager to examine the reports of

896 Gross Receipts and the invoices pertaining to any fee or charge approved by the City Council for
897 Services provided under this Agreement. Such request shall be made at reasonable times and with
898 reasonable notice.

899 In the event that a Special Circumstance Rate adjustment is requested, such records shall be
900 subject to review in accordance with appropriate professional standards, and inspection, for the
901 primary purpose of reviewing changes in costs to the Contractor attributable to the Special
902 Circumstance request, at any reasonable time by an independent third party. The selection of the
903 independent third party as well as the scope of work for such review shall be approved in advance
904 by the City Contract Manager. The independent reviewer shall provide any and all drafts of its
905 review to the City and the Contractor. The Party requesting the Special Circumstance Rate review
906 shall bear the cost of the review.

907 The Contractor shall maintain and preserve all cash, billing, and Disposal records throughout the
908 Term of this Agreement and for a period of not less than three (3) years following expiration or
909 early termination of the Agreement. The Contractor shall obtain, within one hundred twenty (120)
910 days of a request by the City Contract Manager, complete independently audited financial
911 statements for the prior calendar year, including its balance sheet, statement of revenues and
912 expenses, and statement of changes in cash position, and provide such financial statements to the
913 City Contract Manager.

914 B. **Confidentiality.** The City agrees to hold financial statements delivered pursuant to this Section as
915 confidential and shall not disclose the same unless and to the extent disclosure is required
916 pursuant to Applicable Law.

917 **Section 9.4: Reporting**

918 The Contractor shall maintain on file at its business premises documentation setting forth it's Routing
919 and Collection System, a list of all Collection Premises in the City, organized alphabetically or by address,
920 and the identification of all services each receives. This information shall be updated and provided at no
921 additional cost to the City along with Contractor's annual report (as required in Exhibit D) to the City and
922 any time upon request of the City Contract Manager. The Contractor shall cooperate with the City to
923 periodically monitor the average volume of Solid Waste and Recyclable Materials generated from each
924 Collection Premises. Customer-specific records are subject to inspection, and copying by the City during
925 regular business hours with reasonable advance notice.

926 **Section 9.5: Integrated Waste Management Act (AB 939) Compliance**

927 The Contractor shall provide on a monthly basis all necessary reporting data requested by the City
928 relating to the City's compliance requirements pertaining to AB 939 as it affects the County's Integrated
929 Waste Management Plan and the City's SRRE. Such report shall be provided to the City within thirty (30)
930 days after the end of each month. The Contractor shall cooperate in activities requested by the City to
931 measure diversion of Solid Waste from landfills including, but not limited to, providing a location for
932 conducting waste sorting at the Contractor's facility, re-routing trucks on a temporary basis to facilitate
933 composition analysis. Such report shall include throughput, recovery rates per material type, residue,
934 costs, Recyclable Material commodity values, and final disposition of Recyclable Materials. The
935 Contractor shall also supply any other information reasonably requested by the City to meet State or

936 Federal regulatory requirements and the reporting requirements of the City's SRRE, as those
937 requirements may be amended from time to time.

938 **Section 9.6: Personnel and Subcontractors**

939 A. **Employment Practices.** The Contractor shall at all times maintain and follow employment
940 practices in accordance with all state and federal laws and regulations, and shall indemnify the
941 City for any Legal Proceeding relating to its noncompliance with such laws or regulations.

942 B. **Non-Discrimination.** In the performance of the terms of this Agreement, the Contractor agrees
943 that it will not engage in nor permit such Subcontractors as it may employ to engage in
944 discrimination against any employee or applicant for employment on the basis of race, sex, color,
945 religion, ancestry, national origin, marital status, age or as a qualified individual with a disability.
946 This prohibition shall pertain to employment, upgrading, demotion, or transfer; recruitment
947 advertising; layoff or termination; rates of pay and other forms of compensation; selection for
948 training, including apprenticeship, and any other action or inaction pertaining to employment
949 matters.

950 C. **Personnel.** The Contractor shall employ personnel sufficient in number, training, experience, and
951 capability to ensure that the Collection Services required to be performed under this Agreement
952 are properly carried out.

953 D. **Subcontractors.** The Contractor shall not utilize any Affiliates or Subcontractors for the
954 performance of the Collection Services except with the consent of the City Contract Manager,
955 which may be withheld or delayed if the City Contract Manager determines, in their sole
956 discretion, that such consent is not in the best interest of the public health, safety, or general
957 welfare. In the event Subcontractors are utilized, the Contractor shall provide the City with direct
958 access to a designated representative from the Subcontractor, such designation not to be changed
959 without prior approval of the City Contract Manager, except in cases of termination of the
960 employee. The Parties acknowledge the City's direct contact with any Subcontractors in no way
961 eliminates the Contractor's responsibility to fulfill its obligations under this Agreement.

962 **Section 9.7: City Contract Manager**

963 The City has designated the City Contract Manager to be responsible for the monitoring and
964 administration of this Agreement. Contractor shall meet and confer with the City Contract Manager to
965 resolve differences of interpretation and implement and execute the requirements of this Agreement in
966 an efficient and effective manner that is consistent with the stated objectives of this Agreement.

967 From time to time the City Contract Manager may designate other agents at the City to work with
968 Contractor on specific matters. In such cases, those individuals should be considered designates of the
969 City Contract Manager for those matters to which they have been engaged. Such designates shall be
970 afforded all of the rights and access granted thereto. In the event of a dispute between the City Contract
971 Manager's designate and Contractor, the City Contract Manager's determination shall be conclusive.

972 In the event of dispute between the City Contract Manager and the Contractor regarding the
973 interpretation of or the performance of services under this Agreement, the City Contract Manager's

974 determination shall be conclusive except where each such determination results in a material impact to
975 the Contractor's revenue and/or cost of operations. In the event of a dispute between the City Contract
976 Manager and the Contractor that results in such material impact to the Contractor, Contractor may
977 appeal the determination of the City Contract Manager to the City Council, whose determination shall
978 be conclusive. For the purposes of this definition, "material impact" is an amount equal to or greater
979 than one-quarter (1/4) of one (1) percent of Contractor's annual Gross Receipts under this Agreement.

980 City Contract Manager or their designate shall have the right to observe and review Contractor
981 operations and Processing Facilities and enter Premises for the purposes of such observation and
982 review, including review of Contractor's records, during reasonable hours with reasonable notice. In no
983 event shall Contractor prevent access to such Premises for a period of more than three (3) calendar days
984 after receiving such a request.

985 The City contract manager is authorized and empowered to adjust, settle, or compromise any
986 controversy or charge arising from the operations under this Agreement, either on behalf of the City,
987 contractor, or the public, pursuant to Municipal Code Section 3-5.11-(e).

988

ARTICLE 10: CITY FEES

989 Section 10.1: City Fees

990 A. **Administrative Fee.** The Contractor shall pay an Administrative Fee to the City each quarter. The
991 amount of the Administrative Fee shall be one hundred thousand dollars (\$100,000) in Rate Period
992 One and shall be adjusted in subsequent Rate Periods pursuant to Section 10.2. The
993 Administrative Fee shall be paid in equal quarterly installments. The City shall use the
994 Administrative Fee to offset expenses including costs related to contract management,
995 compliance monitoring, and to enforce the franchise with respect to any violations by third
996 parties, including initiating and/or assisting in prosecuting enforcement actions. The City shall
997 retain the sole right to set priorities for its contract monitoring and enforcement among the City
998 personnel. This fee shall be a Pass-Through Cost.

999 B. **Franchise Fees.** Pursuant to Municipal Code Section 3-5.704, in consideration of the rights
1000 provided Contractor herein, Contractor shall pay Franchise Fees to the City each quarter equal to
1001 ten percent (10%) of Gross Receipts for all services performed under this Agreement. This fee may
1002 be adjusted by a City Council resolution. This fee shall be a Pass-Through Cost.

1003 C. **Other Fees.** The City shall reserve the right to set other fees as it deems necessary, subject to City
1004 Council approval. The time and method of payment shall be consistent with those for the
1005 Administrative Fee, and the fee adjustment process shall be consistent with that specified in
1006 Section 10.2.

1007 Section 10.2: Adjustment to Fees

1008 Pursuant to the Municipal Code, the City may adjust the fees established in this Article from time-to-
1009 time during the Term of this Agreement and such adjustments shall be included in the adjustment of
1010 Rates as described in Section 11.2 and Exhibit B. The City acknowledges that the Contractor shall be
1011 entitled to recover, through the Rates to be charged and authorized to be imposed hereunder, the
1012 reasonable costs of the Contractor incurred due to the adjustment in the fees.

1013 The amounts of the Franchise Fee and Administrative Fee for subsequent Rate Periods shall be adjusted
1014 annually in accordance with the adjustment method described in Exhibit B, or shall be the amount
1015 specified by the City. The City acknowledges that the Contractor shall be entitled to recover, through the
1016 Rates to be charged and authorized to be imposed hereunder, the reasonable costs of the Contractor
1017 incurred due to the adjustment in the fees.

1018 Section 10.3: Payment Schedule and Late Fees

1019 Within thirty (30) days of the end of each calendar quarter, during the Term of this Agreement and
1020 including the final calendar quarter or portions thereof at the end of the Term of this Agreement,
1021 Contractor shall remit to City all fees as described in this Article. Such fees shall be payable to City and
1022 sent or delivered to the City Contract Manager.

1023 If such remittance is not paid to City on or before the thirtieth (30th) day following the end of a calendar
1024 quarter, all fees dues shall be subject to a delinquency penalty of three percent (3%), which attaches on
1025 the first day of delinquency. The delinquency penalty shall be increased an additional three percent (3%)
1026 and applied to both the original amount due as well as any delinquency penalties previously applied for
1027 each additional month the payment remains delinquent. For example, if the amount of the original fees
1028 owed equals one hundred thousand dollars (\$100,000) the initial delinquency amount applied on the
1029 first day of delinquency will be three thousand dollars (\$3,000) bringing the total amount to one
1030 hundred three thousand dollars (\$103,000). If that amount becomes past due for an additional month,
1031 the additional delinquency penalty shall be applied to the one hundred three thousand dollars
1032 (\$103,000) therefore, the new total amount due would be one hundred six thousand ninety dollars
1033 (\$106,090).

1034 Each quarterly remittance to the City shall be accompanied by a statement listing the amount of each
1035 fee paid; calculation of each fee; and, statement of Gross Receipts, by line of business for the period
1036 Collected from all operations conducted or permitted by this Agreement. The City Contract Manager
1037 may, at any time during the Term, request a detailed calculation of Gross Receipts which may include,
1038 but is not necessarily limited to, the number of Customers charged at each Service Level and Rate for
1039 each billing period.

1040 The City Contract Manager may, at any time during the Term or within three years following the
1041 expiration or early termination of this Agreement, perform an audit of Contractor's billings and payment
1042 of fees. Contractor shall fully cooperate with the City Contract Manager in any such audit. Should the
1043 City or its agent perform this review and identify billing errors or other errors in payment of fees valued
1044 at one (1%) percent or more of Gross Receipts, Contractor shall, in addition to compensating the City for
1045 lost fees and applicable delinquency penalties, reimburse the City's cost of the review.

1046 **ARTICLE 11: CONTRACTOR’S COMPENSATION AND RATE SETTING**

1047 **Section 11.1: General**

1048 The Contractor’s compensation for performance of all its obligations under this Agreement shall be
1049 Gross Receipts. Contractor’s compensation provided for in this Article shall be the full, entire and
1050 complete compensation due to Contractor pursuant to this Agreement for all labor, equipment,
1051 materials and supplies, Processing and Disposal fees, fees due to the City, taxes, insurance, bonds,
1052 overhead, operations, profit, and all other things necessary to perform all the services required by this
1053 Agreement in the manner and at the times prescribed. Nothing herein shall obligate the City to provide
1054 any compensation to Contractor beyond Gross Receipts.

1055 If Contractor’s actual costs, including fees due to the City, are more than Gross Receipts, Contractor shall
1056 not be compensated for the difference in actual costs and actual Gross Receipts. If Contractor’s actual
1057 costs, including fees due to the City, are less than the actual Gross Receipts, Contractor shall retain the
1058 difference.

1059 Under this Agreement, Contractor shall have the right and obligation to charge and collect from
1060 Customers, Rates that are approved by the City pursuant to the Municipal Code for provision of services
1061 to Customers. The Rates for Rate Period One (Exhibit C3) are based on the Contractor’s Proposal.
1062 Contractor’s proposed costs and operating assumptions for Rate Period One are presented in Exhibit C2.
1063 The rates established by the City are maximum Rates and Contractor may, in its sole discretion, charge
1064 Customers any amount up to and including the approved maximum Rate for a given level of service.

1065 Revenues received for the sale of Recyclable Materials including California Redemption Value revenues
1066 have been considered in the establishment of Rates for services provided under this Agreement.
1067 Neither Contractor nor the Approved Recyclable Materials Processing Facility are entitled to grant funds
1068 available through CalRecycle through its “Curbside Supplemental Payments” for registered curbside
1069 Recycling programs or “City/County Payment Program” pursuant to Section 14581(a)(5)(A) of the
1070 California Beverage Container Recycling and Litter Reduction Act.

1071 **Section 11.2: Rates and Annual Adjustments**

1072 **A. General.** The City shall be responsible for approving maximum Rates as described in this Article.
1073 If at any time during the Term of the Agreement, the Contractor determines the need for a Rate
1074 that does not appear on the City -approved Rate schedule in Exhibit C3, Contractor shall
1075 immediately notify the City and request establishment of such Rate. For example, if a Customer
1076 requires Collection of Recyclable Materials in a fifteen (15) cubic yard Compactor five (5) times
1077 per week and the City -approved Rate schedule does not include this level of service, the
1078 Contractor must request that the City approve a Rate for this level of service.

1079 **B. Maximum Rates for Rate Period One.** Maximum Rates for Rate Period One, which are
1080 presented in Exhibit C3, were determined by Contractor and were approved by the City
1081 resolution on or before the execution of the Agreement. The maximum Rates for Rate Period
1082 One shall be effective from the Commencement Date of this Agreement through June 30, 2013.

1083 C. **Rates for Subsequent Rate Periods.** Maximum Rates for subsequent Rate Periods shall be
1084 adjusted annually in accordance with this Section 11.2 and Exhibit B.

1085 The multi-index based adjustment, which is described in Exhibit B, involves use of various cost
1086 adjustment factors (such as the percentage change in the Consumer Price Index, the percentage
1087 change in the Fuel Index, and percentage change in the Designated Disposal Facility Tipping
1088 Fees) to calculate adjusted Rates. Such Rate adjustment calculations shall be performed in strict
1089 conformance to the procedures described in Exhibit B.

1090 D. **Rate Structure.** The City and Contractor shall meet and confer to change the relationship of
1091 individual Rates in comparison with other Rates. Any such changes would occur in conjunction
1092 with the annual Rate adjustment process described in Section 11.2.C or in conjunction with a
1093 Rate adjustment resulting from an extraordinary Rate adjustment in accordance with Section
1094 11.3. Changes to the Rates charged under the new structure shall be calculated in such a way
1095 that the revised Rate structure generates at least the same amount of total revenue when the
1096 number of accounts at each Service Level are multiplied by the Rates charged for each Service
1097 Level and the total for all Service Levels are summed.

1098 **Section 11.3: Special Circumstances Rate Adjustments**

1099 It is understood that the Contractor accepts the risk for changes in cost of providing services and the
1100 Service Levels requested by Customers and therefore the Special Circumstance adjustments to Rates
1101 shall be limited to: (i) a Change in Law (as defined in Exhibit A); (ii) an increase or decrease in a direct per
1102 ton surcharge assessed on the collection, transportation, processing or disposal of Solid Waste or
1103 Recyclable Materials by Federal, State or local regulatory agencies after the Effective Date of the
1104 Agreement (Surcharge); or (iii) a City-directed Change in Scope (pursuant to Section 4.8). If a Change in
1105 Law, Surcharge, or a City-directed change in scope occurs, the Contractor or City Contract Manager may
1106 petition the City Council for an adjustment to the maximum Rates (either increasing or decreasing the
1107 Rates) calculated in accordance with Section 11.2.

1108 Contractor shall prepare an application for the extraordinary Rate adjustment calculating the net
1109 financial effect on its operations (both increases and decreases of costs and revenues) resulting from the
1110 Change in Law or City Directed Change in Scope (but not resulting from unrelated changes in costs and
1111 revenues), clearly identifying all assumptions related to such calculations and providing the underlying
1112 documentation supporting the assumptions. City Contract Manager shall evaluate the application for
1113 reasonableness. As part of that review, the City Contract Manager may request access to the financial
1114 statements and accounting records required to be maintained by the Contractor (pursuant to Section
1115 9.3) in order to determine the reasonableness of the Contractor's application. Should the Contractor
1116 not grant such access, then the City may rely on the Contractor's Proposal and other information
1117 available to it as the basis for making reasonable assumptions regarding what those accounting and
1118 financial records would have shown and therefore the reasonableness of the Contractor's application.
1119 Contractor shall pay all reasonable costs incurred by the City, including the costs of outside accountants,
1120 attorneys, and/or consultants, in order to make a determination of the reasonableness of the requested
1121 Rate adjustment.

1122 In the event of such an application for Special Circumstances Rate Adjustment, it is understood that the
1123 City or Contractor, as the case may be, shall have the burden of demonstrating the reasonableness of
1124 the requested adjustment

1125 The Contractor may appeal the decision of the City Contract Manager to the City Council, which shall
1126 then make the final determination as to whether an adjustment to the maximum Rates will be made,
1127 and if a Rate adjustment is permitted, the amount of the Rate adjustment. With respect to an
1128 Extraordinary Rate adjustment requested by the City Contract Management, the City Council shall then
1129 make the final determination as to whether an adjustment to the maximum Rates will be made, and if a
1130 Rate adjustment is permitted, the amount of the Rate adjustment.

1131 **Section 11.4: Publication of Rates**

1132 The Contractor shall provide written notice to Customers of proposed Rate changes. Such written notice
1133 shall be delivered to all Customers as part of the next quarterly or monthly billing statement which
1134 Contractor sends to Customers. Contractor shall also publish such Rates in a convenient and easily found
1135 location on its website.

1136 **ARTICLE 12: INDEMNITY, INSURANCE, AND PERFORMANCE**
1137 **BOND**

1138 **Section 12.1: Indemnification**

1139 **A. General.** Contractor shall indemnify, defend with counsel acceptable to City, and hold harmless
1140 (to the full extent permitted by law) City and its officers, officials, employees, volunteers, and
1141 agents from and against any and all claims, liability, loss, injuries, damage, expense, and costs
1142 (including without limitation costs and fees of litigation, including attorneys' and expert witness
1143 fees) (collectively, "Damages") of every nature arising out of or in connection with Contractor's
1144 performance under this Agreement, or its failure to comply with any of its obligations contained
1145 in the Agreement, except to the extent such loss or damage was caused by the negligence or
1146 willful misconduct of the City.

1147 **B. Excluded Waste.** Contractor acknowledges that it is responsible for compliance during the
1148 entire Term of this Agreement with all Applicable Laws. Contractor shall not store, Transport,
1149 use, or Dispose of any Excluded Waste except in strict compliance with all Applicable Laws.

1150 In the event that Contractor negligently or willfully mishandles Excluded Waste in the course of
1151 carrying out its activities under this Agreement, Contractor shall at its sole expense promptly
1152 take all investigatory and/or remedial action reasonably required for the remediation of such
1153 environmental contamination. Prior to undertaking any investigatory or remedial action,
1154 however, Contractor shall first obtain the City's approval of any proposed investigatory or
1155 remedial action. Should Contractor fail at any time to promptly take such action, the City may
1156 undertake such action at Contractor's sole cost and expense, and Contractor shall reimburse the
1157 City for all such expenses within thirty (30) calendar days of being billed for those expenses, and
1158 any amount not paid within that thirty (30) calendar day period shall thereafter be deemed
1159 delinquent and subject to the delinquent fee payment provision of Section 10.3. These
1160 obligations are in addition to any defense and indemnity obligations that Contractor may have
1161 under this Agreement. The provisions of this Section shall survive the termination or expiration
1162 of this Agreement.

1163 Notwithstanding the foregoing, Contractor's duties under this subsection shall not extend to any
1164 claims arising from the Disposal of Solid Waste at the Designated Disposal Facility, including, but
1165 not limited to, claims arising under Comprehensive Environmental Response, Compensation and
1166 Liability Act (CERCLA) unless such claim is a direct result of Contractor's negligence or willful
1167 misconduct.

1168 **C. Environmental Indemnity.** Contractor shall defend, indemnify, and hold the City harmless
1169 against and from any and all claims, suits, losses, penalties, damages, and liability for damages
1170 of every name, kind and description, including attorneys' fees and costs incurred, attributable to
1171 the negligence or willful misconduct of Contractor in handling Excluded Waste.

1172 **D. Related to the Act.** Contractor's duty to defend and indemnify herein includes all fines and/or
1173 penalties imposed by CalRecycle, subject to the restrictions set forth in Public Resources Code
1174 Section 40059.1, if the requirements of the act are not met by the Contractor with respect to

1175 the waste stream Collected under this Agreement, and such failure is: (i) due to the failure of
1176 Contractor to meet its obligations under this Agreement; or, (ii) due to Contractor delays in
1177 providing information that prevents Contractor or the City from submitting reports required by
1178 the Act in a timely manner.

1179 **E. Related to Proposition 218.** Should there be a Change in Law or a new judicial interpretation of
1180 Applicable Law, including, but not limited to, Article XIII C and D of the California Constitution
1181 (Commonly Proposition 218), which impacts the Rates for the Collection Services established in
1182 accordance with this Agreement, Contractor agrees to meet and confer with the City to discuss
1183 the impact of such Change in Law on either Party’s ability to perform under this Agreement.

1184 If, at any time, a Rate adjustment determined to be appropriate by both the City (which
1185 determination shall not be unreasonably withheld) and Contractor to compensate Contractor
1186 for increases in costs as described in this Agreement cannot be implemented for any reason,
1187 Contractor shall be granted the option to negotiate with the City, in good faith, a reduction of
1188 services equal to the value of the Rate adjustment that cannot be implemented. If the City and
1189 Contractor are unable to reach agreement on such a reduction in services, then Contractor may
1190 terminate this Agreement upon one hundred eighty (180) calendar days prior written notice to
1191 the City, in which case the Contractor and the City shall each be entitled to payment of amounts
1192 due for contract performance through the date of termination.

1193 Should a court of competent jurisdiction determine that the Contractor cannot charge and/or
1194 increase its Rates for charges related to any new or increased Franchise Fees and Governmental
1195 Fees and charges, Contractor shall reduce the Rates it charges Customers a corresponding
1196 amount and shall discontinue payment of any new or increased Franchise Fee, Governmental
1197 Fees, and/or charges which have been invalidated by the court.

1198 Nothing herein is intended to imply that California Constitution, Articles XIIC or XIID, apply to
1199 the Rates established for services provided under this Agreement; rather this Section is provided
1200 merely to allocate risk of an adverse judicial interpretation between the Parties.

1201 This provision (i.e., Section 12.1) will survive the expiration or earlier termination of this
1202 Agreement and shall not be construed as a waiver of rights by the City to contribution or
1203 indemnity from third parties.

1204 **Section 12.2: Insurance**

1205 **General Requirements.** Contractor shall, at its sole cost and expense, maintain in effect at all times
1206 during the Term of this Agreement not less than the following coverage and limits of insurance:

1207 **A. Coverages and Requirements.** During the Term of this Agreement, Contractor shall at all times
1208 maintain, at its expense, the following coverages and requirements. The comprehensive general
1209 liability insurance shall include broad form property damage insurance.

1210 1. Insurance coverage shall be with limits not less than the following:

1211 **Comprehensive General Liability** – \$2,000,000 combined single limit per occurrence for
1212 bodily injury, personal injury, and property damage.

- 1213 **Automobile Liability** – \$2,000,000 combined single limit per accident for bodily injury
1214 and property damage (include coverage for Hired and Non-owned Vehicles).
- 1215 **Workers’ Compensation – Statutory Limits/Employers’ Liability** - \$1,000,000/accident
1216 for bodily injury or disease.
- 1217 **Employee Blanket Fidelity Bond** – \$500,000 per employee covering dishonesty, forgery,
1218 alteration, theft, disappearance, and destruction (inside or outside).
- 1219 **Pollution Legal Liability** - \$1,000,000 per claim/occurrence and \$2,000,000 aggregate
1220 for bodily injury, property damage, and remediation of contaminated site.
- 1221 2. The City, its officers, agents, employees, and volunteers shall be named as additional
1222 insured on all but the workers’ compensation and professional liability coverages.
- 1223 3. Said policies shall remain in force through the life of this Agreement and, with the
1224 exception of professional liability coverage, shall be payable on a “per occurrence” basis
1225 unless the City’s Risk Manager specifically consents in writing to a “claims made” basis.
1226 For all “claims made” coverage, in the event that the Contractor changes insurance
1227 carriers Contractor shall purchase “tail” coverage or otherwise provide for continuous
1228 coverage covering the Term of this Agreement and not less than three (3) years
1229 thereafter. Proof of such “tail” or other continuous coverage shall be required at any
1230 time that the Contractor changes to a new carrier prior to receipt of any payments due.
- 1231 4. The Contractor shall declare all aggregate limits on the coverage before commencing
1232 performance of this Agreement, and the City’s Risk Manager reserves the right to
1233 require higher aggregate limits to ensure that the coverage limits required for this
1234 Agreement as set forth above are available throughout the performance of this
1235 Agreement.
- 1236 5. The deductibles or self-insured retentions are for the account of Contractor and shall be
1237 the sole responsibility of the Contractor.
- 1238 6. Each insurance policy shall provide or be endorsed to state that coverage shall not be
1239 suspended, voided, canceled by either Party, reduced in coverage or in limits except
1240 after thirty (30) calendar days prior written notice by certified mail, return receipt
1241 requested, has been given to the City Contract Manager ten (10) Business Days for
1242 delinquent insurance premium payments).
- 1243 7. Insurance is to be placed with insurers with a current A.M. Best’s rating of no less than
1244 A-VII, unless otherwise approved by the City Risk Manager.
- 1245 8. The policies shall cover all activities of Contractor, its officers, employees, agents and
1246 volunteers arising out of or in connection with this Agreement.
- 1247 9. For any claims relating to this Agreement, the Contractor’s insurance coverage shall be
1248 primary, including as respects the City, its officers, agents, employees, and volunteers.
1249 Any insurance maintained by the City shall apply in excess of, and not contribute with,
1250 insurance provided by Contractor’s liability insurance policy.

1251 10. The Contractor shall waive all rights of subrogation against the City, its officers,
1252 employees, agents, and volunteers related to the performance of services under this
1253 Agreement.

1254 **B. Endorsements.** Prior to the effective date pursuant to this Agreement, Contractor shall furnish
1255 the City Contract Manager with certificates or original endorsements reflecting coverage
1256 required by this Agreement. The certificates or endorsements are to be signed by a Person
1257 authorized by that insurer to bind coverage on its behalf. All certificates or endorsements are to
1258 be received by, and are subject to the approval of, the City Risk Manager before work
1259 commences.

1260 **C. Renewals.** During the Term of this Agreement, Contractor shall furnish the City Contract
1261 Manager with certificates or original endorsements reflecting renewals, changes in insurance
1262 companies, and any other documents reflecting the maintenance of the required coverage
1263 throughout the entire Term of this Agreement. The certificates or endorsements are to be
1264 signed by a Person authorized by that insurer to bind coverage on its behalf.

1265 **D. Workers' Compensation.** Contractor shall provide workers' compensation coverage as required
1266 by State law, and prior to the effective date pursuant to this Agreement, Contractor shall file the
1267 following statement with the City.

1268 "I am aware of the provisions of Paragraph 3700 of the Labor Code that require every employer
1269 to be insured against liability for workers' compensation or to undertake self-insurance in
1270 accordance with the provisions of that code, and I will comply with such provisions before
1271 commencing any services required by this Agreement.

1272 The Person executing this Certificate on behalf of Contractor affirmatively represents that
1273 she/he has the requisite legal authority to do so on behalf of Contractor, and both the Person
1274 executing this Agreement on behalf of Contractor and Contractor understand that the City is
1275 relying on this representation in entering into this Agreement."

1276 **Section 12.3: Performance Bond**

1277 Within seven (7) calendar days of the City's notification to Contractor that the City has executed this
1278 Agreement, Contractor shall file with the City a bond, payable to the City, securing the Contractor's
1279 performance of its obligations under this Agreement and such bond shall be renewed annually if
1280 necessary so that the performance bond is maintained at all times during the Term. The principal sum of
1281 the bond shall be five hundred sixty thousand dollars (\$560,000) and shall be adjusted every three (3)
1282 years, commencing with Rate Period Three, to equal three (3) months of the prior Rate Period's annual
1283 Gross Receipts. The bond shall be executed as surety by a corporation authorized to issue surety bonds
1284 in the State of California that has a rating of A or better in the most recent edition of Best's Key Rating
1285 Guide, and that has a record of service and financial condition satisfactory to the City. The bond shall be
1286 in the form attached as Exhibit E.

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ARTICLE 13: DEFAULT, REMEDIES AND TERMINATION

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Section 13.1: Default and Remedies

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A. **Events of Default.** Each of the following shall constitute an Event of Default:

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1. Any transaction, without any requirement of notice or cure opportunity, not complying with the requirements of Section 15.7 hereof.

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2. The failure by the Contractor for any reason to deliver to the Designated Disposal Facility Solid Waste Collected by the Contractor.

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3. Failure or refusal of the Contractor to perform any term, covenant, obligation or condition in this Agreement other than a failure or refusal described in items (1) or (2) above, except that no such failure or refusal shall give the City the right to terminate this Agreement under this Section unless:

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(i) The City has given prior written notice to the Contractor, stating the existence of a specific failure or refusal to perform exists which will, unless corrected, constitute a material breach of this Agreement on the part of the Contractor and which will, in the City's opinion, give the City a right to terminate this Agreement for cause under this Section unless such default is corrected within fifteen (15) days, and

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(ii) The Contractor has neither challenged in an appropriate forum the City's conclusion that such failure or refusal to perform has occurred or constitutes a material breach of this Agreement nor corrected or diligently taken steps to correct such default within such fifteen (15) day period from receipt of the notice given pursuant to the clause (i) of this subsection (but if the Contractor shall have diligently taken steps to correct such default within a reasonable period of time, the same shall not constitute an Event of Default for as long as the Contractor is continuing to take such steps to correct such default in a timely manner).

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4. The written admission by the Contractor that it is bankrupt, or the filing by the Contractor of a voluntary petition under the Federal Bankruptcy Code, or the consent by the Contractor or either Guarantor to the appointment by a court of a receiver or trustee for all or a substantial portion of its property or business, or the making by the Contractor or either Guarantor of any arrangement with or for the benefit of its creditors involving an assignment to a trustee, receiver or similar fiduciary, regardless of how designated, of all or a substantial portion of the Contractor's property or business.

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5. The final adjudication of the Contractor as bankrupt after the filing of an involuntary petition under the Bankruptcy Act, but no such adjudication shall be regarded as final unless and until the same is no longer being contested by the Contractor nor until the order of the adjudication is no longer appealable.

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- 1322 6. The failure of the Contractor to provide or maintain the Performance Bond required
1323 pursuant to Section 12.3 hereof.
- 1324 7. Any failure by the Contractor to comply with the Ridgecrest Municipal Code including, but
1325 not limited to, Sections 3-501 through 3-5.112, Sections 3-5.701 through 3-5.704, and
1326 Sections 13-2.2 through 13-5.4, following notice and opportunity to cure in accordance with
1327 Section 13.1.A.3(ii).
- 1328 8. Failure of the Contractor to timely implement the operational changes and adjusted
1329 maximum Rates resulting from the Change of Law or City-directed Change in Scope. The
1330 Contractor shall have 30 days after notice of breach from the City to implement the
1331 operational changes. Should the Contractor thereafter not implement the operational
1332 changes it shall be in default of the Agreement. In addition to being liable for all damages
1333 and penalties to the City resulting from such default, the City may terminate the Agreement
1334 in accordance with Section 13.1.B.
- 1335 B. **Right to Terminate Upon Default.** Upon a determination by the City Contract Manager that an
1336 Event of Default has occurred, the City Council shall conduct a hearing upon ten (10) days notice
1337 to the Contractor to determine if termination of the Agreement is in the best interests of the
1338 public health, safety, and general welfare of the citizens of the City. If the fact finder makes such a
1339 determination, the Contractor shall be deemed to have waived any right it may have under
1340 Applicable Law to notice of termination in excess of those notice provisions explicitly set forth
1341 herein.
- 1342 C. **City's Remedies Cumulative: Specific Performance.** The City's right to terminate this Agreement
1343 under this Section 13.1 is not exclusive, and the City's termination of the Agreement shall not
1344 constitute an election of remedies. Instead, they shall be in addition to any and all other legal and
1345 equitable rights and remedies which the City may have, including but not limited to specific
1346 performance, and fees and expenses incurred by or on behalf of the City in enforcing payment or
1347 performance of the Contractor's obligations hereunder if such non-performance results in a
1348 judicially determined Event of Default by the Contractor.
- 1349 D. **Possession of Property upon Termination or Suspension.** In the event of termination or
1350 suspension for default, the City shall have the right to take possession of any and all of
1351 Contractor's equipment and other property used or useful in the Collection, Transportation,
1352 Processing, and Disposal of Solid Waste or Recyclable Materials and the billing and collection of
1353 fees for these services and to use such property. The City shall have the right to retain the
1354 possession of such property until such time as Contractor remedies the default or substitute
1355 services can be provided by another contractor. If the City retains possession of Contractor's
1356 equipment or other property after the period of time for which Contractor has already been paid
1357 by means of bills issued in advance of providing service for the service involved, the Contractor
1358 shall be entitled to the reasonable rental value of such property (which shall be offset against any
1359 damages due the City for the Contractor's default). Contractor shall furnish the City with
1360 immediate access to all of its business records related to its Customers and billing of accounts for
1361 Collection services.

1362 **Section 13.2: Liquidated Damages**

1363 In addition to any other remedies provided for in this Agreement, the City Contract Manager may levy a
1364 charge in the amounts listed below for the Contractor's failure to meet the requirements enumerated
1365 below that constitute a breach of the terms and conditions of this Agreement. The City Contract
1366 Manager's decision to levy such a charge shall not be deemed an election of remedies, but shall be
1367 cumulative with any other remedies provided for in this Agreement. The City Contract Manager's
1368 decision not to levy any such charge shall not be deemed a waiver of any breach by Contractor under
1369 this Agreement. The Parties agree that the following Liquidated Damages represent a reasonable
1370 estimate of the amount of such damages, considering all of the circumstances existing on the date of the
1371 Agreement, including the relationship of the sums to the range of harm to the City that reasonably could
1372 be anticipated and anticipation that proof of actual damages would be costly or inconvenient. In signing
1373 this Agreement, each Party specifically confirms the accuracy of the statements made above and the
1374 fact that each Party had ample opportunity to consult with legal counsel and obtain an explanation of
1375 this Liquidated Damage provision at the time that this Agreement was entered into.

1376 A. Excessive complaints. When Contractor or the City Contract Manager receives complaints from
1377 more than one percent (1%) of its client base within a six (6) month period, Contractor will be
1378 assessed twenty-five (\$25) per complaint per occurrence during that period; and an additional
1379 twenty-five (\$25) each twenty-four (24) hours until the complaint is reasonably resolved. For
1380 purposes of this section, "complaints" shall mean substantive and credible Customer notifications
1381 to the Contractor or the City Contract Manager of missed pick-ups, property damage, missed
1382 commitments, employee misconduct or poor quality of service (e.g. litter on property or public
1383 right-of-way or misplacement of Containers).

1384 B. Failure to remit the City Fees, or file required reports in an accurate and complete manner by the
1385 fifth working day following the due date of such fees or reports: fifty dollars (\$50) per day for the
1386 first five (5) days, then five hundred dollars (\$500) per day for each day after the first five (5) days.

1387 C. Failure to provide access to Operating Assets or any other documents or information within
1388 fourteen (14) days of a request by the City Contract Manager: one hundred dollars (\$100) per day
1389 per occurrence.

1390 D. Failure to charge a Customer at or below the maximum approved Rate, where not refunded on
1391 the next invoice: fifty dollars (\$50) per occurrence per Customer where the number of Customers
1392 overcharged is less than twenty-five (25); five hundred dollars (\$500) per occurrence per
1393 Customer where the number of Customers overcharged is twenty-five (25) or more. In addition,
1394 Contractor shall be responsible for refunding any amount overcharged to each Customer
1395 determined to be overcharged. Contractor shall not be entitled to any refund from the City for
1396 Franchise Fees or other fees paid on overcharged amounts.

1397 E. Failure to implement any one of the strategies listed in the Recycling Plan: fifty dollars (\$50) per
1398 day for each day in excess of fifteen (15) days following Contractor's receipt of written notice from
1399 City.

1400 F. Collection outside permitted hours: one hundred dollars (\$100) per occurrence.

1401 In the event the Liquidated Damages permitted to be imposed under this Section exceed ten thousand
1402 dollars (\$10,000) during any three hundred sixty five (365) day period or the Contractor has violated the

1403 requirements for a particular service indicator more than four (4) times in an Agreement Year, the City
1404 Contract Manager may impose an additional penalty of twenty-five percent (25%) of the original
1405 amount of Liquidated Damages. For example, if the original amount of the Liquidated Damages totals
1406 one thousand dollars (\$1,000) the penalty amount would be two hundred fifty dollars (\$250).

1407 The City Contract Manager shall give the Contractor written notice of charges levied pursuant to this
1408 Section. Any such damages shall be paid directly to the City, and may not be included by the Contractor
1409 as justification for an upward adjustment in the Rate schedule or offset against any fees.

1410 The decision of the City Contract Manager shall be final and binding on the Contractor unless the
1411 Contractor files with the Clerk of the City Council a Notice of Appeal within fifteen (15) days of receipt of
1412 the City Contract Manager's decision. The Notice of Appeal shall be in writing and shall contain a
1413 detailed statement of the basis for the appeal. Upon receipt of the Notice of Appeal, the City Contract
1414 Manager shall set the matter for a public hearing within thirty (30) days. The City Contract Manager shall
1415 give the Contractor and any interested Person requesting the same, ten (10) days written notice of the
1416 time and place of the hearing. At the hearing, the City Council shall determine, based on the record, the
1417 appropriate action to be taken. The decision of the City Council shall be final and conclusive.

1418 **Section 13.3: Uncontrollable Circumstances**

1419 A. **Excuse from Performance.** In the event that a Party is prevented from performing its obligations
1420 under this Agreement by an Uncontrollable Circumstance, it shall not constitute a default of this
1421 Agreement, so long as the Party in good faith has used its best efforts to perform its respective
1422 obligations.

1423 The Party claiming excuse from performance shall, within five (5) days after such Party has notice
1424 of the effect of such cause, give the other Party notice of the facts constituting such cause and
1425 asserting its claim to excuse under this Section. Specifically, such information shall include the
1426 following:

- 1427 1. The Uncontrollable Circumstance and the cause thereof (to the extent known);
- 1428 2. The date the Uncontrollable Circumstance began and the cause thereof, its estimated
1429 duration" the estimated time during which the performance of such Party's obligations
1430 hereunder will be delayed;
- 1431 3. Its estimated impact on the other obligations of such Party under this Agreement; and
- 1432 4. Potential mitigating actions which might be taken by the Contractor or City and any areas
1433 where costs might be reduced and the approximate amount of such cost reductions.

1434 While the delay continues, the Contractor or City shall give daily notice to the other Party updating
1435 the information previously submitted.

1436 In the event that either Party validly exercises its rights under this Section, the Parties hereby
1437 waive any claim against each other for any damages sustained thereby.

1438 B. **City's Right to Terminate.** The partial or complete interruption or discontinuance of the
1439 Contractor's services caused by one (1) or more of the events described in this Section 13.3 shall
1440 not constitute a default by the Contractor under this Agreement. Notwithstanding the foregoing,
1441 however, if the Contractor is excused from performing its obligations hereunder because of any
1442 Uncontrollable Circumstance for a period of thirty (30) days or more, the City shall nevertheless
1443 have the right, in its sole discretion, to terminate this Agreement by giving sixty (60) days notice.

1444 C. **Work Stoppages.** Notwithstanding anything in this Agreement to the contrary, any strikes, work
1445 stoppages, or other labor disputes or disturbances occurring with respect to an) activity
1446 performed or to be performed by the Contractor or any of the Contractor's Subcontractors in
1447 connection with the Operating Assets or the Collection Services and which last beyond seven (7)
1448 days shall not constitute an Event of Default under Section 13.1.A.

1449 However, in the event of such occurrence which prevents or diminishes the ability of Contractor to
1450 Collect, Transport and Dispose of any or all the Solid Waste and Recyclable Materials which it is
1451 obligated under this Agreement to Collect, Transport or Dispose of for a period of more than
1452 seventy-two (72) hours and the City Contract Manager, in his or her discretion, should find that
1453 such accumulation endangers or menaces the public health, safety or welfare, then City shall have
1454 the right, upon twenty-four (24) hours notice to Contractor, to find the Contractor in Default and
1455 to contract with any other third parties to Collect and Transport any and all Solid Waste and
1456 Recyclable Materials which Contractor would otherwise be obligated to Collect and Transport
1457 pursuant to this Agreement. Contractor agrees that in such event, it will fully cooperate with City
1458 and its third-party contractor to effect such transfer of operations in as smooth and efficient a
1459 fashion as is practicable. All costs, fees, rates or other expenses incurred by City and/or its third-
1460 party contractor that exceed those that would have been incurred by City had no such emergency
1461 arisen shall be the responsibility of the Contractor and shall be paid to City within thirty (30) days
1462 of receipt of written notice to pay.

1463 **Section 13.4: Right to Demand Assurances of Performance**

1464 If the City believes in good faith that the Contractor's ability to perform under the Agreement has been
1465 placed in substantial jeopardy by one (1) of the events enumerated below, the City Contract Manager
1466 may, at his option and in addition to all other remedies the City may have, require that Contractor
1467 provide City Contract Manager with sufficient proof that none of the events enumerated below will in
1468 fact impair Contractor from performing its obligations under the Agreement:

1469 A. Contractor is the subject of any labor unrest, including work stoppages or slowdown, sick-out,
1470 picketing, or other concerted job action;

1471 B. Contractor appears, in the reasonable judgment of the City, to be unable to regularly pay its bills
1472 as they become due; or,

1473 C. Contractor is the subject of a civil or criminal judgment or order entered by a federal, state,
1474 regional, or local agency for violation of an environmental law.

1475 If the Contractor fails or refuses to provide to the City adequate information to establish its ability to
1476 perform within thirty (30) days, such failure or refusal shall be an Event of Default for purposes of
1477 Section 13.1.A.

1478 **Section 13.5: Waiver of Defenses**

1479 In order to insure the non-interruption of a vital public service, except as provided in Section 13.3, the
1480 Contractor acknowledges that it is solely responsible for providing the services described herein, and
1481 hereby irrevocably waives the following defenses to the payment and performance of its obligations
1482 under this Agreement: any defense based upon failure of consideration, contract of adhesion,
1483 impossibility or impracticability of performance, commercial frustration of purpose, or the existence,
1484 non-existence, occurrence or non-occurrence of any foreseen or unforeseen fact, event, or contingency
1485 that may be a basic assumption of the Contractor with regard to any provision of this Agreement.

1486

ARTICLE 14: RESOLUTION OF DISPUTES

1487 Should a dispute arise with respect to the performance and obligations of the Parties hereunder, at any
1488 time during the Term of this Agreement, the provisions of this Section shall apply. Either Party shall give
1489 the other written notice of such dispute. Such notice shall specify a date and location for the Parties to
1490 meet and confer in good faith to resolve any dispute that may arise. In the event such dispute cannot be
1491 resolved by the Parties themselves within thirty (30) days of such notice, either Party may propose the
1492 appointment of a mediator. If the other Party is in agreement, both Parties may refer the matter in
1493 dispute to such mediator for advice and non-binding mediation. If the mediator is unable, within 30 days
1494 thereafter, to reach a determination as to the matter in dispute in a manner acceptable to the Parties
1495 hereto, the matter may be referred by either Party to a Court of competent jurisdiction.

1496 **ARTICLE 15: MISCELLANEOUS PROVISIONS**

1497 **Section 15.1: Relationship of the Parties**

1498 Neither Party to this Agreement shall have any responsibility whatsoever with respect to services
1499 provided or contract obligations or liabilities assumed by the other Party hereto, whether accrued,
1500 absolute, contingent or otherwise, or whether due or to become due. The Contractor is an independent
1501 Contractor and Agreement holder and nothing in this Agreement shall be deemed to constitute either
1502 Party a partner, agent or legal representative of the other Party or to create any fiduciary relationship
1503 between the Parties.

1504 **Section 15.2: Notice to Parties**

1505 All notices required or provided for in this Agreement shall be provided to the Parties at the following
1506 addresses, by personal delivery or deposit in the U.S. Mail, postage prepaid, registered or certified mail,
1507 addressed as specified below. Notices delivered personally shall be deemed received upon receipt;
1508 mailed or expressed notices shall be deemed received five (5) days after deposit. A Party may change
1509 the address to which notice is given by giving notice as provided herein.

1510 To City:

1511 City of Ridgecrest
1512 Attn: City Manager
1513 100 W. California Ave.
1514 Ridgecrest, CA 93555
1515

1516 To Contractor:

1517 Waste Management of California, Inc.
1518 Attn: Mr. Douglas Corcoran
1519 9081 Tujunga Ave.
1520 Sun Valley, CA 91352
1521

1522 **Section 15.3: Actions of the City in its Governmental Capacity**

1523 Nothing in this Agreement shall be interpreted as limiting the rights and obligations of the City in its
1524 governmental or regulatory capacity, or as limiting the right of the Contractor to bring any legal action
1525 against the City, not based on this Agreement, arising out of any act or omission of the City in its
1526 governmental or regulatory capacity.

1527 **Section 15.4: Binding Effect**

1528 This Agreement shall bind and inure to the benefit of the Parties hereto and any successor or assignee
1529 acquiring an interest hereunder consistent with the provisions hereof.

1530 **Section 15.5: Amendments**

1531 Neither this Agreement nor any provision hereof may be changed, modified, amended or waived except
1532 by written agreement duly executed by both Parties.

1533 **Section 15.6: Further Assurance**

1534 Each Party agrees to execute and deliver any instruments and to perform any acts as may be necessary
1535 or reasonably requested by the other in order to give full effect to this Agreement.

1536 **Section 15.7: Assignment and Transfer of Agreement**

1537 A. **Consent of the City Required.** This Agreement shall not be transferred, sold, pledged,
1538 hypothecated, leased, or assigned, nor shall any of the rights or privileges herein be transferred,
1539 sold, pledged, hypothecated, leased, or assigned, either in whole or in part, nor shall title hereto
1540 or thereto, either legal or equitable, or any right, interest or property herein or therein, pass to or
1541 vest in any Person, except the Contractor, either by action or inaction of the Contractor, or by
1542 operation of law, without the prior written consent of the City, which may be withheld or delayed
1543 in its sole and absolute discretion.

1544 The Contractor shall provide written notice of any request to assign or transfer this Agreement,
1545 and shall provide the City with any information requested by the City in connection with the
1546 proposed transfer, included but not limited to information regarding the general business
1547 qualifications of the proposed assignee, as well as its ability to perform the Collection Services and
1548 a statement of its financial resources. The Contractor's notice of intention to assign this
1549 Agreement shall contain a statement of the allocation of dollars in the consideration to be paid by
1550 the assignee to the Contractor for (a) goodwill, (b) equipment, and (c) any other asset transfer
1551 which has any connection with said assignment, all as agreed upon by the Contractor and the
1552 assignee. The notice shall also contain a statement showing the method of payment for the
1553 consideration and whether the Contractor proposes to hold some security interest as security for
1554 the payment of the unpaid balance of the consideration.

1555 The City shall respond to any such request within ninety (90) days after receipt of any information
1556 requested by the City pursuant to the preceding sentence. The Contractor acknowledges that,
1557 prior to approving such a transfer, the City must find that such a transfer is in the best interests of
1558 the public health, safety, and general welfare. Any attempt by the Contractor to effectuate any of
1559 the foregoing without such consent of the City shall be null and void, and any effectuation of any
1560 of the foregoing without such consent of the City shall constitute an Event of Default resulting in
1561 the immediate termination of this Agreement as provided in Section 13.1.A hereof.

1562 Any transfer of this franchise shall constitute the granting of a “new franchise” for purposes of
1563 Municipal Code Sections 3-5.104 and 3-5.105. In addition to the procedural requirements of this
1564 Section, any transfer is subject to the procedural requirements of these portions of the Municipal
1565 Code. Furthermore, any assigned or transferred franchise is subject to the term limitations of
1566 Municipal Code Section 3-5.106 as calculated from the original date of the granting of this
1567 franchise.

1568 B. **Consolidation, Merger, Sale, Transfer, and Change in Control.** Subject to the provisions of section
1569 3.7.A above, the Contractor shall not, without the prior written consent of the City which may be
1570 withheld or delayed in its sole and absolute discretion, consolidate with or merge with another
1571 entity or permit one (1) or more other entities to consolidate with or merge into it.
1572 Notwithstanding the above, any such transaction between Contractor and an Affiliate shall not be
1573 considered an assignment or transfer for purposes of this Section 15.7, and the City’s consent to
1574 such transaction is not required.

1575 C. **Transfer of Voting Stock.** The City's prior written consent, which may be withheld or delayed in its
1576 sole and absolute discretion, shall be required for the sale or transfer by any means, whether by
1577 agreement or by operation of law (including transfers resulting from death, bankruptcy or
1578 divorce), of any of the voting stock of the Contractor. Notwithstanding the above, any such
1579 transaction between Contractor and an Affiliate shall not be considered an assignment or transfer
1580 for purposes of this Section 15.7, and the City’s consent to such transaction is not required.

1581 D. **Reimbursement of Cost Related to Assignment Review.** If the Contractor requests the consent of
1582 the City for any transaction described in Section 15.7 hereof (except for those transactions
1583 described in subsections B. and C. above between Contractor and an Affiliate),, the proposed
1584 assignee, as a condition of assignment, shall reimburse the City for all costs and expenses incurred
1585 by the City in reviewing, examining, and analyzing the request, including all direct and indirect
1586 administrative expenses of the City and consultants and attorney’s fees and expenses. Along with
1587 its written request for the review of the assignment, Contractor shall remit to City an assignment
1588 review fee in the amount of one hundred thousand dollars (\$100,000) which shall be intended to
1589 compensate the City of the costs of its review of the requested assignment. Such fee shall not be
1590 refundable to the Contractor in the event that the City determines, in its sole discretion, that the
1591 proposed assignment is unacceptable. In the event that the City’s total costs for the review of the
1592 assignment exceed one hundred thousand dollars (\$100,000) the assignee shall compensate the
1593 City for its actual and reasonable costs within thirty (30) days of receiving the City’s invoice. Such
1594 costs shall be supported with evidence of the expense or cost incurred.

1595 E. **Transfer Fee.** On the date the City approves the Contractor’s written request for an assignment,
1596 Contractor shall pay the City a transfer fee in the amount of one (1) percent of the Gross Receipts
1597 for the most-recently completed Rate Period. The City’s approval of such an assignment shall be
1598 conditioned on the receipt of the transfer fee.

1599 **Section 15.8: Interpretation**

1600 In this Agreement, unless the context otherwise requires:

- 1601 **A. References Hereto.** The terms "hereby," "hereof," "herein," hereunder," and any similar terms
1602 refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means
1603 before, the date of execution of this Agreement.
- 1604 **B. Gender and Plurality.** Words of the masculine gender mean and include correlative words of the
1605 feminine and neuter genders, and words importing the singular number mean and include the
1606 plural number and vice versa.
- 1607 **C. Persons.** Words importing Persons include firms, companies, associations, general partnerships,
1608 limited partnerships, trusts, business trusts, corporations, non-profit corporations, and other legal
1609 entities, including Governmental Bodies, as well as individuals.
- 1610 **D. Headings.** The table of contents and any headings preceding the text of the articles, sections, and
1611 subsections of this Agreement shall be solely for convenience of reference and shall not constitute
1612 a part of this Agreement, nor shall they affect its meaning, construction, or effect.
- 1613 **E. Entire Agreement.** This Agreement contains the entire agreement between the Parties hereto
1614 with respect to the transactions contemplated by this Agreement. Furthermore, nothing in this
1615 Agreement is intended to confer on any Person other than the Parties hereto and their respective
1616 successors and assigns hereunder any rights or remedies under or by reason of this Agreement.
- 1617 **F. Reference to Days.** All references to days herein are to calendar days, including Saturdays,
1618 Sundays, and holidays, except as otherwise specifically provided.
- 1619 **G. Units of Measure.** Weights or volumes described herein may be reported in either metric or U.S.
1620 Standard terms of measurement, unless State or Federal law or regulation specifies the system of
1621 measurement to be used.
- 1622 **H. Counterparts.** This Agreement may be executed in any number of original counterparts. All such
1623 counterparts shall constitute but one and the same Agreement.
- 1624 **I. Applicable Law.** This Agreement shall be governed by and construed in accordance with
1625 Applicable Law. This Agreement is intended to be fully consistent with the requirements of the
1626 Ridgecrest Municipal Code and any subsequent amendments thereto. In the event there is an
1627 inconsistency or conflict between this Agreement and the Municipal Code, the Municipal Code is
1628 controlling and shall substitute for the inconsistent provision.
- 1629 **J. Severability.** If any clause, provision, subsection, section, or article of this Agreement shall be
1630 determined to be invalid by any court of competent jurisdiction, then the Parties hereto shall:
- 1631 1. Promptly meet and negotiate a substitute for such clause, provision, section, or article
1632 which shall, to the greatest extent legally permissible, effect the intent of the Parties
1633 therein.
- 1634 2. If necessary or desirable to accomplish item (1) above, apply to the court having declared
1635 such invalidity for a judicial construction of the invalidated portion of this Agreement.
- 1636 3. Negotiate such changes in, substitutions for or additions to, the remaining provisions of this
1637 Agreement as may be necessary in addition to and in conjunction with items (1) and (2)

1638 above, to effect the intent of the Parties in the invalid provision. The invalidity of such
1639 clause, provision, subsection, section, or article shall not affect any of the remaining
1640 provisions hereof, and this Agreement shall be construed and enforced as if such invalid
1641 portion did not exist.

1642 **Section 15.9:Jurisdiction**

1643 Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the
1644 courts of Kern County in the State of California, which shall have exclusive jurisdiction over such
1645 lawsuits. With respect to venue, the Parties agree that this Agreement is made in and will be performed
1646 in Kern County.

1647 **Section 15.10: Entire Agreement**

1648 This Agreement, including the Exhibits, represents the full and entire Agreement between the Parties
1649 with respect to the matters covered herein. Each of the Exhibits identified as Exhibits "A" through "H" is
1650 attached hereto and incorporated herein and made a part hereof by this reference.

1651 IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates stated below:

1652 Dated: _____, 2011.

1653 **City of Ridgecrest**

1654

1655 By: _____

1656 Kurt Wilson, City Manager

1657

1658

1659 Attest:

1660

1661 By: _____

1662 Rachael J. Ford, City Clerk

1663

1664

1665

1666 Dated: _____, 2011

1667 Approved as to Form:

1668

1669 By: _____

1670 W. Keith Lemieux, City Attorney

Dated: _____, 2011.

Waste Management of California, Inc.

By: _____

Douglas Corcoran, Director of Operations

EXHIBIT A DEFINITIONS

For purposes of this Agreement, unless a different meaning is clearly required, the following words and phrases shall have the following meanings respectively ascribed to them by this Exhibit and shall be capitalized throughout this Agreement:

"AB 939" means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), also commonly referred to as "AB 939," as amended, supplemented, superseded, and replaced from time to time.

"Administrative Fee" means the quarterly fee used to offset expenses including staffing costs related to contract management, compliance, monitoring, and to enforce the Agreement with respect to any violations by third parties, including initiating and/or assisting in prosecuting enforcement actions.

"Affiliate(s)" means any person, corporation or other entity directly or indirectly controlling or controlled by another person, corporation or other entity, or under direct or indirect common management or control with such person, corporation or other entity. As between any two (2) or more persons or entities, when ten percent (10%) of one is owned, managed, or controlled by another, they are hereunder Affiliates of one another.

"Agreement" means this Solid Waste Management Agreement between the City and the Contractor.

"Agreement Date" means the date of approval of this Solid Waste Management Agreement by the City.

"Agreement Year" means a twelve-month period beginning on January 1 of each year and ending on the following December 31 each year during the Term of this Agreement, provided however, that the first Agreement Year will commence on the Agreement Date and the last Agreement Year will end on the date of termination of this Agreement.

"Annual Percentage Change" means the average of the percentage monthly changes in the value of an index for the 12-month period ending December of the then-current Rate Period minus the average of the percentage monthly changes in the index value for the 12-month period ending December of the most-recently completed Rate Period. The Annual Percentage Change shall be rounded to the nearest thousandth (1,000th).

For example, if the Contractor is preparing its Rate application for Rates to be effective for Rate Period 2, the Annual Percentage Change in CPI shall be calculated as follows: $[(\text{Average CPI for January 2015 through December 2015}) - (\text{Average CPI for January 2014 through December 2014})] / (\text{Average CPI for January 2014 through December 2014})$.

"Applicable Law" means any law, rule, regulation, requirement, guideline, permit, action, determination, or order of any Governmental Body having jurisdiction, applicable from time to time to the Collection Services; the Operating Assets; the siting, design, acquisition, permitting, construction, equipping, financing, Ownership, possession, shakedown, testing, operation, or maintenance of any of the Operating Assets; or any other transaction or matter contemplated hereby (including any of the

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foregoing which concern health, safety, fire, governmental protection, accommodation of the disabled, labor relations, mitigation monitoring plans, building codes, non-discrimination and the payment of minimum wages, the payment of per-ton charges on solid waste facilities imposed by a governmental entity other than the City, and further including the Kern County Code and the County Integrated Waste Management Plan and the City's SRRE).

"Approved Recyclable Materials Processing Facility" Means the Sun Valley Paper Stock located at 11166 Pendleton Street, Sun Valley, CA 91352.

"Approved Recyclable Materials Transfer Facility" Means the Lancaster Landfill located at 600 E. Avenue F, Lancaster, CA 93534.

"Base Rate" means the Rate charged for basic Collection Service of Solid Waste including Recyclable Materials in a specified area, as authorized by the City, absent any discounts offered by the Contractor as specified in Appendix 2.

"Bureau of Labor Statistics (BLS)" shall mean the U.S. Department of Labor, Bureau of Labor Statistics or its successor agency.

"Bin" means a Container with capacity of approximately one (1) to six (6) cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading collection Vehicle.

"Bulk Container" means a Container or Bin having a capacity of 1.0 or more cubic yards.

"Bulky Waste" means large and small household appliances, furniture, tires, carpets, mattresses, and similar large items of Solid Waste which cannot be contained within a standard Container, or which does not fit in or causes harm to collection Vehicles.

"Business Days" mean days during which the City offices are open to do business with the public.

"CalRecycle" means the Department of Resources Recycling and Recovery, and any Governmental Body which succeeds to its duties and powers under Applicable Law.

"Cart" means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has capacity of 96 gallons (or similar volumes).

"CEQA" means the California Environmental Quality Act codified at California Public Resources Code Section 21000 et seq., as amended or superseded, and the regulations promulgated thereunder.

"Change in Law" means any of the following events or conditions which has a material and adverse effect on the performance by the Contractor of the Collection Services (except for payment obligations):

- The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation on or after the Agreement Date of any Applicable Law;

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or,

- The order or judgment of any Governmental Body, on or after the Agreement Date, to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of the City or of the Contractor, whichever is asserting the occurrence of a Change in Law provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence.

"City" means the City of Ridgecrest, California, a political subdivision of the State, acting through its City Council.

"City Contract Manager" means the City Manager or their designated representative who is responsible for the administrative management of this Agreement.

"City Fees" shall mean those fees described in Section 3.4 of this Agreement.

"Collect" or "Collection" (or any variation thereof) means the act of collecting Solid Waste and Recyclable Materials at the place of generation in the City of Ridgecrest.

"Collection Premises" means the Residential Premises, Non-Residential Premises, or both for which the Contractor is authorized to provide Collection Services.

"Collection Services" means all of the duties and obligations of the Contractor hereunder.

"Commercial" shall mean of, from or pertaining to non-Residential Premises where business activity is conducted, including, but not limited to, retail sales, services, wholesale operations, manufacturing, and industrial operations, but excluding businesses conducted upon Residential property, which are permitted under applicable zoning regulations and are not the primary use of the property. For the purposes of this Agreement, Commercial also includes Multiple-Unit Dwellings with five (5) or more units.

"Compactor" means a mechanical apparatus that compresses materials together with the Container that holds the compressed materials or the Container that holds the compressed materials if it is detached from the mechanical compaction apparatus. Compactors include two (2) to eight (8) cubic yard Bin Compactors serviced by front-end loader Collection Vehicles and ten (10) to fifty (50) cubic yard Drop Box Compactors serviced by roll-off Collection Vehicles.

"Consumer Price Index (CPI)" shall mean the All Urban Consumers Index (CPI-U) compiled and published by the BLS, using the following parameters:

- Area – San Francisco-Oakland-San Jose Metropolitan Area
- Item – All Items
- Base Period – Current 1982-84=100

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- Not seasonally adjusted
- Periodicity – Bi-Monthly
- Series Identification Number – CUURA422SA0

“Container(s)” mean Bins, Carts, Compactors, and Drop Boxes.

“Contractor” means Contractor organized and operating under the laws of the State and its officers, directors, employees, agents, companies, related-parties, affiliates, subsidiaries, and Subcontractors.

"County" means the County of Kern, California, a political subdivision of the State, acting through its Board of Supervisors.

"Customer" means Person who subscribes for service with Contractor.

“Customer Type” means the Customer’s sector category including, but not limited to, Residential, Commercial and City Facilities.

“Designated Collection Location” refers to the location, at each Collection Premises where Containers of Solid Waste and Recyclable Materials are customarily placed for collection, all in accordance with Section 4.5 herein.

“Designated Disposal Facility” means the facility designated by the City Contract Manager to which the Contractor shall transport Solid Waste and Residual Waste. **RCH-Ridgecrest Sanitary Landfill??**

“Dispose” or “Disposal” (or any variation thereof) means the final disposition of Solid Waste at a Disposal site.

“Drop Box” means an open-top Container with a capacity of ten (10) to fifty (50) cubic yards that is serviced by a roll-off Collection Vehicle.

“Electronic Waste (E-Waste)” means discarded electronic equipment including, but not limited to, televisions, computer monitors, central processing units (CPUs), laptop computers, computer peripherals (including external hard drives, keyboards, scanners, and mice), printers, copiers, facsimile machines, radios, stereos, stereo speakers, VCRs, DVDs, camcorders, microwaves, telephones, cellular telephones, and other electronic devices. Some E-Waste or components thereof may be Hazardous Waste and thus require special handling, Processing, or Disposal.

"Emergency Services" means Solid Waste Collection Services, other than those specified under this grant of Agreement, provided during or as a result of an emergency which threatens the public health or safety, as determined by the City Contract Manager.

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“Employment Cost Index (ECI)” shall mean the index, compiled and published by the BLS with the following parameters:

- Compensation – Total Compensation
- Ownership – Private Industry
- Periodicity – Index Number
- Group – 210 - Service-Providing Industries
- Seasonally Adjusted

“Event of Default” means only the events described in Sections 7.4 and 12.1.A.

“Excluded Waste” means Hazardous Waste, Infectious Waste, U-Waste, E-Waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material, waste that Contractor reasonably believes would, as a result of or upon Disposal, be a violation of local, State or Federal law, regulation or ordinance, including land use restrictions or conditions, waste that cannot be Disposed of in Class III landfills, waste that in Contractor’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Contractor or City to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code.

“Franchise Fee” means the fee paid by Contractor to the City for the privilege to hold the rights granted by this Agreement.

“Fuel Index” shall mean the Producer Price Index-Commodities for #2 Diesel Fuel compiled and published by the BLS, using the following parameters:

- Not Seasonally Adjusted
- Group – Fuels and Related Products and Power
- Item – #2 Diesel Fuel
- Base Date – 8200

“Generator” means any person that generates, produces, or discards Solid Waste and Recyclable Materials.

“Governmental Body” means any federal, state, county, city or regional legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any officer thereof acting within the scope of his or her authority.

“Governmental Fee” shall mean any fee or surcharge imposed by a governmental entity other than the City including without limitation the State, County, or Local Enforcement Agency. Governmental Fees are a component of the Tipping Fee.

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"Greenwaste" means grass, lawn clippings, shrubs, plants, weeds, small branches and other forms of organic materials generated from landscapes or gardens, separated from other Solid Waste.

"Gross Receipts" shall mean total cash receipts collected from Customers by the Contractor for the provision of services pursuant to this Agreement, without any deductions. Gross Receipts do not include revenues from the sale of Recyclable Materials.

"Hazardous Waste" means:

- A. Any waste which by reason of its quality, concentration, composition, or physical, chemical, or infectious characteristics may do either of the following: cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness, or pose a substantial threat or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise mismanaged, or any waste which is defined or regulated as a Hazardous Waste, toxic substance, hazardous chemical substance or mixture, or asbestos under Applicable Law, as amended from time to time, including, but not limited to:
 - 1. The Resource Conservation and Recovery Act and the regulations contained in 40 CFR Parts 260-281.
 - 2. The Toxic Substance Control Act (15 U.S.C. Section 2601 et seq.) and the regulations contained in 40 CFR Parts 761-766.
 - 3. The California Health & Safety Code Section 25117 (west 1992 & Supp. 1998).
 - 4. The California Public Resources Code Section 40141 (West 1996).
 - 5. Future additional or substitute federal, state or local laws pertaining to the identification, treatment, storage, or disposal of toxic substances or Hazardous Wastes.
- B. Radioactive materials which are source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954 (42 U.S.C. Section 2011 et seq.) and the regulations contained in 10 CFR Part 40.

"Household Hazardous Waste" means waste materials determined by CalRecycle, the Department of Toxic Substances Control, the State Water Resources Control Board, or the Air Resources Board to be:

- A. Of a nature that they must be listed as hazardous in State statutes and regulations;
- B. Toxic/ignitable/corrosive/reactive; and,
- C. Carcinogenic/mutagenic/teratogenic

which are discarded from Residential Premises as opposed to businesses. Household Hazardous Waste shall not include unacceptable waste.

EXHIBIT A DEFINITIONS

"Infectious Waste" means biomedical waste generated at hospitals, public or private medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries, veterinary facilities and other similar establishments that are identified in Health and Safety Code Section 25117.5 as may be amended from time to time.

"Insurance Requirement" means any rule, regulation, code, or requirement issued by any fire insurance rating bureau or anybody having similar functions or by any insurance company which has issued a policy with respect to the Operating Assets or the Collection Services.

"Legal Proceeding" means every action, suit, litigation, arbitration, administrative proceeding, and other legal or equitable proceeding having a bearing upon this Agreement.

"Line of Business" means any of the following services provided by the Contractor: Residential Solid Waste, Residential Recycling, Commercial Solid Waste, Commercial Recycling,

"Liquid Waste" means watered or dewatered sewage or sludge.

"Liquidated Damages" means the amounts due by Contractor for failure to meet specific quantifiable standards of performance as described in Section 12.2.

"Medical Waste" means waste capable of producing an infection or pertaining to or characterized by the presence of pathogens, including without limitation certain wastes generated by medical practitioners, hospitals, nursing homes, medical testing labs, mortuaries, taxidermists, veterinarians, veterinary hospitals and medical testing labs, and waste which includes animal wastes or parts from slaughterhouses or rendering plants.

"Multiple-Unit Dwelling" means any building in the City, other than a Single-Unit Dwelling, lawfully occupied for human shelter.

"Municipal Code" means the City's Codified Ordinances, as the same may be amended, supplemented, or modified from time to time.

"Non-Residential Premises" means those parcels of real property not classified under the use codes listed in the Schedule of Solid Waste Management Program Service Charges for Residential Property, attached hereto as Appendix 3, and made a part hereof, as amended by the City Council from time to time.

"Non-Residential Waste" means Solid Waste and Recyclable Materials generated, produced, or discarded by or at Non-Residential Premises.

"Operating Assets" means all real and personal property of all kind, which is owned, leased, managed, or operated by or under contract to the Contractor for providing the Collection Services, including

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without limitation the Containers, Vehicles, Transfer stations, maintenance and storage facilities, administrative facilities, and other equipment, machinery, parts, supplies and tools.

"Owner" means the person holding the legal title or having a right to possession of the real property constituting the Collection Premises to which Solid Waste and Recyclable Materials Collection Service is provided or required to be provided hereunder.

"Party or Parties" refers to the City and Contractor, individually or together.

"Pass-Through Cost" means those City Fees, Tipping Fees, Governmental Fees, and other costs, as specifically identified in Exhibit B, that Contractor may include in the determination of Contractor's Compensation but which are not included in the calculation of Contractor's allowable profit.

"Person(s)" means any individual, firm, association, organization, partnership, corporation, trust, joint venture, or public entity.

"Premises" means any land or building in the City where Solid Waste and Recyclable Materials are generated or accumulated.

"Process" or "Processing" refers to the removal of Recyclable Materials from Solid Waste prior to the delivery of such Solid Waste to the Designated Disposal Facility.

"Processing Facility" refers to any facility that removes Recyclable Materials from Solid Waste and Recyclable Materials prior to the delivery of Solid Waste and Recyclable Materials to the City Disposal System.

"Rate" means the maximum amount, expressed as a dollar unit, approved by the City that the Contractor may bill a Customer for providing services under this Agreement. A Rate has been established for each individual Service Level and the initial Rates for Rate Period One are presented in Exhibit C3. The Rates approved by City are the maximum Rate that Contractor may charge a Customer and Contractor may, in its sole discretion, charge any amount up to and including the maximum Rate approved by the City.

"Rate Adjustment Factor" shall mean the amount, expressed as a percentage, by which each of the operating, disposal, processing, and fee components of each Rate are adjusted. The Rate Adjustment Factor for each component shall be calculated separately.

"Rate Period" means a twelve (12) month period, commencing July 1 and concluding June 30, excepting Rate Period One.

"Rate Period One" means the first Rate Period covered by this Agreement. Rate Period One shall begin on January 1, 2012 and shall end on June 30, 2013.

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"Recovered Materials" means the products, excluding Residual Waste, produced by the Processing of Recyclable Materials.

"Recyclable Materials" means newspaper, cardboard, mixed color paper, white paper, junk mail, magazines, telephone books, paper bags, cereal and food boxes, egg cartons, plastic bottles and containers labeled #1-7, plastic milk containers, plastic bags, detergent containers, clear, brown, and green food and beverage container glass, cans of aluminum, steel, tin, food cans, empty aerosol cans, pipe tins or other materials having economic value contained within a load of Recyclable Materials, and may also include any other type of recyclable waste material agreed on by the Parties.

"Recycle," "Recycled," or "Recycling" means the Process of collecting, sorting, cleansing, treating, reconstituting, or otherwise Processing materials that are or would otherwise become Solid Waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace.

"Recycling Plan" is the Contractor's recycling plan presented in Exhibit C6.

"Residential" shall mean of, from, or pertaining to a Single-Unit Dwelling Premises or Multi-Unit Dwelling Premises including Single-Family homes, apartments, condominiums, townhouse complexes, mobile home parks, and cooperative apartments.

"Residual Waste" means any material remaining after the Processing, by any means and to any extent of Solid Waste and Recyclable Materials.

"Roll-Off" means Solid Waste pick-ups using Bulk Containers mounted on rail wheels or similar wheels and using special trucking equipment for transporting the Bins and Containers.

"Routing and Collection System" means the Routing and Collection System for Solid Waste and Recyclable Materials which is in effect as of the effective date of this Agreement.

"Scrap Materials" means any materials which are separated by type of Generator thereof from materials which otherwise are discarded or rejected by the Generator as Solid Waste and Recyclable Materials and which are sold or donated by the Generator to a private Recycler, scrap dealer, or salvager and Recycled. Scrap Materials shall not include any materials which (1) are commingled with Solid Waste and Recyclable Materials, or (2) are not commingled with Solid Waste and Recyclable Materials, but which are collected by any person other than the Contractor as part of any transaction or arrangement involving Solid Waste and Recyclable Materials, irrespective of whether the Generator pays or receives consideration in connection with such transaction or arrangement.

"Service Level" refers to the size of a Customer's Container and the frequency of Collection Services.

"Single-Unit Dwelling" means a dwelling designed for or occupied exclusively for human shelter by one (1) family.

EXHIBIT A DEFINITIONS

"Single-Unit Container" means a Container of ninety-six (96) gallon capacity or less, usually used by a Single-Unit Dwelling or a small business, for Solid Waste and Recyclable Materials.

"Solid Waste" means all garbage, refuse, rubbish, and other materials and substances discarded or rejected as being spent, useless, worthless, or in excess to the Generator thereof at the time of such discard or rejection and which are normally discarded by or collected from Residential Premises, Non-Residential Premises and institutional establishments, which are acceptable at Class III landfills under Applicable Law, and which are originally discarded by the first Generator thereof and have not been previously Processed. Solid Waste includes Greenwaste and food waste, but does not include Hazardous Waste, Medical Waste, Liquid Waste, Scrap Materials, construction and demolition debris, or self-hauled waste. Solid Waste includes only those materials which were originally discarded by the first Generator thereof, prior to any Processing at any Collection Premises within the City.

"Special Circumstance" means a circumstance which, when occurring, permits, but does not require the Contractor or the City to seek an adjustment in the Rates for Service, and which then requires City Contract Manager to review such application and make a recommendation to the City Council as to whether the Base Rate should be adjusted up or down, or remain unchanged. The continuing need for any and all previously-approved Special Circumstance Rate adjustments shall be reviewed at the time of each subsequent Rate adjustment.

"Special Service" means a level of Solid Waste Collection Service in excess of that offered by the Contractor as its basic level of service, at an additional cost to the Customer and may include, but is not limited to, backyard pickup, additional Containers, or more frequent collections. "Special Service" does not mean the reasonable accommodation of an individual with a disability. The charge for any Special Service shall be reviewed by the City Contract Manager.

"SRRE" means the City's Source Reduction and Recycling Element approved by CalRecycle, as the element may be amended from time to time, all in accordance with AB 939 and regulations related thereto, as they may be amended from time to time.

"Subcontractor" means every person (other than employees of the Contractor) employed or engaged by the Contractor or any person directly or indirectly in privity with the Contractor (including every Subcontractor of whatever tier) for any portion of the Collection Services, whether for the furnishing of labor, materials, equipment, supplies, services, or otherwise.

"Term" means the Term of this Agreement, including extension periods if granted, as provided for in Section 3.2.

"Tipping Fee" shall mean the Rate or Tipping Fee charged for each Ton or unit of material delivered to the Designated Disposal Facility or the Approved Recyclable Materials Processing Facility. The Parties acknowledge that the timing of changes to the Tipping Fees that are not owned or operated by Contractor or their subcontractor may not align with the review and adjustment of Rates under this Agreement. In the event that the Contractor begins to pay new Tipping Fees at another facility approved

EXHIBIT A DEFINITIONS

by the City, other than one owned and operated by Contractor or their Subcontractor, prior to the adjustment of Rates under this Agreement, the adjustment to the Rate Adjustment Factor shall consider that period. Alternatively, the City reserves the right to adjust Rates at any time during the year in order to address changes in Tipping Fees alone without adjusting any other component of Rates. The “current approved” Tipping Fees shall be the Tipping Fees in place on January 1 immediately preceding the submission of the Rate Application.

“Ton” or “Tonnage” means a unit of measure for weight equivalent to two thousand (2,000) standard pounds where each pound contains sixteen (16) ounces.

“Total Contractor’s Compensation” shall mean the total amount to be used as a basis for determining the Rate Adjustment Factor. The Total Contractor’s Compensation does not reflect or in any way guarantee the Gross Receipts that are to be generated by Rates or retained by the Contractor.

“Transfer” means the act of transferring the materials Collected by Contractor in their route vehicles into larger vehicles for Transport to other facilities for the purpose of Recycling or Disposing of such materials.

“Transport” or “Transportation” (or any variation thereof) means the act of conveyance from one place to another or state of being Transported.

“Uncontrollable Circumstance” means only one (1) or more of the following specified acts, events, or conditions, whether affecting the Operating Assets, the approved Processing Facility, the Designated Disposal Facility, the City, or the Contractor, to the extent that it materially and adversely affects the ability of the Contractor to perform any obligation under the Agreement (except for payment obligations), if such act, event or condition is beyond the reasonable control, and is not also the result of the willful or negligent act, error, or omission or failure to exercise reasonable diligence on the part of the Contractor, provided however, that the contesting in good faith or the failure in good faith to contest such action or inaction shall not be construed as willful or negligent action or a lack of reasonable diligence of the Contractor:

- A. An act of God (but not including reasonably anticipated weather conditions for the City), hurricane, landslide, lightning, earthquake, fire, explosion, flood, sabotage or similar occurrence, acts of a public enemy, extortion, war, blockade or insurrection, riot or civil disturbance.
- B. A Change in Law (as defined herein).
- C. Preemption of materials or services by a Governmental Body in connection with a public emergency or any condemnation or other taking by eminent domain of any portion of the Operating Assets.
- D. The first seven (7) days of a strike, work stoppage, or other labor dispute or disturbance occurring with respect to any activity performed or to be performed by the Contractor or any of the Contractor's Subcontractors in connection with the Operating Assets or the Collection Services,

EXHIBIT A DEFINITIONS

provided the Contractor has implemented a contingency plan satisfactory to the City Contract Manager.

It is specifically understood that only the acts or conditions specified above shall constitute Uncontrollable Circumstances. Without limiting the generality of the foregoing, the Parties acknowledge that none of the following acts or conditions shall constitute Uncontrollable Circumstances:

1. General economic conditions, interest or inflation rates, currency fluctuations or changes in the cost or availability of fuel, commodities, supplies, or equipment;
2. Changes in the financial condition of the City, the Contractor, or any of its Affiliates, or any Subcontractor affecting their ability to perform their obligations;
3. The consequences of errors, neglect, or omission by the Contractor, any of its Affiliates, or any Subcontractor of any tier in the performance of the Collection Services;
4. The failure of the Contractor to secure patents or licenses in connection with the technology necessary to perform its obligations hereunder;
5. Union work rules, requirements, or demands which have the effect of increasing the number of employees employed in connection with the Operating Assets, or otherwise increase the cost to the Contractor of operating and maintaining the Operating Assets or providing the Collection Services;
6. Any strikes, work stoppages, or other labor disputes or disturbances occurring with respect to any activity performed or to be performed by the Contractor or any of the Contractor's Subcontractors in connection with the Operating Assets or the Collection Services and which last beyond seven (7) days;
7. Any failure of any Subcontractor to furnish labor, materials, service, or equipment for any reason;
8. Vehicle or equipment failure;
9. Any impact of prevailing wage law, customs, or practices on the Contractor's construction or operating costs; or,
10. Any act, event, or circumstance occurring outside of the United States.

"Universal Waste (U-Waste)" means all wastes as defined by Title 22, Subsections 66273.1 through 66273.9 of the California Code of Regulations. These include, but are not limited to, batteries, fluorescent light bulbs, mercury switches, and E-Waste.

"Vehicle" means any truck, rolling stock, or other Vehicle used by the Contractor in connection with Collection Services.

EXHIBIT B

RATE ADJUSTMENT METHODOLOGY

General

Subject to the terms herein, the Contractor shall be entitled to an annual adjustment of all Rates. Each Rate, excluding special charges, includes an “Operating Component”, “Disposal Component”, “Processing Component”, and “Fee Component”, which are annually adjusted.

Contractor shall submit its calculation of a Rate adjustment to the City Contract Manager on or before April 1 of each Rate Period where Rates will be adjusted using the index-based methodology. Contractor shall submit its calculations on or before February 1 for any Rate Period where Rates will be adjusted using the cost-based methodology. Contractor’s Rate calculations shall include all supporting schedules, documentation of Disposal or Processing Facility Tipping Fee changes, documentation of changes in Governmental Fees, and any other documentation or evidence determined by the City Contract Manager to be reasonably necessary to ensure that the calculation of Rate adjustments has been performed in strict conformance to the requirements of this Exhibit B.

The City Council shall make a good faith effort to approve Rates by June 1 of each year, and such Rates shall be effective on each subsequent July 1. If Rates are not effective by July 1 due to a delay caused solely by the City, City shall allow Contractor to retroactively bill Customers for the amount of the Rate increase for any period of said delay that is solely caused by the City. If Rates are not effective by July 1 as a result of Contractor’s delay in submitting the Rate calculations in a complete and accurate form, then prior Rates remain in effect until such adjustment is made.

Multi-Index Rate Adjustment

The multi-index Rate adjustment methodology involves adjusting: (1) the operating component of Rates for the current Rate Period by the CPI, ECI, and Fuel Index; and, (2) the disposal, processing, and fee components of the Rates by the actual changes to those components, to determine the Rates for the coming Rate Period. The intent of performing the multi-index-based adjustment is to allow Contractor’s Compensation to be adjusted throughout the Term of this Agreement (giving consideration to those specific cost categories of “fuel” and “labor” that may be more volatile than the CPI) using simple, readily available surrogates for the actual changes in Contractor’s costs for providing service.

If the ECI, CPI, or Fuel Index is/are discontinued or revised during the Term by the BLS, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if said index had not been discontinued or revised.

Calculation

Contractor shall calculate the adjustment to its Rates using the following methodology:

Step 1: Calculate the “Operating Component Factor” or “OCF”.

EXHIBIT B RATE ADJUSTMENT METHODOLOGY

Step 1a: Determine the Labor-Related Factor of the OCF by calculating the Annual Percentage Change in the ECI. The factor shall be rounded to the nearest tenth (percent (0.1%).

Step 1b: Determine the Fuel Factor of the OCF by calculating the Annual Percentage Change in the Fuel Index. The factor shall be rounded to the nearest tenth percent (0.1%).

Step 1c: Determine the Other Factor of the OCF by calculating the Annual Percentage Change in the CPI. The factor shall be rounded to the nearest tenth percent (0.1%).

Step 1d: Determine the OCF, rounded to the nearest tenth percent (0.1%), as follows :

OCF = (30% x Labor-Related Factor calculated in Step 1a above) + (9% x Fuel Factor calculated in Step 1b above) + (61% x Other Factor calculated in Step 1c above)

For example, assuming:

1. Proposed labor-related costs are 30% of proposed total annual operating costs.
2. Proposed fuel costs are 9% of proposed total annual operating costs.
3. Proposed other costs are 61% of proposed total annual operating costs.
4. Labor-Related Factor = 3% (calculated in Step 1a)
5. Fuel Factor = 17% (calculated in Step 1b)
6. Other Factor = 1% (calculated in Step 1c)
7. $OCF = (30\% \times 3\%) + (9\% \times 17\%) + (61\% \times 1\%) = 0.0304 = 3.04\%$

Step 2: Calculate the adjusted Operating Component, rounded to the nearest cent, for each Rate as follows:

Adjusted Operating Component = Then-current Operating Component x (1 + OCF)

For example, assuming:

1. Then-current Operating Component = \$50.00
2. OCF = 3.04%
3. Adjusted Operating Component = $\$50.00 \times (1 + 0.0304) = \51.52

Step 3: Calculate the adjusted Disposal Component, rounded to the nearest cent, for each Rate to reflect any percentage change in the Tipping Fee charge at the approved Disposal Facility. This “step 3” shall only be applied to Solid Waste Rates. The adjustment shall be calculated as follows:

Adjusted Disposal Component = Then-current Disposal Component x (Current approved Disposal Facility Tipping Fee / prior approved Disposal Facility Tipping Fee)

For example, assuming:

1. Then-current Disposal Component = \$20.00
2. Current approved Disposal Facility Tipping Fee = \$50.00 per Ton
3. Prior approved Disposal Facility Tipping Fee = \$46.25 per Ton
4. Adjusted Disposal Component = $\$20.00 \times (\$50.00 / \$46.25) = \21.62

EXHIBIT B

RATE ADJUSTMENT METHODOLOGY

Step 4: Calculate the adjusted Processing Component, rounded to the nearest cent, for each Rate to reflect any percentage change in the Tipping Fee charge at an approved Processing Facility. This “step 4” shall not be applied to Solid Waste Rates. The processing component Rate Adjustment Factor shall not exceed the Annual Percentage Change in CPI for any facility owned and operated by Contractor or their Subcontractor. The adjustment shall be calculated as follows:

Adjusted Processing Component = Then-current Processing Component x (Current approved Processing Facility Tipping Fee / Prior approved Processing Facility Tipping Fee)

For example, assuming:

1. Then-current Processing Component = \$2.00
2. Current approved Processing Facility Tipping Fee = \$16.00 per Ton
3. Prior approved Processing Facility Tipping Fee = \$15.00 per Ton
4. Adjusted Processing Component = $\$2.00 \times (\$16.00 / \$15.00) = \2.13

Step 5: Calculate the adjusted Fee Component, rounded to the nearest cent, for each Rate. The adjusted Fee Component of each Rate shall be calculated as follows:

Adjusted Fee Component = Then-current Fee Component x (1+OCF)

For example, assuming:

1. Then-current Fee Component = \$5.00
2. OCF = 3.9%
3. Adjusted Fee Component = $\$5.00 \times (1 + 0.039) = \5.20

Step 6: Calculate the adjusted value for each Rate charged under this Agreement. Adjusted Rates shall be calculated as follows:

Adjusted Rate = Adjusted Operating Component + (Adjusted Disposal Component OR Adjusted Processing Component) + Adjusted Fee Component

For example, assuming:

1. The Rate being adjusted is a Solid Waste Collection Rate
2. Adjusted Operating Component = \$51.52 (as calculated in Step 2)
3. Adjusted Disposal Component = \$21.62 (as calculated in Step 3)
4. Adjusted Fee Component = \$5.20 (as calculated in Step 5)
5. Adjusted Rate = $\$51.52 + \$21.62 + \$5.20 = \78.17

EXHIBIT C

CONTRACTOR'S PROPOSAL

This Exhibit C, including Exhibits C1 through C7, presents the Contractor's Proposal to provide services under this Agreement. In the event of a conflict between this Exhibit and Articles 1 through 15 of the Agreement, the Agreement shall control.

EXHIBIT C1
TECHNICAL PROPOSAL



Section 2 - Technical Proposal for Services

IN SECTION 2 OF THE PROPOSAL, WM COMPREHENSIVELY OUTLINES:

- COLLECTION
- PROCESSING
- RECYCLING PLAN
- PUBLIC EDUCATION AND OUTREACH PLAN
- BILLING AND CUSTOMER SERVICE APPROACH
- PROPOSED SERVICE ENHANCEMENT AND INNOVATIONS

2.1 COLLECTION

RESIDENTIAL SOLID WASTE COLLECTION SERVICE

- Type of Vehicles Used

WM proposes to use residential automated side loaders (ASL) with air-actuated hydraulics and a payload capacity of 39 cubic yards for the collection of residential solid waste. A single driver will operate each residential solid waste collection vehicle. All WM vehicles operating in the City of Ridgecrest will be CARB compliant 4-axle vehicles resulting in superior air quality and lower ground pressure translating to less wear and tear on City streets. Additionally, the larger payload vehicles will reduce trips to the disposal facility, which increases efficiency resulting in lower fuel usage and lower overall emissions.

In addition, WM strives to provide the safest and most efficient fleet possible by equipping collection vehicles with one or more of the following items depending on the application and configuration of the vehicle:

- "Pack at idle systems";
- Engine idle time limiter;
- Automatic transmissions;
- Retarders; and
- Larger than industry standard brake lining.

All equipment is well maintained and will be kept in a like new, safe and clean operating condition throughout the term of the agreement. WM vehicles will also make use of synthetic or semi-synthetic fluids that allow for extended oil drain intervals in engines, transmissions, differentials and hydraulic systems. Use of these fluids reduces the amount of virgin petroleum stock required as well as reduces the amount of used oils that are returned to the environment.

All of our vehicles are outfitted with safety equipment to protect the vehicle operator and those around him or her. For example, back-up alarms and flashers warn vehicles or people nearby that the truck is in motion. Our trucks are equipped with a rear camera that relays images onto a monitor inside the truck cab to show the driver what is behind him in the truck's blind spot. Our trucks are also equipped with backup sensors that detect objects immediately behind the truck.

Overweight Program

There are various regulations in place at Federal, State, and local levels monitoring the weight of vehicles on public roadways. Examples of the regulations would be Registered Weight, Gross Vehicle Weight Rating, Single Axle Weight Rating, and Federal Bridge Weight Law. These



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regulations are set to ensure the integrity of the roadways and public safety. WM monitors the weight of every load to ensure that we do not exceed load compliance standards using the Gross Vehicle Weight Rating and Federal Bridge Weight Law (which is generally the most stringent).

In the event that a load exceeds these compliance standards, we conduct a root-cause investigation through the Driver and the Route Manager and make the necessary adjustments to the route and/or the sequencing to prevent further occurrences. Complying with this most stringent weight policy is just another way we are taking preventative action to guarantee the safety of our employees and customers while preserving the streets and neighborhoods of the communities we serve.

Vehicle Maintenance Program

To ensure the performance of our vehicles, our entire fleet undergoes a preventative maintenance program that ranks among the most aggressive in the industry. Our vehicles undergo pre- and post-route inspections with the objective of enhancing vehicle performance and increasing vehicle safety. This translates to fewer breakdowns in the field and much more regular service. Maintenance staff adheres to the manufacturer's recommended preventive maintenance schedules and checks for all vehicles and parts systems. Our program includes maintaining a detailed maintenance history for each vehicle in our fleet.

WM maintains more than adequate numbers of spare vehicles should a vehicle be removed from service as a result of a problem in the field or for routine maintenance. All trucks are equipped with tools, supplies and items necessary to make some on the spot road repairs. Pick-up trucks are also always available to deliver supplies and spare parts. Because of our attention to maintenance detail, all specifications on each truck are verified and reported. This enables our mechanics to often make a single trip for a repair.

Should a truck break down during the collection day, WM will dispatch a replacement vehicle that same day to minimize service interruptions.

Our vehicles are equipped with safety devices, which include the following:



- ABS braking system;
- Back-up alarm warning;
- Rear vision camera;
- Battery disconnect;
- Fire extinguisher;
- Dual air horn; and
- Dual convex safety mirrors.

In addition, each vehicle is equipped with clean-up devices including brooms, shovels and absorbent materials to handle any spillage or leaks that may occur.

- Type and Size of Containers to be provided

Customers receiving Standard Residential Solid Waste service will receive 96-gallon carts, eligible Senior customers will receive 64-gallon carts. WM will collect solid waste once per week at the curb per the Franchise Agreement using automated 96-gallon Husk-Lite Roll-out



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automated carts manufactured by Rehrig Pacific Model 96U with a minimum of 20% Post Consumer recycled material. Small quantities of 32 gallon containers will be procured to respond to special requests/needs. All carts are backed with a ten-year warranty and are guaranteed to the highest standards, meeting and exceeding all ANSI requirements for safety, compatibility and performance.

Each cart is embossed with “Waste Only” or “Trash Only.” WM will also provide labeling and signage indicating the correct usage of container, weight and material limitations, name and phone number along with detailed waste and recycling educational information. Residential Collection Carts will be color coded by commodity with each material in a different color container to encourage participation and minimize contamination as follows:

- Blue for Refuse
- Green for Recycling

- Customer Set-out Requirements

WM will work with all customers to ensure that a Safe and Efficient Cart Placement Set-Out Standard is established. Through our outreach programs and efforts, WM will request customers to place carts curbside and to provide approximately 18 inches of separation between carts and other objects (other carts, vehicles, light posts, mail boxes, etc.) WM recognizes that some customers may experience challenges complying with the Safe and Efficient Cart Placement Set-Out Standard. We will continue to work with such customers to implement a “win-win” compromise.

Carts should be set out by 6 am on the day of collection with the handle of the cart facing the house away from any obstruction with the lids closed and wheels against the curb. Each cart (trash and recycling) will be serviced separately, at different times of the day. Carts should be retrieved no later than 8:00 pm on the day of collection. While we do not anticipate missed pick ups, in the event one does occur, carts will be emptied the same day if contacted prior to 3:00 pm. If we are contacted following 3 pm, we will return the following day to service the cart.

Carry-Out

WM will provide carry-out service at no additional charge to customers not capable of placing containers curbside. WM will develop an application form, with City approval. Carry-out services will include dismount from the collection vehicle, moving containers from storage, and returning containers to the original location.

- Estimates of Participation Levels and Volumes

WM has relied on the Participation Levels provided by the City for this proposal in both the RFP documentation and the CalRecycle Compliance Order. Based on current participation, we anticipate approximately 7400 customers at 189 tons per week. While the residential opt out rate is currently approximately 39% based on data provided, it is our expectation that a substantial, albeit presently unknown, number of those who currently opt out of residential solid waste collection service will choose to join the program once the convenience and reliability of WM’s service is established. WM is prepared to expand its service delivery to such new customers.



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- **Acceptable and Prohibited Materials**

Acceptable materials for the Residential Solid Waste Collection program include non-hazardous, non-recyclable solid waste allowed by federal, state and local laws and regulations. Prohibited materials include: liquid waste, hazardous waste, medical waste, batteries and compact fluorescent light bulbs. Additionally, WM strongly discourages the disposal of materials that could be recycled.

Acceptable Materials for Trash:

Bamboo
Bagged pet waste & litter
Broken glass
Broken dishes
Cactus
Ceramic
Dirty or soiled paper
Disposable diapers
Drycleaner bags
Egg cartons (Styrofoam)
Empty motor oil & antifreeze containers
Food waste

Incandescent & halogen light bulbs only (no fluorescent tubes or bulbs)
Garden Hoses
Invasive plants
Ivy
Mini-blinds
Mirrors
Palm Fronds
Stretch wrap
Styrofoam & packing peanuts
Tissue paper (Kleenex, etc.)
Take-out containers
Window glass

**List may not include all materials*

- **Special Services Offered**

Pay as You Throw Variable Rate Offering – Proposed Enhancement

As part of our enhanced service offering, WM will offer residents with added value, convenience and customizable service, by providing the curbside collection of solid waste using three levels of cart sizes ranging from 32, 64 and 96 gallon automated collection containers and a tiered rate structure. Refuse carts of all sizes will be emptied using automated side loader vehicles on a weekly basis. With the pay-as-you-throw program, residents will be charged for the collection of solid waste based on the amount they throw away as determined by the selected cart size. This creates a direct economic incentive to recycle more and to generate less waste. This incentive will not only provide cost savings to the residents of Ridgecrest, but will also greatly assist in engaging the community and meeting State recycling mandates. Single stream recycling will be offered using up to two 96-gallon automated carts collected every other week.

Sharps Mail Back Program

As the leading environmental solutions provider, WM is pleased to offer the WM Medwaste Tracker program for the safe and convenient disposal of sharps, needles and lancets. Syringes, hypodermic needles and other "sharps" materials that are improperly disposed of are a serious health hazard to our families, community and landfill employees. WM will offer a free WM Sharps disposal by mail program for use by City residents who need to dispose of needles, lancets and other "sharps." Each system, valued at approximately \$30.00, includes a specially designed 1.4 quart sharps container and a postage-prepaid shipping container ensuring medical waste will be delivered safely by the U.S. Postal Service to a certified medical waste resource recovery facility.





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On an annual basis, WM will provide one 1.4 quart Mail Back WM Medwaste Tracker containers for safe and convenient Sharps disposal at no additional to residential customers using our convenient WM Sharps Home Delivery Program whereby approved containers are delivered directly to the resident's door upon request. Additional containers will be made available for a \$5.00 co-pay.

Senior Sharps Event

To keep Sharps, lancets, needles and other medications out of the waste stream and to maintain momentum of the Sharps Mail Back Program, WM will host an annual Sharps Round-Up. Traditionally held at an area senior center, residents will be able to drop off used Sharps and learn about the Sharps program at no extra charge. This program provides a valuable education opportunity as well as a solution for hard to handle waste that often creates a lot of confusion for residents.

Industry Leading Safety Program

WM drivers undergo extensive safety training, which includes in-classroom and driving training. After 100 hours of intensive training with specifically designated trainers, each new driver must complete a 600-hour probationary program, during which he/she is closely observed and evaluated for safe driving awareness and practices.

An extensive four-day classroom program includes two full days covering all safety programs required by the Department of Transportation. Additionally, one full day is dedicated to a thorough review of our proprietary **MZZ Rule Book**. The Rule Book outlines specific actions required of the drivers to keep them safe in a variety of situations that they often face daily while on the job. The fourth and final classroom-training day is dedicated to our **Safe Driving Practices Program**. This program discusses the need for drivers to maintain a high level of overall physical fitness to perform their job safely including proper eating and sleeping habits.

Following the successful completion of our in-classroom training, each driver begins a comprehensive forty-five day on-the-road training program that includes specific instructions on how to effectively and safely operate our equipment along with scheduled periodic checks and written evaluations to determine if the new driver is capable of performing up to the WM standard of safety and excellence. An outline of our forty-five day on-the-road training program is included at the back of this section.

Upon the conclusion of on-route training, each new driver has the ability to begin servicing customers alone. However, management personnel continue to conduct regular and random observations to ensure strict adherence to our safety and service standards.

Ongoing Training. Ongoing training includes weekly, route-specific "tailgate" meetings and drive-alongs, driver observations and ongoing regular driver skills training, such as our Driving Science Series.

Driver's Proficiency. Per Federal Department of Transportation regulations, WM maintains a driver qualification file for each employee that contains a copy of their valid commercial driver's license, and the following other items:

1. Employment application



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2. Copy of current driver's license
3. Single license certification
4. Moving violation notification certification
5. Previous employer drug and alcohol test results
6. Record of violations
7. Road test and certification
8. Medical examination and certificate of physical examination
9. California State Department of Motor Vehicles Office of Information Services driving record
10. Alcohol and drug test results

In addition to these documents, each employee is enrolled in a motor vehicle record **Pull Notice Program** through the California Department of Motor Vehicles. This record is forwarded to the employer when any type of action is registered against the employee's license or every six months.

The driver qualifications files are reviewed annually to verify that each driver meets minimum safety requirements and/or has not been disqualified.

Driver proficiency is determined by review of records, road testing, and observations/inspections. The Safety Manager reviews and is aware of any convictions resulting from any driving infraction. In the unlikely event that a collision has occurred, the WM driver involved is thoroughly investigated for cause, liability and for any re-training that may be necessary. The driver is then road tested to ensure that he or she can safely operate and drive the equipment on a continuing basis.

The WM field supervisors provide training on specific equipment or specific job related responsibilities. On a daily basis, the drivers are observed by their supervisors to ensure compliance with all applicable laws and safety procedures. In addition to daily "tail-gate" trainings, all drivers attend safety-training meetings on a monthly basis.

MULTI-FAMILY SOLID WASTE COLLECTION SERVICE

- Types of Vehicles

Service for the Multi-Family sector will be completed using both frontload (FEL) and automated side load vehicles based on the service level at each customer location. Routing of these service locations will be evaluated to be included on the appropriate routes servicing the adjacent area. This routing strategy is utilized to minimize multiple trucks and overlapping routes in a specified area. In addition to improving route productivity, it reduces impacts to the community and the environment.

- Type and Size of Containers to be provided

WM will collect waste using 96 gallon carts or 1.5, 3, 4 and/or 6 yard bins as frequently as scheduled by customer, but not less than once per week. WM offers the option of a 4 yard container in addition to the sizes requested in the RFP. Additionally, we will provide roll-off containers or Compactor Collection Services as needed for regularly scheduled services.



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- Customer Set-out Requirements

In order to minimize safety issues, commercial containers need to be accessible with limited vehicle and pedestrian traffic surrounding the bin. Lids should be closed to minimize litter, vermin and scavenging and containers should not be filled beyond the designated fill line to ensure the driver can collect safely.

- Estimates of Participation Levels and Volumes

WM has relied on the Participation Levels provided by the City for this proposal in both the RFP documentation and the CalRecycle Compliance Order. Multi-family participation estimates are made as part of our commercial line of business. Based on current participation, we anticipate nearly 400 commercial and multi-family customers and approximately 90-100 tons per week. Note commercial and multi-family accounts may be collected on the same route. Allocation tables designating volume collected by service level will be updated and recorded on a weekly basis for diversion reporting purposes.

- Acceptable and Prohibited Materials

Acceptable Materials for Recycling:

Paper Products-
Newspaper
Mixed color paper
White paper
Cardboard
Junk mail
Magazines
Telephone books
Paper bags
Cereal & food boxes
Egg cartons
Metal Containers-
Aluminum cans
Steel cans

Tin cans
Food cans
Empty aerosol cans
Pipe tins
Plastic Containers-
Bottles & containers
(Labeled #1-7)
Plastic milk containers
Plastic bags
Detergent containers
Glass Containers-
Clear, brown & green food
& beverage container

Non-Acceptable Material:

Food waste
Liquid
Broken Glass
Mirrors

Light Bulbs
Styrofoam
Household Hazardous Waste
Batteries

**List may not include all materials*

- Special Services Offered

Bulky Item Pick Up

WM will offer Multi-Family Solid Waste customers bulky item pick up collection upon request.

Split Bin Containers



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WM will provide 3-yard split bin containers (1.5 yards solid waste and 1.5 yards recyclables) for multi-family customers who experience inadequate space for both waste and recycling containers allowing them to participate in the recycling program.

COMMERCIAL SOLID WASTE COLLECTION SERVICE

- Types of Vehicles

The Commercial sector will be serviced primarily with frontload vehicles and bin service. Commercial accounts utilizing cart collection will be serviced with an automated side loader. To maximize productivity and overall efficiency, all accounts are evaluated at initial setup. At that time, changes in the size of containers, service levels and route audits are evaluated and coordinated along with frequency of service to reduce service trips and any impacts that are identified.

- Type and Size of Containers to be provided

WM will be utilizing Consolidated Fabricators Corps Containers for commercial bin collection. These metal containers are virtually maintenance free as they have a primed and painted coat. WM will collect waste using 96 gallon carts or 1.5, 3, 4 and/or 6 yard bins as frequently as scheduled by customer, but not less than once per week. WM offers the option of a 4 yard container in addition to the sizes requested in the RFP. Additionally, we will provide roll-off containers or Compactor Collection Services as needed for regularly scheduled services.



WM will provide labeling and signage indicating the correct usage of container, weight and material limitations, name and phone number. Additionally, we will utilize detailed waste and recycling stickers educating customers about proper container usage.

Dimensions

PRODUCT #	SIZE	FRONT HEIGHT	BACK HEIGHT	WIDTH	LENGTH
		A*	B*	C	D**
9001	1.5 YD	29.5"	34.5"	29.5"	72"
9002	2 YD	34.5"	41.5"	34.5"	72"
9005	3 YD	41.5"	50.5"	41.5"	72"
9007	4 YD	46"	57"	50.5"	72"
9108	6 YD	72"	66"	50"	69"

- Customer Set-out Requirements

In order to minimize safety issues, commercial containers need to be accessible with limited vehicle and pedestrian traffic surrounding the bin. Lids should be closed to minimize litter, vermin and scavenging and containers should not be filled beyond the designated fill line to ensure the driver can collect safely.

- Estimates of Participation Levels and Volumes



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WM has relied on the Participation Levels provided by the City for this proposal in both the RFP documentation and the CalRecycle Compliance Order. Commercial participation estimates are made as part of our multi-family line of business. Based on current participation, we anticipate nearly 400 commercial and multi-family customers and approximately 90-100 tons per week. Note commercial and multi-family accounts may be collected on the same route. Allocation tables designating volume collected by service level will be updated and recorded on a weekly basis for diversion reporting purposes.

- **Acceptable and Prohibited Materials**

WM will make every effort to safely collect commercial solid waste containers and will regularly educate residents about proper container usage and acceptable and prohibited waste. Excessively heavy containers (example: containers filled entirely with dirt, bricks or concrete,) are prohibited as collection could result in damage to equipment, employee injury and or harm to anyone who attempts to move the container. Additionally, prohibited materials include: liquid waste, hazardous waste, medical waste, batteries and compact fluorescent light bulbs.

Acceptable Materials for Trash:

Bamboo	bulbs only (no fluorescent tubes or bulbs)
Bagged pet waste & litter	Garden Hoses
Broken glass	Invasive plants
Broken dishes	Ivy
Cactus	Mini-blinds
Ceramic	Mirrors
Dirty or soiled paper	Palm Fronds
Disposable diapers	Stretch wrap
Drycleaner bags	Styrofoam & packing peanuts
Egg cartons (Styrofoam)	Tissue paper (Kleenex, etc.)
Empty motor oil & antifreeze containers	Take-out containers
Food waste	Window glass
Incandescent & halogen light	<i>*List may not include all materials</i>

- **Special Services Offered**

4-Yard Containers

WM is pleased to offer 4-Yard commercial containers for solid waste and recycling collection. This offering increases efficiency while providing potential cost savings to the customer with reduced service days.

Container Exchange Program

WM will offer commercial customers the opportunity to exchange commercial containers for cleaning and maintenance once each operating year upon request. In addition, drivers will proactively repair or replace commercial containers with broken lids, missing wheels or graffiti at no additional cost.

RESIDENTIAL RECYCLING COLLECTION SERVICE

- **Types of Vehicles**





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WM proposes to use residential automated side loaders (ASL) with air-actuated hydraulics and a payload capacity of 39 cubic yards for the collection of residential recyclables.

- Type and Size of Containers to be provided

WM will collect recyclables not less than once every other week at the curb per the Franchise Agreement using automated 96-gallon Husk-Lite Roll-out automated carts manufactured by Rehrig Pacific Model 96U with a minimum of 20% Post Consumer recycled material. Small quantities of 32 gallon and 64 gallon containers will be procured to respond to special requests/needs. All carts are backed with a ten year warranty and are guaranteed to the highest standards, meeting and exceeding all ANSI requirements for safety, compatibility and performance. One additional 96-gallon recycling container will be available at no charge to the customer upon request.

WM will provide labeling and signage indicating the correct usage of container, weight and material limitations, name and phone number along with detailed waste and recycling educational stickers. Residential Collection Carts will be color coded by commodity with each material in a different color container to encourage participation and minimize contamination as follows:

- Blue for Refuse
- Green for Recycling

- Customer Set-out Requirements

WM will work with all customers to ensure that a Safe and Efficient Cart Placement Set-Out Standard is established. Through our outreach programs and efforts, WM will request customers to place carts curbside and to provide approximately eighteen inches of separation between carts and other objects (other carts, vehicles, light posts, mail boxes, etc.) Keeping the containers eighteen inches apart and lids closed helps reduce litter that results from carts being knocked over in the process of service. It also helps to ensure that our driver is in and out of neighborhoods in an expeditious manner. WM recognizes that some customers may experience challenges complying with the Safe and Efficient Cart Placement Set-Out Standard. We will continue to work with such customers to implement a “win-win” compromise.

Carts should be set out by 6 am on the day of collection with the handle of the cart facing the house with the lids closed and wheels against the curb away from parked cars or objects. Each cart (trash and recycling) will be serviced separately, at different times of the day. Carts should be retrieved no later than 8:00 pm on the day of collection. While we do not anticipate missed pick ups, in the event one does occur, carts will be emptied the same day if contacted prior to 3:00 pm. If we are contacted following 3 pm, we will return the following day to service the cart.

Carry-Out

WM will provide carry-out service at no additional charge to customers not capable of placing containers curbside. WM will develop an application form, with City approval. Carry-out services will include dismount from the collection vehicle, moving containers from storage, and returning containers to the original location.

- Estimates of Participation Levels and Volumes



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WM has relied on the Participation Levels provided by the City for this proposal in both the RFP documentation and the CalRecycle Compliance Order. WM is prepared to expand its service delivery to new customers as interest for the curbside recycling grows based on affordability, convenience and exciting community outreach program such as Think Green Rewards discussed later in this section. Based on current participation, we estimate approximately 7400 customers with initial volumes of approximately 80 tons every other week. We anticipate recycling volumes will significantly increase over the life of the agreement through enhanced materials processing and the implementation of sophisticated outreach programs such as Think Green Rewards. Based on similar jurisdictions, we expect residential diversion to be as high as 60%.

- **Acceptable and Prohibited Materials**

WM will vigorously pursue a public education and outreach program to educate the citizens of the City about the value and importance of recycling and diversion. The purpose of this public education and outreach program is to maximize source separation of recyclables and solid waste to improve the City’s diversion performance. In addition to a robust public education and outreach program and education that is focused on recycling and sustainability, WM will undertake an equally robust program to inform customers about the proper handling of household hazardous waste including the use of the cart tag program outlined later in this section.

Acceptable Materials for Recycling:

Paper Products-	Tin cans
Newspaper	Food cans
Mixed color paper	Empty aerosol cans
White paper	Pipe tins
Cardboard	Plastic Containers-
Junk mail	Bottles & containers
Magazines	(Labeled #1-7)
Telephone books	Plastic milk containers
Paper bags	Plastic bags
Cereal & food boxes	Detergent containers
Egg cartons	Glass Containers-
Metal Containers-	Clear, brown & green food
Aluminum cans	& beverage container
Steel cans	

Non-Acceptable Material:

Food waste	Light Bulbs
Liquid	Styrofoam
Broken Glass	Household Hazardous Waste
Mirrors	Batteries

**List may not include all materials*

- **Special Services Offered**

Additional Recycling Cart at No Additional Charge

Because WM is dedicated to helping customers recycle as much as possible, we will provide free additional recycling carts upon request. By not placing a limit on how much customers can recycle, we aim to increase diversion and help residents make recycling second-nature. The





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availability of two recycling carts every other week increases collection efficiency and provides less environmental impact related to fuel consumption.

Community Drop Off Battery Recycling Program at No Additional Charge

Recent legislation barring batteries from the regular trash has left many residents unsure of what to do with this form of household hazardous waste. WM's Battery Tracker program is a simple and convenient way for residents to dispose of batteries. WM will provide the City with commercial size recycling buckets for select drop off locations, such as the local library. Residents can drop off their batteries at no charge. When the bucket is full, it is mailed back for recycling, and a new one will be provided.

CalRecycle Compliance Order, Task 11: Mini Recycling and Drop off Facility at the City's Corporate Yard at No Additional Charge

WM is committed to maximizing recycling opportunities to the residents of Ridgecrest. As such, we are prepared to host the existing mini recycling and drop off facility at the City's Corporate Yard at no additional charge to the City or residents. WM will provide recycling containers for the collection of commingled recyclable material including all those outlined in the acceptable and prohibited waste portion of this section. This service will be provided in addition to the free Greenwaste drop off program outlined in the **DROP BOX AND COMPACTOR SOLID WASTE SERVICE** below. Service levels will be scheduled as appropriate to prevent not only the unsightly overflow of containers, but also ensuring there is capacity for those residents seeking to participate.

Christmas Tree Collection at No Additional Charge

In the two week following Christmas, WM will collect unflocked, undecorated trees for recycling at no additional charge. This program helps increase diversion, and prevents illegal dumping. Service will be provided utilizing a flat bed or front load vehicle with one driver and one helper.

Anti-Scavenging Program at No Additional Charge

Many people consider scavenging a harmless way to make a few extra dollars. However, the reality is that scavenging can have serious impacts on public health & safety, the environment, personal finances because of identity theft and community beautification because of unsightly litter and debris. Public health is also impacted by scavenging. The most obvious concern is the potential health risk to people who rummage through raw garbage for recyclables. However, others are often placed at risk when scavengers remove carpet, clothing and furniture from trash containers and sell them to unsuspecting buyers, who can be contaminated by the items. WM has developed a variety of tools to combat illegal scavenging in the area's we serve. Anti-scavenging public education is distributed through newsletters, the designated website and a variety of other sources. Additional education materials and outreach will be provided and distributed at no additional cost. WM will also use reasonable business efforts to enforce anti-scavenging laws and work with key stakeholders (law enforcement, City staff, local residential groups) to enforce.

CalRecycle Compliance Order, Task 10: Report Quarterly and Annually

WM will fully cooperate with the City of Ridgecrest to complete all quarterly and annual reports as required by CalRecycle. WM has extensive experience with accurate billing, customer service and diversion reporting in nearly every jurisdiction we serve in Southern California, submitting hundreds of reports each year. Julianne Fulton, our Contract Compliance Manager, is well



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versed in managing accurate, comprehensive reports, and communicating them to City staff in a timely manner. Julianne will ensure WM submits all reports with the exact values and specifications required in the RFP on time and in completion. Additionally, both Sandra Pursley and Julianne Fulton are well versed and are committed to assisting the City with completion of CalRecycle’s State Annual Report. A statement of qualifications for both Julianne and Sandra is available in Section 1 of this proposal.

MULTI-FAMILY RECYCLING COLLECTION SERVICE

- Types of Vehicles

Service for the Multi-Family sector will be completed using both frontload (FEL) and automated side load (ASL) vehicles based on the service level at each customer location. Routing of these service locations will be evaluated to be included on the appropriate routes servicing the adjacent area. This routing strategy is utilized to minimize multiple trucks and overlapping routes in a specified area. In addition to improving route productivity, it reduces impacts to the community and the environment.

- Type and Size of Containers to be provided

WM will provide recycling bins or carts, depending on space, tenant behavior and customer preference, at no additional charge to multi-family customers. WM will work with Multi-family complexes in order to maximize recycling by determining the appropriate placement and container type. WM will collect source separated recyclables a minimum of every other week and will provide extensive on-going education and training as needed.

- Customer Set-out Requirements

In order to minimize safety issues, commercial containers need to be accessible with limited vehicle and pedestrian traffic surrounding the bin. Lids should be closed to minimize litter, vermin and scavenging and containers should not be filled beyond the designated fill line to ensure the driver can collect safely.

- Estimates of Participation Levels and Volumes

WM has relied on the Participation Levels provided by the City for this proposal in both the RFP documentation and the CalRecycle Compliance Order. Multi-family recycling participation estimates are made as part of our commercial recycling line of business. Note commercial and multi-family accounts may be collected on the same route. Allocation tables designating volume collected by service level will be updated and recorded on a weekly basis for diversion reporting purposes. Based on current participation levels, we estimate the collection of nearly 172 commercial and multi-family customers and approximately 24 tons every other week. We anticipate recycling volumes will continue to increase over the life of the agreement resulting in overall diversion well over 50%.

- Acceptable and Prohibited Materials

Acceptable Materials for Recycling:

Paper Products-	Junk mail
Newspaper	Magazines
Mixed color paper	Telephone books
White paper	Paper bags
Cardboard	Cereal & food boxes



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Egg cartons
 Metal Containers-
 Aluminum cans
 Steel cans
 Tin cans
 Food cans
 Empty aerosol cans
 Pipe tins
 Plastic Containers-

Bottles & containers
 (Labeled #1-7)
 Plastic milk containers
 Plastic bags
 Detergent containers
 Glass Containers-
 Clear, brown & green food
 & beverage container

Non-Acceptable Material:

Food waste
 Liquid
 Broken Glass
 Mirrors

Light Bulbs
 Styrofoam
 Household Hazardous Waste
 Batteries

**List may not include all materials*

- **Special Services Offered**

Multi-Family Recycling Toolkit at no Additional Charge

Public education is an important component of the Multi-Family Dwelling recycling program. WM has written and designed new educational and outreach materials for both building managers/HOAs and residents with information on the program and recycling tips. All materials are bilingual, full color, and easy to read, making them a simple tool for all stakeholders.

Materials include:

- *Mailer* – This introductory letter is mailed to each multifamily complex manager or property owner introducing the new recycling program and explaining the benefits of getting started and how to do so. This letter is followed up with phone calls and personal visits.
- *Property Manager Guide* – The Property Manager Guide will be distributed upon the launch of each new program as it features important program information and guidelines, such as how to kick-off the recycling program, how to keep tenants engaged, the benefits of recycling, frequently asked questions, and more.
- *Door hangers* – Door hangers that list recyclables to be hung on each unit’s door will be utilized as a follow up to the launch of the program. The doorknob hanger tears off to create the perfect size flyer for bulletin boards, refrigerator doors and more.
- *Bin Labels/Recycling Decals* – WM will provide full color bin labels/recycling decals in both English and Spanish on all containers delivered as part of the agreement. The decal will include a list of recyclable items including beverage containers, paper, plastic, bulk mail, plastic bags, magazines, etc.
- *Workshops at Community Outreach Events* – WM’s recycling consultants are skilled at presenting recycling workshops for groups of all ages and sizes. A recycling workshop is a great way to kick off a new recycling program and attract interest and attendee participation at community outreach events.

WM will contact each building manager and/or HOA to introduce the program. WM staff can work with individual property management to determine the best recycling program for the building and begin program implementation. We have received a very favorable response to this





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program in other communities and look forward to rolling it out in the City of Ridgecrest. A more detailed description of WM’s Multi-Family Recycling Toolkit is outlined below.

COMMERCIAL RECYCLING COLLECTION SERVICE

- Types of Vehicles

The Commercial sector will be serviced primarily with frontload vehicles and bin service. Commercial accounts utilizing cart collection will be serviced with an automated side loader.



- Type and Size of Containers to be provided

WM will collect commercial recycling using 96 gallon carts or 1.5, 3, 4 and/or 6 yard bins as frequently as scheduled by customer, but not less than once every other week. Additionally, we will provide roll-off containers or Compactor Collection Services as needed for regularly scheduled services.

WM will provide labeling and signage indicating the correct usage of container, weight and material limitations, name and phone number along with detailed waste and recycling educational stickers. Commercial Collection Containers will be color coded by commodity with each material in a different color container to encourage participation and minimize contamination as follows:

- Green for Refuse
- White for Recycling

- Customer Set-out Requirements

In order to minimize safety issues, commercial containers need to be accessible with limited vehicle and pedestrian traffic surrounding the bin. Lids should be closed to minimize litter, vermin and scavenging and containers should not be filled beyond the designated fill line to ensure the driver can collect safely.

- Estimates of Participation Levels and Volumes

Commercial recycling participation estimates are made as part of our multi-family recycling line of business. Based on current participation levels, we estimate the collection of nearly 172 commercial and multi-family customers and approximately 24 tons every other week. We anticipate recycling volumes will continue to increase over the life of the agreement resulting in overall diversion well over 50%. In addition, WM is committed to working with the City to determine the most appropriate solution to comply with the CalRecycle Compliance Order Task 4: Establish Mandatory Commercial On-Site Collection of Recyclables.

- Acceptable and Prohibited Materials

Acceptable Materials for Recycling:

Paper Products-
Newspaper
Mixed color paper
White paper

Cardboard
Junk mail
Magazines
Telephone books
Paper bags



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Cereal & food boxes
 Aluminum cans
 Egg cartons
 Pie tins
 Plastic Containers-
 Bottles & containers
 (Labeled #1-7)
 Food cans
 Plastic milk containers
 Plastic bags
 Detergent containers
 Empty aerosol cans
 Metal Containers-
 Steel cans
 Tin cans
 Glass Containers-

Clear, brown & green food
 & beverage containers
 Aluminum cans
 Egg cartons
 Pie tins

Non-Acceptable Material:

Food waste
 Mirrors
 Styrofoam
 Household Hazardous Waste
 Batteries
 Broken Glass
 Light Bulbs

**List may not include all materials*

- Special Services Offered

Locking Bins

Locking bins will be made available upon request for nominal monthly fee. This service is especially beneficial in a City such as Ridgecrest where the number of enclosures is limited and containers are exposed.

Enclosure Locks

Enclosure locks provide commercial customers with added security and convenience allowing them to control access to their containers using a WM provided combination lock. This service offering minimizes illegal dumping and scavenging while maintaining seamless service to the customer.

Snapshot Program



WM's Snapshot Program helps businesses and multi-family properties set up and maintain the most efficient level of service based on individual needs.

Under the Snapshot program, WM drivers are equipped with digital cameras to visually document overflowing containers, contamination, recycling opportunities, blocked access, and damaged containers. The digital photos can provide quantifiable data to modify a garbage collection program. Snapshot will help ensure businesses have the correct level of service, enhance property image and increases protection from container overflow and contamination.

CalRecycle Compliance Order, Task 9 – “Greening” of City Hall at No Additional Charge

Consistent with Task 9, of the CalRecycle Compliance Order, and the Ridgecrest SRRE Objective (Page 2-2) WM will build upon the City's current recycling efforts at City facilities to help establish the city hall program as a role model for the community. Within 30 days of commencement of the franchise, WM Recycling Staff will work with the City to establish a successful office-recycling program inclusive of recycling containers, education materials, a kick off meeting, training of custodial staff and appropriate commercial recycling services. Following



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the launch, WM will work with the City to draft a Case Study demonstrating a cost effective strategic plan for solid waste management and recycling. This case study will be published upon approval by the City, establishing City Hall as a model business recycling program, setting the tone for recycling in the business community.

CalRecycle Compliance Order, Task 12: On-Site Newspaper Collection

Prior to the effective date of the new agreement, WM will work with the largest newspaper generator in the City to establish or enhance the current on-site newspaper collection program. We are committed to working with this customer throughout the term of the agreement to maximize diversion efforts thru waste audits, ongoing education and follow up.

Innovative Container Signage and Recycling Education

WM has partnered with a local, City of Ridgecrest vendor to wrap commercial recycling containers with customized recycling education and artwork. We have included more detailed information regarding this offering in the Public Education section below.

RESIDENTIAL BULKY WASTE COLLECTION SERVICE

- Type of Vehicles Used

WM will provide bulky waste collection services using a rear loader vehicle or a commercial FEL with a special bulky item bucket. White goods will be collected on a monthly basis using a flatbed vehicle.

- Type and size of containers to be provided;

N/A

- Customer set-out requirements (e.g. curbside, three feet from other containers or vehicles)

WM will provide extra item collection within five operating days of customer request, at the curbside or other designated location, up to three times per calendar year. This includes Bulky Items, Universal Waste and E-Waste. WM must notify the customer in advance, by telephone and or email, what specific day the service will be provided. Typically, customers will contact WM for an Extra Item Collection and we will schedule the pick up for the next service day unless otherwise requested by the customer. White goods will be scheduled for a once a month pick up. Items will be processed with an emphasis on re-use and recycling, with landfill disposal as the last resort.

- Estimate of Participation Levels and Volumes

Based on jurisdictions of comparative size, we anticipate the collection of 10 collections totaling nearly 2 tons per week.

- Acceptable and prohibited materials

“Bulky Items” means Solid Waste that cannot not typically be accommodated within a Cart.

Acceptable Materials:

Furniture
Chairs,
Sofas,

Mattresses
Rugs
Appliances
Refrigerators



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Ranges
 Washers
 Dryers
 Water heaters
 Dishwashers
 Plumbing
 Small household appliances
 Electronic equipment
 Stereos
 Televisions
 Computers
 Monitors
 Cellular phones
 VCRs
 Microwaves

Residential wastes
 Wood waste
 Tree branches
 Scrap wood
 Debris from building remodeling
 Rocks
 Sod
 Clothing
 Tires

Non-Acceptable Items:
 Car bodies
 Construction and Demolition Debris
 Items requiring more than two persons to remove

**List may not include all materials*

- Any special services offered (e.g. battery collection) by the proposer and/or requirements placed on customers (e.g. push-outs)

Illegal Dumping and Reported Abandoned Items

WM will provide on call collection of abandoned or illegally dumped items upon City request. We will provide a job-appropriate vehicle or a flat bed truck with hydraulic lift tail gate to collect abandoned waste. WM will collect abandoned waste discarded on public rights-of-way in the service area within twenty-four hours of County request. Abandoned Waste will include any type of Solid Waste including bulky waste, appliances, furniture, car parts, CEDs and E-waste. CEDs and E-waste will be recycled. Collected material will be reused or recycled to the extent possible and economically feasible.

Seasonal Recycling Program at No Additional Charge

For the first two weeks of each year, WM will collect an additional 5 bags of recyclables set out curbside at no additional cost to the resident to accommodate for additional seasonal recyclables generated during the Holidays.

DROP BOX AND COMPACTOR SOLID WASTE SERVICE

- Type of Vehicles Used

WM will provide roll off and compactor service using a Roll-Off (Freightliner or Mack) vehicle.

- Type and size of containers to be provided

We will utilize 10, 20, 30 and 40-yard boxes manufactured by Consolidated Fabricator Corps for drop box services. Container features include the following:

- Standard drop body roll-off (14/12 GA.) or heavy duty roll-off (12/10 GA.) construction
- Horizontal "V" ribs on 12" centerlines
- 3" X 3" (10 GA.) Structural tubing top headers and floor sills (no water traps)
- "Dog House" style hook-up with heavy duty snatch hook
- 4" X 6" Nose rollers with grease fittings and 1 1/2" axles.
- 6" Structural channel gusseted main rails



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- 12 GA. Double doors with 1" lock bars (1" taller than sides)
- Safety chain with hooks for holding doors open
- 2" X 3" Structural tubing door hinge posts
- 3" Structural channel floor members. (STD = 24" centerlines, HD = 16" centerlines)
- Formed side posts. (STD = 24" centerlines, HD = 16" centerlines)
- Tarp hooks between every other post (12" above floor)
- Formed ladder with gussets for added strength. (OSHA compliant)
- Mitered corners to protect tarps
- Gusseted front corners for strength
- 10" X 8" Stationary steel wheels with grease fittings
- Roll-off interior and exterior coated with rust inhibitive alkyd primer
- Roll-off exterior painted your choice of standard color with alkyd enamel paint
- Bottom coated with automotive under-seal

- Customer set-out requirements

To ensure safe and efficient collection access to each container seamless to a resident or businesses day to day functionality, drop boxes and compactors cannot be dropped in the street. We request that all containers be safely accessible for drop off and removal.

- Estimate of participation levels and volumes;

Based on jurisdictions of similar size, we estimate 10 customers per week. Due to the nature of drop box and compactor services, exact volumes can not be predicted. We anticipate a range of materials and volume per container totaling approximately 40 tons per week.

- Acceptable and prohibited materials;

WM will work with each drop box and compactor customers to characterize potential loads and provide diversion services for recyclables, construction and demolition debris and yard waste as appropriate.

Acceptable Materials for Trash:

Bamboo
 Bagged pet waste & litter
 Broken glass
 Broken dishes
 Cactus
 Ceramic
 Dirty or soiled paper
 Disposable diapers
 Drycleaner bags
 Egg cartons (Styrofoam)
 Empty motor oil & antifreeze containers
 Food waste

Incandescent & halogen light bulbs only (no fluorescent tubes or bulbs)
 Garden Hoses
 Invasive plants
 Ivy
 Mini-blinds
 Mirrors
 Palm Fronds
 Stretch wrap
 Styrofoam & packing peanuts
 Tissue paper (Kleenex, etc.)
 Take-out containers
 Window glass

**List may not include all materials*

- Any special services offered

Container Signage and Color



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WM will provide labeling and signage indicating the correct usage of container, weight and material limitations, name and phone number. Roll Off and Compactor Collection Containers will be color coded by commodity with each material in a different color container to encourage participation and minimize contamination as follows:

- Green for Refuse
- White for Recycling

CalRecycle Compliance Order, Task 3: Maintain Existing Greenwaste Efforts - Green Waste Drop off Recycling Program at No Additional Charge

In an effort to provide a local diversion solution for green waste material and assist the City with compliance with the CalRecycle Compliance Order Task 3, WM will work with the City to site and host a green waste drop off container within the franchise area. The container will be collected and diverted to the extent possible on a regular basis.

DROP BOX AND COMPACTOR RECYCLING SERVICE

- Type of vehicles used

WM will provide roll off and compactor service using a Roll-Off (Freightliner or Mack) vehicle.

- Type and size of containers to be provided

We will utilize 10, 20, 30 and 40-yard boxes manufactured by Consolidated Fabricator Corps for drop box services. See DROP BOX AND COMPACTOR SOLID WASTE SERVICES for more detailed information.

- Customer set-out requirements

To ensure safe and efficient collection access to each container seamless to a resident or businesses day to day functionality, drop boxes and compactors cannot be dropped in the street. We request that all containers be safely accessible for drop off and removal.

- Estimate of participation levels and volumes

Based on jurisdictions of similar size, we estimate 5 customers per week for drop box and compactor service. Due to the nature of drop box and compactor services, exact volumes can not be predicted. We anticipate a range of materials and volume per container totaling approximately 20 tons per week. Due to enhanced offerings such as the Builders Direct Desk offered at no additional charge, we expect drop box and compactor services diversion to exceed 50%.

- Acceptable and prohibited materials

Acceptable Materials for Recycling:

Paper Products-	Telephone books
Newspaper	Paper bags
Mixed color paper	Cereal & food boxes
White paper	Egg cartons
Cardboard	Metal Containers-
Junk mail	Aluminum cans
Magazines	Steel cans



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Tin cans
Food cans
Empty aerosol cans
Pipe tins

Plastic Containers-
Bottles & containers
(Labeled #1-7)
Plastic milk containers
Plastic bags
Detergent containers
Glass Containers-
Clear, brown & green food

Acceptable Materials for C&D Recycling:

Rock
Concrete
Gravel
Brick
Asphalt
Asphalt grindings

Non-Acceptable Materials for C&D Recycling:

Trash
Grass contaminants
Roots
Wood

& beverage containers

Non-Acceptable Recyclables Material:

Solid Waste
Food waste
Liquid
Broken Glass
Mirrors
Light Bulbs
Styrofoam
Household Hazardous Waste
Batteries

Acceptable Materials for Dirt Recycling:

Granular Soil
Clay
Sand
Silt that breaks apart

Non-Acceptable Materials for Dirt Recycling:

Trash
Metal
Wood
Less than 10% root and/or grass contamination

- Any special services offered (e.g. battery collection) by the proposer and/or requirements placed on customers (e.g. push-outs)

Construction & Demolition: Builder’s Direct Desk at No Additional Charge

At our comprehensive customer service in Commerce, WM maintains construction specialists who can help determine the best containers or services for a site, and get them there as quickly as possible. Consultation on how to earn valuable points toward LEED certification is also available. This program assists the City and local contractors in meeting CALGreen Building Codes and State Diversion Mandates. Services available within the franchise area include:

- A Single Point of Contact, dedicated Construction Specialist
- Customized Recycling Strategies for meeting diversion goals
- Assistance Gaining Points Toward LEED®
- Certification Assistance
- C&D Recycling for balancing the environmental demands of a project with economic goals
- Material Expertise and Resources
- Assistance Maximizing Efficiencies to help projects stay on time and on budget





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2.2 RECYCLING PLAN

- Source Separation Diversion Program(s)

Source Separation Collection Programs for Residential, Commercial and Drop Box Services

WM will collect source separated single stream recyclables at the curb every other week using up to two 96-gallon carts for recyclables. Additionally, WM will offer single stream recycling to commercial customers in the franchise area using 96 gallon carts or 1.5, 3, 4 and/or 6 yard bins as frequently as scheduled by customer, but not less than once every other week. Carts and containers will be color-coded and sufficiently labeled indicating the appropriate commodity. Additionally, we will utilize the highest quality of materials processing available to capture the increased quantities of recovered materials expected through single stream collection programs.

Commercial Mix Waste Processing Pilot Program

During the first year of the agreement, WM will launch a commercial wet/dry selection pilot program that designates accounts with high concentrations of recyclable materials to dry routes. Many commercial customers generate large quantities of recycling, such as office buildings, but may not have the space available to accommodate a separate recycling bin. By separating these loads from wet waste generated at restaurants and other food establishments, we are better able to capture and divert recyclables through the sorting process. This program is seamless to the customer as we work with our operations staff and drivers to identify locations that are suitable to add to the dry route. After 90 days of wet/dry route implementation, WM will provide information to the City regarding the expectations for additional diversion from the program.

Pay as You Throw Variable Rate Offering – Proposed Enhancement

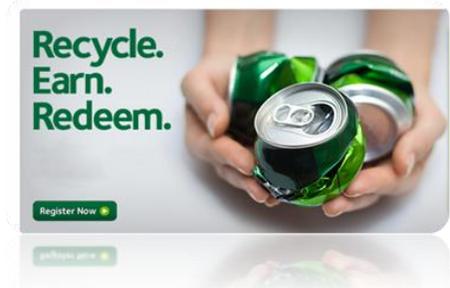
As part of our enhanced service offering, WM will offer residents with added value, convenience and customizable service, by providing the curbside collection of solid waste using three levels of cart sizes ranging from 32, 64 and 96 gallon automated collection containers and a tiered rate structure. Refuse carts of all sizes will be emptied using automated side loader vehicles on a weekly basis. With the pay-as-you-throw program, residents will be charged for the collection of solid waste based on the amount they throw away as determined by the selected cart size. This creates a direct economic incentive to recycle more and to generate less waste. This incentive will not only provide cost savings to the residents of Ridgecrest, but will also greatly assist in engaging the community and meeting State recycling mandates. Single stream recycling will be offered using up to two 96-gallon automated carts collected every other week.

- A description of the proposer’s approach for acknowledging/rewarding the recycling efforts of individual customers and/or the service area as a whole

Think Green Rewards – Recycling Rewards Program

The WM Recycling Reward and Recognition program is an innovative way to help the City of Ridgecrest meet recycling goals while engaging constituents about the importance of recycling. Residents are awarded discounts and coupons good for entertainment, dining, travel, personal services and much more by using their curbside recycling bin.

Reward and recognition programs can be cost-effective and valuable tools to increase community engagement. Studies have





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found that effective reward and recognition programs increase recycling participation. The process should be easy and fun. By educating the residents on what and how to recycle and by offering an incentive to recycle via an online website with backend coupon and incentive rewards for residents that recycle, participation will increase, rewards points will increase, and resident satisfaction will increase.

WM will work with Ridgecrest to ensure that a Recycling Rewards incentive program excites and engages residents and the community, as well as helps to drive significant improvements in the City's diversion. For more detailed information about WM's Think Green Rewards Program, please see the Proposed Service Enhancements Section below.

City of Ridgecrest - Green Business Certification Recognition

WM's Green Business Certification program will allow the City to recognize businesses that take steps to incorporate sustainable practices into their operations, with an emphasis on reducing waste and increasing diversion. WM can work with the City and Chamber of Commerce to certify and recognize green businesses in the community. While the purpose of the program will be primarily to reduce waste, if the City prefers, WM can develop a comprehensive program to include and recognize the following:

- Reduce solid waste disposal and promote recycling
- Become energy and water efficient
- Purchase products that are less harmful to human health and the environment
- Minimize pollution contributions
- Help improve indoor air quality and reduce smog formation
- Educate their customers, employees and other businesses about green business practices.

Any business with a physical commercial location in Ridgecrest can apply for Green Business Certification. To participate, businesses will complete a simple two page application with self assessment information about waste reduction practices and other green policies practiced.

Awards will be presented annually at an event determined mutually by the City and WM including a Council presentation or award ceremony event. Winners will be presented a certificate and may also be listed in the City's website.

- A description of any diversion to be achieved through segregation of materials at a transfer station or material recovery facility(ies):

The selected processing facility utilizes both mechanized and manual sorting techniques. In order to achieve high diversion rates from curbside recyclables, magnets are used to sort various metals, eddy currents are utilized to sort aluminum products, star screens and air classification systems sort paper and fiber products. Newsprint and mixed paper account for nearly half of what is recovered. These specialized practices are the reason Sun Valley Paper Stock can boast a successful recovery rate. After sorting, the materials are then bundled and shipped to processing facilities.

- A description of other innovative solutions to be provided that may increase diversion levels.

Green Works - Promoting Recycling at the Workplace

A workplace recycling program is only as effective as the employees responsible for the day to day implementation of the program. Effectively training employees about proper recycling techniques and creating a workplace culture of commitment to recycling are important aspects to establishing a



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successful commercial recycling program. To meet these goals, WM will work with the City to develop Green Works, a workplace recycling incentive program that will provide managers tools to implement and maintain a reward-based program that encourages employee participation in recycling.

Green Works - Promoting Recycling at the Workplace

A workplace recycling program is only as effective as the employees responsible for the day to day implementation of the program. Effectively training employees about proper recycling techniques and creating a workplace culture of commitment to recycling are important aspects to establishing a successful commercial recycling program. To meet these goals, WM will work with the City to develop Green Works, a workplace recycling incentive program that will provide managers tools to implement and maintain a reward-based program that encourages employee participation in recycling.

Providing incentives will help build morale and ongoing participation in the program. In addition to incentives provided by each participating business manager, WM will provide prizes such as reusable water bottles, reusable grocery bags, or other incentives for managers to provide to employees who contribute to the organization's green program. These items will be provided to managers who sign up for the program, as well as all promotional information, flyers instructional posters, etc. to implement a comprehensive recycling program.

Additionally, WM staff can provide initial and ongoing consultation and support to business who request it to ensure their Green Works program is a long term success.

Employers can also consider creating their own incentives to add value to the program. For example, managers can calculate costs savings from the commercial recycling program on their monthly trash bill and give the money saved back to employees to fund projects such as:

- a. Annual employee picnic
- b. Special benefit funds (extended illness fund for employees, etc.)
- c. Donation to charities

Similarly, a company may chose to recycle their own CRV recyclables (bottles and cans), rather than place them in the commercial recycle bin. Those funds can also be used for events described above.

WM can work with the City and Chamber of Commerce to tailor this program to best meet the needs of the commercial sector and create a program with that will encourage high participation and success.

WM Sustainability Services

Our Sustainability Services Division is specifically designed to help our customers identify and implement sustainable business practices. Working together, we find new ways to minimize waste, maximize efficiencies and uncover resource value all along the supply chain of an individual company. We are also developing and refining capabilities that create little or no waste to begin with. We are the only company capable of providing end-to-end environmental solutions. Sustainability Services from WM offers a wide range of solutions designed to help businesses reduce costs, mitigate risk and strengthen their brands. This program will be available to all businesses within the franchise area for an additional cost.



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Commercial Foodwaste Pilot Program – Future Program Opportunity

Although we are confident the programs above will drastically increase diversion in the City of Ridgecrest, WM is pleased to introduce a Commercial Foodwaste Pilot Program at the request of the City. We will phase in a two-container, wet-dry system, for selected commercial customers. Organics will be collected in one container, and all other dry materials will be collected in a second container. The organics stream will be processed by a facility already secured for this endeavor to remove contaminants; other materials will be processed at Sun Valley Paper Stock to recover marketable recyclables. This aggressive dual stream collection strategy provides the following benefits:

- Retains critical source separation, permits high recovery rates at our processing facility, and protects the value of materials.
- Sorts all recyclable and compostable materials at processing facilities; only un-marketable materials are landfilled as residual.

This program can be made available at a minimal additional cost to the current rates.



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2.2 PROCESSING

A. Processing Site Information

- Name
Sun Valley Paper Stock
- Location
11166 Pendleton Street
Sun Valley, CA 91352-1525
- Description of the Facility where recyclable materials will be handled

Recyclables will be taken to Sun Valley Paper Stock (SVPS) a subsidiary of Allen Company, located in Sun Valley, CA. Allan Company was founded in 1963 by current president Stephen Young. Allan Company has since grown to become one of the largest independently owned broker, packer, and exporter of recovered fiber in the Western United States. WM has partnered with SVPS and Allen Company on many municipal contracts throughout the LA Market Area including Arcadia, LaVerne, Baldwin Park, Diamond Bar, and San Dimas, among others.



- Name of the owner and operator of the facility
Allen Company
Jason Young
Vice President
(626) 962-4047
Address: 14620 Joanbridge St.
Baldwin Park, CA 91706
- Contact name and phone number of the site manager
Jim Sweeney – Controller
818-767-8984
- Current average monthly residue level of the processing site
SVPS is proud to remain at the forefront of waste recovery, currently accepting materials that other facilities are unable to process, such as Tetra Pak. The average monthly residual rate is ranges from 22% to 30%, but varies based on waste stream and participation levels.



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- Identify if the company that owns or operates the processing site is the same as the proposing entity or is a related-party entity

Allen Company is not owned or operated by the proposing entity and is not a related third party entity.

While we plan to utilize Sun Valley Paper Stock initially, we anticipate the use of WM's Sun Valley Recycling Park upon the facility's completion in 2013. Processing Site information for this facility is included below. Note some information is not available at this time because the site is not yet constructed.

- Name
Sun Valley Recycling Park
- Location
The facility is located in the northeast region of the San Fernando Valley in the City of Los Angeles at the address below:

9227 Tujunga Avenue
Sun Valley, CA 91352
- Description of the Facility where recyclable materials will be handled
The Sun Valley Recycling Park is a 50 acre facility located within a larger 209 acre industrial parcel of land owned by WM. There are three separate areas of activity within the Sun Valley Recycling Park:
 - Scale Area
 - Transfer Station / Material Recovery Facility Area (TS/MRF)
 - Greenwaste Operations Area (GOA)
- Name of the owner and operator of the facility
WM Recycling & Disposal Services of California, Inc is the owner and operator of the facility.
- Contact name and phone number of the site manager
Doug Corcoran – Director of Operations
818-767-6180
- Current average monthly residue level of the processing site
Because the facility is not yet operational, residual information is not available at this time. We anticipate residual of less than 20% for MRF operations.
- Identify if the company that owns or operates the processing site is the same as the proposing entity or is a related-party entity
The owner and operator of the facility is the same part as the proposing entity.

B. Transfer Site Information

WM will direct haul recyclable material collected to the Lancaster Landfill (LLRC) for transfer to Sun Valley Paper Stock. As participation increases, WM might lease or acquire property within the City for the purposes of transloading and consolidating recyclables for transfer to a full service MRF. At that time we will lease property from the City or a private third party.



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LLRC accepts recycled materials including co-mingled recyclables, cardboard and paper from both residential curbside and commercial recycling programs. These materials are delivered to the LLRC recycling transfer area via trucks designated for recyclables pick-up. All trucks weigh in at the scale, proceed to the recycling transfer area and unload onto the paved area. A loader is utilized to compact, pile and load the material into transfer truck trailers. WM contracts with various haulers to transfer recyclable material loads via transfer trucks to materials recovery facilities in the LA area. Consolidating material from the various collection trucks, which have an average capacity of 6-8 tons per load, to transfer trailers, which have an average capacity of 16-20 tons per load, results in increased efficiency and reductions in traffic and emissions. Any material stored in the recycling transfer area over night is covered with tarps.

Los Angeles County, Department of Public Health, Local Enforcement Agency (LEA) officials inspect all operations conducted at the LLRC on a monthly basis. CalRecycle also inspects every 18 months.

Lancaster Landfill (LLRC)

600 E. Avenue F
Lancaster, CA 93534

C. Permits and Regulatory Compliance

Sun Valley Paper Stock

Regulatory Agency: CalRecycle

Contact Name, Title and Telephone Number:

Bill Castillo

Recycling Specialist II

(916) 323-3008

Bill.Castillo@CalRecycle.ca.gov

Lancaster Landfill (LLRC)

Regulatory Agency: LA County, Department of Public Health, Environmental Health Solid Waste Program (LEA)

Contact Name, Title and Telephone Number:

Roosevelt Davis

Environmental Health Specialist III

(626)430-5543-office

rodavis@ph.lacounty.gov

Contact Name, Title and Telephone Number:

Cindy Chen

Solid Waste Chief

(626)430-5543-office

cchen@ph.lacounty.gov

Sun Valley Recycling Park

Regulatory Agency: City of Los Angeles Department of Building & Safety, Local Enforcement Agency

Contact Name, Title and Telephone Number:

Wayne Tsuda

Division Director, Materials and Waste Resources Management

(213) 252-3932



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Wayne.Tsuda@lacity.org

D. Facility Recycling Information

WM works hard at reducing average residual waste rate. Long before the recyclables arrive at the processing site, our standard single-stream recycling programs allow customers the convenience of commingling recyclable paper and mixed containers in one bin for collection. This convenience of single stream recycling greatly increases participation, resulting in the recovery of up to 30 percent more recyclable material.

Contamination prevention starts at the curb. As noted in the public education portion of this section, WM will launch extensive outreach campaigns targeting proper container usage and recycling participation. Through regular education materials, recycling workshops, vigorous hazardous waste screening protocol processes and the WM cart tag program notifying customers of proper cart usage, we anticipate minimal contamination as we transition to the new agreement.

Sun Valley Paper Stock is a combination mechanized and manual sort line, consisting of specialized glass, paper, metal (eddy current) and plastic sorting technology. These specialized practices are the reason SVPS can boast such a large recovery rate. Newsprint and mixed paper account for nearly half of what is recovered at Sun Valley. After sorting, the materials are then bundled and shipped to processing facilities.

We continue to work with Sun Valley Paper Stock and with our own facilities to introduce leading-edge technology and advanced systems to streamline everything from the collection of recyclable materials to processing and marketing them.

Materials Marketing Approach

We rely on well-sorted recovered materials based on curbside education efforts combined with sophisticated sorting capabilities to expand recycling markets. High quality sorted materials can be sold to a wide diversity of markets and support the whole range of products that can be made with recovered materials. WM and our strategic processing partners have access to the largest recycling marketing and brokerage team in North America. Their services include Sales, Marketing, Brokerage and Customer Service worldwide. The team supports multiple field operations with marketing of all the company's recycling tons. Fiber, aluminum, steel, plastics, glass and processed e-scrap are marketed to locations worldwide on a daily basis. They provide low-cost logistical infrastructure to transport materials from MRF to mill. This group communicates quality specifications from the mills, and provides quality training and control before material bales are shipped. They also continue to acquire and retain volumes from large generators through brokerage services. WM not only has years of proven experience with obtaining commitments from the best available material markets, but we also successfully bring to market close to 8 million tons per year.

E. Acceptable and Prohibited Materials

Acceptable Materials for Recycling:

Paper Products-
Newspaper



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Mixed color paper
White paper
Cardboard
Junk mail
Magazines
Telephone books
Paper bags
Cereal & food boxes
Egg cartons
Metal Containers-
Aluminum cans
Steel cans
Tin cans
Food cans
Empty aerosol cans
Pipe tins
Plastic Containers-

Bottles & containers
(Labeled #1-7)
Plastic milk containers
Plastic bags
Detergent containers
Glass Containers-
Clear, brown & green food
& beverage container

Non-Acceptable Material:

Food waste
Liquid
Broken Glass
Mirrors
Light Bulbs
Styrofoam

F. Costs.

WM will direct haul recyclable material collected to the Lancaster Landfill (LLRC) for transfer to Sun Valley Paper Stock. The LLRC does not charge a transfer fee. For the purposes of this proposal, WM has assumed a net per ton rebate of \$48.00, inclusive of transportation and loading, not including route costs per hour. As participation increases, WM may lease or acquire property within the City for the purposes of transloading and consolidating recyclables for transfer to a full service MRF, as described.



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2.5 BILLING AND CUSTOMER SERVICE APPROACH

AMONG WM'S CORE PRINCIPLES IS A COMMITMENT TO PROVIDE CUSTOMERS WITH EXCELLENT SERVICE. OUR MECHANISM FOR TURNING THAT PRINCIPLE INTO PRACTICE IS "SERVICE MACHINE." SERVICE MACHINE IS BASED ON THE PREMISE THAT PERFECT SERVICE CAN BE ACHIEVED THROUGH AN INTEGRATED APPROACH THAT INCLUDES: ESTABLISHMENT OF SERVICE EXCELLENCE STANDARDS, EMPLOYEE EDUCATION AND COMMUNICATION, EFFECTIVE TRACKING OF SELECTED SERVICE METRICS, TIMELY REVIEW, ANALYSIS AND ONGOING COACHING.

WM IS THE ONLY COMPANY THAT CAN OFFER THE CITY OF RIDGECREST SERVICE MACHINE. IN ADDITION TO SERVICE MACHINE, WM OFFERS A VARIETY OF OTHER QUALITY PROGRAMS TO ENSURE THE HIGHEST LEVEL OF CUSTOMER SERVICE.

BILLING

- Developing Customer Service and Billing Data

WM acknowledges that data from the prior service provider may not be available. Our extensive experience providing excellent customer service, including timely and accurate billing in the 28 Southern California jurisdictions listed in Section 1.2 of this proposal, and beyond, has prepared us to obtain the necessary customer service and billing data in all circumstances.

To establish accurate customer address information, WM utilizes the USPS postal standard address structure. These address standards have enabled WM to leverage other "off the shelf" mapping applications to pinpoint addresses within a designated franchise area. Additionally, we utilize GIS mapping programs to reconcile County Tax Parcel data to the list of addresses provided by the City to identify all customers that fall within the scope of the franchise agreement.

Identifying Service Levels for Residential and Commercial Customers

In order to establish customer accounts and appropriate service levels, each household and business in the franchise area will receive an **Initial Service Selection Mailer**. The full color mailer will show each available container size, color, and corresponding price for service. A mail-back order sheet will be included. Residents will also be able to select carts through a **web-based survey**. WM will promote the link on mailers and other transition materials. On the web survey, residents will be able to view photos and pricing options for all available varieties of carts and containers and order online. Residents will receive a confirmation email with the containers they selected, and the date of delivery.

Additionally, WM will complete a physical audit of current service levels prior to the exit of the current service provider in the City. Auditors will utilize current routing information and parcel data to verify customer addresses and note service levels.

Our Pricing/ Data Manager, Loren Greenwell, is a recognized expert in transitioning new contracts. He will oversee the process of updating our system with a complete and accurate Ridgecrest customer base.

System Auditing Capabilities

WM's billing system has been in operation since March 1999. The system's features include:



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- Automatic data back-up and off-site storage;
- Audit systems to maintain integrity and billing accuracy;
- Quick response in case of emergency data restoration; and
- Ability to handle billing inserts/special mailings to customers.

Additionally, WM's team includes an Audit Staff that conducts regular audits of all franchised jurisdictions we service on a pre-established schedule. More specific information related to the audit process is included later in this section.

- Sample of customer bills and a listing of jurisdictions where proposer currently provides billing services

Sample residential and commercial invoices are included below. We have the capabilities to add billing codes and fees to any invoice such as sewer, water, street sweeping, etc. at no additional charge to the City or customer upon request.

Understanding Your Invoice...

Invoice Details

- 1 Your Account Details**
Includes your Account Number, Invoice Number, Due Date/ Payment Terms. Also includes your WM ezPay ID which is required when making payments online or via telephone using the IVR (Interactive Voice Response) system.
- 2 Your Local Waste Management Office**
Includes the address and telephone number of your local Waste Management office. Use this number when making payments via phone or if you have any questions about your services or your invoice.
- 3 Your Account Summary**
Includes your balances, payments and adjustments.
- 4 Service Details**
Includes the service time period, the locations and services being billed for this time period, and your PO or Reference number, if used, to track service order origin.
- 5 Important Messages from Waste Management**
From time to time Waste Management will include special customer notification on your invoice such as new payment options available, holiday service notifications and other important global customer messages.
- 6 Payment Coupon**
Includes the total amount due and the payment address if paying via mail. Make sure to include the payment coupon when paying by mail.

INVOICE

1 Account Details: Customer, Account Number, Invoice Number, Invoice Date, Invoice Number, WM EZ Pay Account ID, Current Service Address, Total Amount Due.

3 Account Summary: Description, Amount. Previous Balance, Total Credits and Adjustments, Total Payments Received, Total Current Charges, Total Amount Due, Total Amount Paid Due.

4 Service Details: Description, Amount. City, Service Unit, Qty, Amount. 1.00 Wt. Gas Meter, 1.00 Fuel/Environmental Charge, 1.00 Administrative Fee, 1.00 Payment Fee, 1.00 Street Sweeping Fee, Late Fee in 30, Total Current Charges.

5 Important Messages: If full payment of this invoice amount is not received within 30 days of the invoice date, we will be charged a monthly late fee of 1.5% of the unpaid amount, with a maximum monthly charge of \$3.00, or until the amount is paid in full. Payment by check, cash, or credit card is not required. For special circumstances, a fee will be assessed on your next billing equal to the maximum amount permitted by applicable ordinance.

6 Payment Coupon: Payment Coupon, Total Amount Due, Total Amount Paid, Total Balance.

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www.wm.com **Think Green.**





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Sample Commercial Invoice:



WASTE MANAGEMENT
LA METRO
PO BOX 7814
BALDWIN PARK, CA 91706-7814
(800) 774-0222 CUSTOMER SERVICE

INVOICE

Page 1 of 2

Customer: KENNETH WOLFE
Account Number: 200-0021838-0283-0
Invoice Date: 6/1/2010
Invoice Number: 1959791-0159-9
Due Date: Due Upon Receipt
WM ezPay Account ID: 10006-02053-85000

Current Invoice Amount	Total Amount Due
168.42	168.42

Account Summary	
Description	Amount
Previous Balance	104.08
Total Credits and Adjustments	0.00
Total Payments Received	-104.08
Total Current Charges	168.42
Total Amount Due	168.42
Total Amount Past Due	0.00

Service Period: JUN THRU AUG 2010

If full payment of the invoiced amount is not received within 30 days of the invoice date, you will be charged a monthly late fee of 5% of the unpaid amount, with a minimum monthly charge of \$3.00, or such lesser fee allowed under applicable law, regulation or contract.

Please pay total amount due.
Thank you for your business

PLEASE RETURN THE REMITTANCE STUB WITH YOUR PAYMENT & WRITE YOUR ACCOUNT # ON YOUR CHECK



WASTE MANAGEMENT
LA METRO
PO BOX 7814
BALDWIN PARK, CA 91706-7814
(800) 774-0222 CUSTOMER SERVICE

Your Account Number	Pay your WM bill online at
200-0021838-0283-0	www.wm.com
	To pay by phone call 888-454-2729

Invoice Date	Your Invoice Number
6/1/2010	1959791-0158-8

Due Date	Total Due	Amount Paid
Due Upon Receipt	168.42	

Winner Keep America Beautiful Vision Award for civic, social and environmental stewardship

KENNETH WOLFE
123 BONITA AVE W
CLAREMONT CA 91711

WASTE MANAGEMENT
LA METRO
PO Box 541008
Los Angeles, CA 90054-1008

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FOR CHANGE OF ADDRESS OR ANY SERVICE ISSUES CONTACT NUMBER ON PAGE 1





Section 2 - Technical Proposal for Services

Sample Commercial Invoice Page 2:

CASA DE SALSA
415 FOOTHILL BLVD W
SUITE 321
CLAREMONT CA 91711

Please make
Check
Payable To:

WASTE MANAGEMENT
LA METRO
PO BOX 541065
LOS ANGELES, CA 90054-1065



LA METRO
PO BOX 541065
LOS ANGELES, CA 90054-1065
(800) 774-0222 CUSTOMER SERVICE

Customer: CASA DE SALSA
Account Number: 157-0984156-0159-3
Invoice Date: 06/01/2010
Invoice Number: 4506738-0159-0
Terms: Due Upon Receipt
WM ezPay Account ID: 10002-81773-05001

Service Location: 157-984156 ROB'S STEAKHOUSE 2573 MAIN ST LONG BEACH CA 90807-5309						
Date	Ticket	Description	Quantity	UM	Rate	Amount
		3 - 1 YARD FEL 1X WK LONG BEACH AB039 8%	3.00			1,025.25 82.02
Total Current Charges						1,107.27
Total Payments Received						
Payment - Thank You						-1,107.27
Total Payments Received						-1,107.27

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FOR CHANGE OF ADDRESS OR ANY SERVICE ISSUES CONTACT NUMBER ON PAGE 1





Section 2 - Technical Proposal for Services

A Sample Residential Invoice:



WASTE MANAGEMENT
LA METRO
PO BOX 7814
BALDWIN PARK, CA 91706-7814
(800) 774-0222 CUSTOMER SERVICE

INVOICE

Customer: CASA DE SALSA
Account Number: 157-0984156-0159-3
Invoice Date: 06/01/2010
Invoice Number: 4506738-0159-0
Terms: Due Upon Receipt
WM ezPay Account ID: 10002-81773-05001

Current Invoice Amount	Total Amount Due
1,107.27	1,107.27

Please pay total amount due.
Thank you for your business.

Account Summary Account Level PO# 7018D-X4118	
Description	Amount
Previous Balance	1,107.27
Total Credits and Adjustments	0.00
Total Payments Received	-1,107.27
Total Current Charges	1,107.27
Total Amount Due	1,107.27
Total Amount Paid	0.00

Service Period: APR - JUN SERVICES	
Description	Amount
Commercial	2,161.33
Total Current Charges	2,161.33

PLEASE RETURN THE REMITTANCE STUB WITH YOUR PAYMENT & WRITE YOUR ACCOUNT # ON YOUR CHECK

If full payment of the invoiced amount is not received within 30 days of the invoice date, you will be charged a monthly late fee of 1.5% of the unpaid amount, with a minimum monthly charge of \$3.00, or such lesser late fee allowed under applicable law, regulation or contract. For each returned check, a fee will be assessed on your next billing equal to the maximum amount permitted by applicable law.

Want to pay this bill on-line? Go to www.wm.com to learn more about WMezPay and make a convenient, secure payment.

Current Due	Over 30	Over 60	Over 90	Over 120	Total Due
1,107.27	0.00	0.00	0.00	0.00	1,107.27



LA METRO
PO BOX 7814
BALDWIN PARK, CA 91706-7814
(800) 774-0222 CUSTOMER SERVICE

Payment Coupon

Please detach and send with checks only (no cash).
Please send all other correspondence to your local WM site.

Your Account Number
157-0984156-0159-3

Pay your WM bill online at www.wm.com
To pay by phone call 866-964-2729

Invoice Date	Your Invoice Number
6/1/2010	4506738-0159-0

Due Date	Total Due	Amount Paid
Due Upon Receipt	1,107.27	

Learn how we Think Green at www.wm.com/thinkgreen

CASA DE SALSA
415 FOOTHILL BLVD W
SUITE 321
CLAREMONT CA 91711

WASTE MANAGEMENT
LA METRO
PO BOX 541065
LOS ANGELES CA 90054-1065

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FOR CHANGE OF ADDRESS OR ANY SERVICE ISSUES CONTACT NUMBER ON PAGE 1





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Sample Residential Invoice Page 2:

Page 2 of 2



WASTE MANAGEMENT
LA METRO
PO BOX 7814
BALDWIN PARK, CA 91705-7814
(800) 774-0222 CUSTOMER SERVICE

Customer: KENNETH WOLFE
Account Number: 200-0021838-0283-0
Invoice Date: 6/1/2010
Invoice Number: 1959791-0159-9
Due Date: Due Upon Receipt

Service Location: 200-21838 WOLFE, KENNETH 123 BONITA AVE W			
Date	Description	Qty	Amount
06/01/10	64 GAL TOTE S/L RCY	1	
06/01/10	96 GAL TOTE GRN/YDW	1	
06/01/10	96 GAL TOTE S/L	1	88.89
06/01/10	SWEEPING SERVICE	1	31.20
06/01/10	SEWER FEE	1	48.33
Total Current Charges			188.42

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FOR CHANGE OF ADDRESS OR ANY SERVICE ISSUES CONTACT NUMBER ON PAGE 1

Jurisdictions where WM currently provides Billing Services





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WM holds nearly eighty municipal agreements throughout Southern California and has served many of these communities for many decades. We have provided a summary of jurisdictions that we service throughout Los Angeles County. Not only have we provided implementation or transition services in the past ten years to all of our customers but we also provide customer service, call center, billing, accurate fee payment, reporting, and handling of all contractual issues to the majority of the franchises noted below. The complexity and type of billing and reports vary from franchise to franchise. Note a few of the franchises below are billed residentially by the jurisdiction, however, WM provides commercial billing services.

<u>Jurisdiction</u>	<u>Contact Person</u> <u>Phone #</u>	<u>Billing</u>
Agoura Hills	Louis Celeya (818) 597-7314	WM
Arcadia	Tom Tait (626) 305-1386	WM
Baldwin Park	Mayor Manny Lozano (626) 437-9311	WM
Calabasas	Robert Yalda (818) 878-4225	WM
Carson	Denny Bacon (310) 847-3528	Resi - City Com - WM
Chino	Paula Cheatham (909) 464-8352	City
Citrus	Cheryl Wyche (626) 458-3516	WM
Corona	Curtis Showalter (951) 279-3677	Resi - City Com - WM
County of Ventura	Bruce Belluschi (805) 658-4311	WM
Diamond Bar	David Doyle (909) 839-7012	WM
Eastvale	Bob Van Nort (951) 360-0900	WM
El Monte	Rene Bobadilla (626) 580- 2090	WM
Hidden Hills	Cherie Paglia (818) 888-9281	WM
Huntington Park	Alan Shear (323) 584-6226	Resi - City Com - WM
Lancaster	Richard Long (661) 510-4460	WM



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La Verne	Jeanette Vagnozzi (909) 596-8735	Resi - City Com - WM
Malibu	Jennifer Voccola (310) 456-2489 x 275	WM
Manhattan Beach	Anna Luke (310) 802-5363	City
Moorpark	Shaun Kroes (805) 517-6257	WM
Norco	Beth Groves (951) 270-5601	Resi - City Com - WM
Palmdale	Ben Lucha (661) 267-5308	WM
Rolling Hills Estates	Greg Grammer (310) 377-1577	WM
San Dimas	Ken Duran (909) 394-6214	City
Santa Clarita	Travis Lange (661) 255-4337	WM
Simi Valley	Pat Pieres (805) 583-6762	WM
South Gate	Dave Torres (323) 563-5790	Resi - City Com - WM
Thousand Oaks	Stan Hakes (805) 449-2472	WM
Westlake Village	Bob Theobald (818) 706-1613	WM

- Acceptable payment methods including WM’s experience with automated payment systems and website-based payments

WM will adhere to all Rates and Customer Billing requirements as outlined in franchise agreement. Rate payers will have several payment methods to choose from including in person drop off, online bill pay, “ezPay” automatic online payments, mail in and phone payments.

Online Payment Option

We encourage source reduction by making electronic bill payment available to our customers, which reduces paper usage, power needed to generate and mail each bill, and power associated with mail delivery.

Credit card payment options are also provided, as well as on-line payment information linked to the website dedicated exclusively to the City.

Our “ezPay” online payment system allows customers to pay their bills on-line using their credit card. This convenient payment option can be accessed by simply clicking on ezPay, and is a



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secure site that is available 24 hours a day. Customers can make payments on-line or receive electronic answers to their billing questions. We continue to add features to this site, making it easier for customers to communicate with us.

Recording Payments

All customer payments are remitted to a payment-processing center in Phoenix, Arizona. The payment processing center may change to Los Angeles at WM's discretion dependant on how long it takes to receive mail from the customer base. When payment is made over the phone through one of our customer service representatives, payments are noted into the system at the time of receipt.

Experience with Automated Payment Systems and Website-Based Payments

WM has offered automated web based payment services since 2003.

- Billing approach, including frequency, for performing audits of service levels and billing to ensure that all customers are being billed properly

Billing Approach Frequency and Pay Periods

Residential customers are billed quarterly while commercial customers are billed monthly. All invoices include the following information:

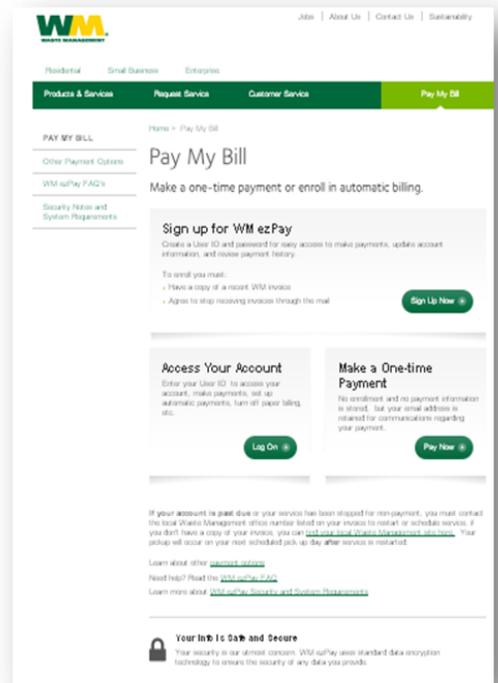
- Customer name and customer account number;
- Invoice date and invoice number;
- Payment term;
- Invoice amount; and
- Service performed, etc.
- Short messages to update customers on possible service changes, holidays or other relevant information are included on the invoices. Invoices also reflect payments and adjustments made during a billing period.

Audit Frequency Verifying Accuracy of Service Levels and Billing

Not less than once annually, WM's team of audit specialists assigned exclusively to billing and route audits, will complete a thorough audit of service levels, customer counts and billing detail. This process includes but is not limited to desktop audits of our MAS system to identify any billing discrepancies, verification of parcel data with the County assessor's office, physical on-site audits verifying service levels and participation, review of desktop and physical audit findings, billing reconciliation and customer notification. Lastly, following the completion of each audit, we modify processes to minimize potential errors in the future.

- Procedures for dealing with customer service, with regards to customer billing demands, during the transition and throughout the term of the Agreement

We have a large staff of billing experts that understand the vast capabilities and functionalities that we have to offer the City of Ridgecrest. We understand and appreciate that changing





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haulers is a significant event for customers and City staff. In all actions we undertake during such transitions, WM strives to minimize the anxiety of all involved.

During transition, we proactively communicate to the ratepayers in advance of the first billing cycle. The following bullet points identify some elements of our transition communication:

- Sample Invoice – “How to read your new invoice”
- Most frequently asked Q and A
- Bill Paying Convenience Options
- Changes in Billing – what is going to be on the Contractor bill and explanation that their bill rates for street sweeping and sewer have not changed
- Contact information if there are questions
- Distribute the public education brochure “Pay My Bill”
- Distribute the public education brochure “Understanding your Invoice”

Customer Inquiries related to billing are handled by our experienced customer service staff housed at our Customer Service Center. In addition, we will establish a **Local Help Desk** to be located within the City during the transition period.

WM will ensure that there are an adequate number of customer service representatives prior to the implementation of the transition plan and new billing system. All customer services representatives will be trained prior to the transition date so that they will be able to answer questions about invoices.

- Description of proposer’s experience with bad debt in other communities where proposer currently provides service

We have standardized collection process outlined in the table below that has proven successful in municipal contracts across the Country. This collections campaign includes multiple points of contact ranging from multiple letters, recorded outdial messages and phone calls. In addition, we have a tested on the street notification process such as tagged carts, cart removal, stop service tax roll assessments, etc.

Delinquency and Collection - Ensuring Timely Collection of Outstanding Bills

WM works closely with our Collections Department in Phoenix, Arizona, which is responsible for all reminder and overdue letters to past-due customers. Below is a timeline of WM delinquency and collection procedures:



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Billing Timeline & Collection Process

Day of the Month (Approximate)	Month	Account Action Explanation	
4th Workday (After MA closes AR)	Month 1= Customer is at least 60 days past due with 3 outstanding invoices	C2 Status code added to account when Potential Interruption of Service Letter is Sent	Cut Off Process MAS Account turns WHITE
15th-18th		MA receives list of Potential Cut-Off customers from RMC MAT. List is distributed to the Market Area Contacts as determined locally. Any accounts denied (with justification) are due back to the RMC within 72 hours. Screen 3 notes updated with override information by RMC MAT.	
18th-21st		CO Status Code is added to the account, suspending service. Screen 3 is stamped with the date/time. Route Sheets will have the Cut Off designation on the account for the customer's next scheduled service day.	
4th Workday (After MA closes AR)	Month 2= Customer is CUT OFF (CO) and is at least 90 days past due	C3 Status code is added to the account when the Notice of Suspension (Pre-Cancellation Letter) is sent to the customer	Cancellation Process MAS Account turns RED
15th-18th		MA receives list of Potential Cancellation Accounts from the RMC MAT. The list can be distributed to the Market Area Contacts as determined locally. Approval is not required, however any exceptions need to be communicated with justification to the RMC within 72 hours.	
18th-25th		Customer Account is Cancelled as LBP. Cancel date is backdated to Cut Off date, as the customer is NOT billed for the suspension period. The RMC MAT will create the container removal ticket unless a prior agreement made with the MA to send the list locally for container removal processing.	
4th Workday (After MA closes AR)	Month 3= Customer is CANCELLED and is at least 120 days past due	C4 Status code is added to the account when the Final Demand Letter is sent to the customer.	Write Off Process MAS Account turns PURPLE
21st-25th		MA receives list of Potential Write Off Accounts from the RMC MAT. The list can be distributed to the Market Area Contacts as determined locally. Approval is not required, however any exceptions need to be communicated with justification to the RMC within 72 hours.	
25th-31st		Customer Account is Written Off to Bad Debt. Balances under \$3000 are generally sent to a 3rd Party Collection Agency and accounts greater than \$3000 may be sent to a local attorney and a lawsuit filed. A "DB" Status Code is added to the Account as well as the Agency used or LG for legal	
NOTE: Collection calls occur monthly- minimum 3 calls based on "Timeline" document			



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Sample Bad Debt Ratio

<u>Community</u>	<u>Number of Customers</u>	<u>Bad Debt Ratio (expressed as the percentage of uncollectable billings relative to total billings)</u>
Baldwin Park	12,071	.41%
Santa Clarita	38,000	1.6%

CUSTOMER SERVICE

Our dedicated Call Center Supervisors and Management have a combined experience of more than fifty years managing and operating call centers. Specifically, they have facilitated the implementation, transition and ongoing customer service functions of more than one hundred new programs, service enhancements and agreements. Each and every one of our representatives are intimately familiar with the needs of both residential and commercial customers, which will ensure customers in the City of Ridgecrest receive quick and seamless responses to a variety of needs. Additionally, managers in the field in direct contact with residents, are empowered to address service needs and resolve customer issues on the spot. As a result, WM can boast about its customer service culture, both on the street and over the phone. We are proud of our efforts to set new standards for service in our industry. We are the ONLY company that can offer Service Machine, and a variety of other quality programs to ensure the highest level of customer service.

- Location where customer service operations will be housed

Our Customer Service Center is located at our existing facility in Commerce, California.

**5701 S. Eastern Ave #300
Commerce, CA 90040**

WM's Customer Service Center is equipped with a state-of-the-art phone system, supplied by JADE with an Avaya switch and is staffed by dedicated customer service representatives. This system is currently used in twenty-five market areas locally and across the Country and for all jurisdictions serviced by WM. Representatives are equipped with all the necessary equipment including telephones, personal computers and individual workstations. Additionally, the facility is equipped with several training facilities used by employees throughout the Country.

Should a local emergency, disaster or event cause call levels to spike unexpectedly, WM is able to transfer calls to alternate call centers. All of our customer and contract information is web-based and available to customer-care professionals throughout the country. As part of our continuity planning efforts, our Commerce Call Center has partnered with sister call centers throughout the West to specifically train representatives using real-time, web-based access to all of our customer information. **With WM, the City of Ridgecrest can have peace of mind that every call will be answered within fifteen seconds by courteous and competent customer service professionals.**



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Local Help Desk

In order to facilitate a smooth transition to the new franchise agreement, WM will host a community help desk staffed with knowledgeable customer service representatives (CSR), located at City Hall or an alternate agreed upon location within the City. This service offering will provide constituents, the City Council and City staff with peace of mind by allowing residents to ask questions about new service offerings, make changes to accounts, apply for available services and voice concerns while face to face with professional company representatives and recycling experts.

- The number of full time equivalent Customer Service Representatives (CSR) that will serve the City

WM has the resources currently in place to serve the City of Ridgecrest including 74 CSR's. We have an additional 20 Inside Sales Representatives to handle all permanent and temporary commercial and roll off needs. Representatives are assigned by area based on call volumes and daily statistics.

- Describe how calls will be Handled/Reported

Daily and hourly statistics are collected for use in establishing appropriate staffing levels and schedules. These statistics include vital information concerning call statistics such as abandon rate, speed-of-answer, total calls taken, average call time, calls per hour, time on hold, etc. Our ability to shift staffing levels according to the volume of phone calls ensures that we always have the staff needed to provide the highest level of customer service in the industry.

CSR's answer inbound calls, setup new accounts, process service changes, process payments, handle service issues, schedule all service requests; extra pick-up, bulk item pick-ups, record missed pick ups, etc. Each Representative works a schedule of 40 hours a week, eight hours each day. There are 4 Supervisors with 15 CSR's assigned to each Supervisor.

More than 50% of WM Customer Service Staff is bilingual, allowing customers to request customer service response in multiple languages including but not limited to English, Spanish and Mandarin.

Should a local emergency, disaster or event cause call levels to spike unexpectedly, WM is able to transfer calls to alternate call centers within the WM network. Alternate WM call centers have access to all customer information, so effects of emergencies are minimized for customers. As part of our continuity planning efforts, our Commerce Call Center has partnered with sister call centers throughout the western US to specifically train representatives using real-time, web-based access to all of our customer information. With WM, the City of Ridgecrest can have peace of mind that every call will be answered within fifteen seconds by courteous and competent customer service professionals.

Customer Service Information System & Related Software

WM's Customer Service Center is equipped with a state-of-the-art phone system, supplied by JADE with an Avaya switch and is staffed by dedicated CSRs. This system is currently used in twenty-five market areas locally and across the Country and for all jurisdictions serviced by WM.



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All calls are recorded in our comprehensive AS/400 system (MAS) and are routed live for resolution. Consistent with our internal Service Machine standards, the telephone answering protocol is to answer the phone in less than fifteen seconds, or, less than three rings. **Additionally, service will be provided in multiple languages.** All customer complaints are logged and recorded live in MAS.

Each complaint is issued a service ticket, which is issued to the department that is responsible for resolving the matter (i.e. billing or dispatch), who then receives a daily report. According to the Company Service Machine standards, all tickets are required to be resolved and closed within twenty-four hours of receipt.

```
(A) IN550 (Pacific) - PowerTeam Intraconnect/22
File Edit Terminal Communication Options Script Help
10:10 AM Customer Internal Comments 5/25/2004
Customer: 812-46835 MEI-DI, HUANG
Position to date
Enter Internal comments for this customer below.
Old customer #: 2326218
04/27/2004 11:33:41 JBARSOCK
04/27/2004 11:33:50 JBARSOCK /GEN
CUST NAME: MEI
CUST CALLED FOR GENERAL INFO AS FOLLOWS:
SVC DAYS? SVC LEVEL? RATES? BULKY? X
RV OR GH GUIDELINES? TAGGED BIN INFO?
ADVISED CUSTOMER
WANTED TO KNOW HOW TO DISPOSE OF TV
05/25/2004 10:10:50 MHERREIRA
Bottom
F3=Exit F5=Refresh F12=Previous F2=Date/Time Stamp F10=Bottom
MH 11/015
```

- How many calls are expected per CSR

Based on historical data collected in our state of the art call center, each CSR will process approximately 70 to 75 calls per day.

- Changes WM will make to current CSR operation to accommodate the City

Customer Service During New Contract Implementation

WM has already assessed the resource need to implement a new franchise agreement with the City. WM will ensure that there is an adequate number of CSRs prior to the implementation of the transition plan. All CSRs will be trained prior to the transition date allowing them to answer questions about new programs and service offerings. WM's at-home agents and other calls centers to which we can transfer calls if necessary will be prepared to handle all customer service needs at the same high levels of efficiency and effectiveness, as well.

Local Help Desk

In order to ensure a seamless transition to the new franchise agreement, WM will host a community help desk staffed with knowledgeable CSRs, located at City Hall or an alternate agreed upon location within the City. This service offering will provide constituents, the City Council and City staff with peace of mind by allowing residents to ask questions about new service offerings, make changes to accounts, apply for available services and voice concerns while face to face with professional company representatives and recycling experts.

Recycling Hotline

Our professional, courteous CSRs are well versed in the do's and don'ts of recycling and will prove to be a valuable resource to those customers with recycling questions or concerns. Additionally, through resources outlined in the biography section of this proposal, we have tenured recycling specialists available at all times to meet the recycling needs of each and every customer.

- Procedures to Respond, Record and Report Common Customer Complaints



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Internal communication is a key factor related to a positive customer experience and effective service. Drivers, routes managers, and dispatchers are in constant contact in order to maintain and ensure efficient, timely, responsive and safe collection in the community.

All calls are recorded in our comprehensive MAS system and are routed live for resolution to the appropriate department and person. Each complaint is issued a service ticket, which is sent to the department that is responsible for resolving the matter (i.e. billing or dispatch), who then receives a daily report.

All tickets and work orders are placed in our internal tracking system for monitoring and follow up. Route Managers and District Managers track and ensure that all tickets are closed and completed within twenty-four hours. In the event that a ticket is not closed or resolved within this time frame, an alert is created and is flagged as the highest priority.

Each vehicle is equipped with a two-way radio and monitoring equipment for communication with our office, dispatcher, customer service department and route managers. All route managers are equipped with Blackberrys so they can receive emails and respond to a customer concern immediately.

Customer Service on the Route

WM has strict service standards as they relate to litter, spills, leaking, noise, and the availability of an emergency phone number. We have successful programs established to ensure that these service standards are met and have outlined how our operators will achieve specific service standards below.

- **Missed Pick Ups** – If the City or a Customer notifies us of a missed collection, WM will collect from that customer no later than 6pm on the day the complaint is received if the call is received by 3pm, or on the next day, if the complaint is received after 3pm.
- **Spills** - WM will enclose or cover solid waste that is transported in vehicles, debris, boxes, hoppers, compactors, or any other container. We will prevent solid waste from escaping, dropping, spilling, leaking, blowing, shifting, falling, or scattering from vehicles during collection and transportation. Loads will not be transferred from one vehicle to another unless necessitated by mechanical failure or accidental damage to a vehicle. WM will immediately clean up any solid waste that spills on any alley, street or public place.
- **Litter Resulting From Collection** – As part of our Service Machine requirements, drivers are expected to pick up all litter around garbage cans. All vehicles are properly staffed and equipped with the necessary equipment including brooms and dust pans. WM will be responsible for cleaning all litter created when picking up Bulky Items, CED, E-waste, as well as all litter within a ten foot radius from the site of collection.
- **Collection Schedule Changes** – Customers will be notified no less than thirty days in advance of any collection schedule changes related to the transition to the new agreement as well as any changes in ongoing collections. WM has extensive experience seamlessly implementing collection schedule changes throughout Southern California. We utilize multiple outlets to notify customers of the planned changes including



Section 2 - Technical Proposal for Services

community workshops, personal site visits, customer postcards, cart tag notices, website updates, bill inserts and our automated outdial messaging system.

- **Broken or Missing Containers** – WM drivers are required to report broken or missing containers to Dispatch. Dispatch will then issue a ticket to replace the container on the customer’s regular collection day. Additionally, if the City or a Customer notifies us of a broken or missing container, we will contact the customer within twenty-four hours to schedule a replacement.
- **Traffic and Sidewalk Obstruction** – Service Machine requires that all drivers find a safe way to service all customers. If safety is a concern, they notify a supervisor. Additionally we use
- **Improperly Prepared Set Outs** – WM drivers will be responsible for tagging improperly prepared materials or containers and alerting the Dispatch department of the problem. The drive retains a portion of the tag that is used to update the customer’s account within our MAS system. Our customized cart tags in both English and Spanish that are colorful pictures and descriptions of proper waste and recycling behavior to ensure residents know exactly what to do with materials in the future. Tags are provided for each commodity (refuse and recyclables) to assist residents in properly disposing of materials and educating them on how to properly disposal of un-permitted waste and providing contact information should they have any questions.
- **Noise** - WM will conduct collection as quietly as possible and in compliance with noise levels prescribed by law. WM will also cause the least possible obstruction and inconvenience to public traffic or disruption to the peace and quiet of the area. Supervisors address all noise complaints immediately, and if necessary, will re-route trucks to reduce noise.
- **Leaking** - WM will prevent oil, hydraulic fluid, paint, or other liquid from leaking in its vehicles and ensure that each vehicle carries petroleum agents and other cleaning agents. If any liquid leaks from a vehicle, WM will immediately cover, treat, or remove the liquid materials from the ground, as necessary, and apply the necessary cleaning agent to minimize the adverse impact of the liquid materials. All vehicles are equipped with Spill Containment Kits to ensure the upmost of safety to both our drivers and the community.
- **Emergency Phone Number** - WM will provide local phone numbers to the City for use outside of business hours. WM representatives will return emergency calls as soon as possible, and in any event, within one hour.
- **Safety** - All of WM’s drivers receive ongoing training regarding not only safe driving practices, but also on the importance of customer service. Drivers are observed monthly and evaluated on safety performance, driving habits and customer service techniques while on their routes. Please see Section 1 of this proposal for more detailed information about our industry leading safety standards and procedures.



Section 2 - Technical Proposal for Services

Additional customer service related requirements that we expect of our drivers each and every day include educating customers on how to recycle, identifying new recycling opportunities and spotting and reporting suspicious activities via our neighborhood watch program Waste Watch.

Establishing these standards ensures our customer's immediate and professional service and response every day. Service Machine enables us to track our performance as we strive to eliminate all service errors. As a result, WM has proven its ability to be consistently responsive to our customer needs and creating a standard unmatched by any other company of our kind.

- **Complaint Resolution**

Resolution Process

On-call or service requests are provided the same day if called in before 3 p.m. After 3 p.m., WM services customers the following day, or on the date requested by the customer. Follow-up calls are made by our customer service department to ensure the service was delivered on time and to the customer's satisfaction. Logs can be sent to City staff on a regular basis or upon request.

All complaints are logged into a database as they are reported. A ticket is forwarded to WM route managers and a follow up call is made to customers to ensure that their complaint has been resolved. All tickets are tracked through to service completion. Logs can be sent to City staff on a regular basis as required.

If awarded the Franchise agreement, WM will adhere to all of the City provisions for customer complaints and missed collections outlined in the RFP and will adhere to our internal Service Machine standards:

- All complaints will be addressed by the end of the next service day following Customer contact.
- A live customer service representative will be available from 8AM – 5PM Monday – Friday, and from 8AM – 12PM on Saturdays.
- All calls will be answered within three rings (less than fifteen seconds).
- WM will provide an answering service at the regular customer service number to take reports of missed pick-ups and other complaints for calls received outside of regular business hours.
- If the City or a Customer notifies us that there was a missed collection, WM will collect from that customer no later than 6pm on the day the complaint is received if the call is received by 3pm, or on the next day, if the complaint is received after 3pm.
- WM will enter, log, and maintain records of complaints in our MAS system. At the City's request, we will immediately email the Complaint records, the Customer's customer service charge, and subscription order to the City during City Office Hours.

- **Reporting**



Section 2 - Technical Proposal for Services

Daily, weekly, and monthly Customer complaint logs for the franchise area can be run upon request for the City. The MAS is very sophisticated and allows us to provide the City with detailed reports including residents name, address, time of call, type of call (service or complaint,) and time and date of resolution specific to each franchise area. Additionally, we can provide reports of service requests by type.



The City will have direct access to the following information within twenty-four hours of a request made. WM will meet with City Staff not less than once each month to discuss compliance with the customer service standards outlined in the collection agreement unless otherwise requested.

Reports can be provided electronically via email or via direct mail or drop off:

- Customer Service Logs and Reports
- Customer Service Records

WM IS THE ONLY COMPANY THAT CAN PROVIDE THE LEVEL OF SOPHISTICATION AND RESPONSIVENESS IN CUSTOMER REPORTING. WE CAN PROVIDE REPORTS MONITORING THE NUMBER OF CALLS, TYPES OF CALLS, AVERAGE SPEED OF ANSWER, BULKY ITEM PICK UPS, CUSTOMERS CALLING FOR AN ESTIMATED TIME OF ARRIVAL, MISSED PICK UPS, CUSTOMERS WHO UTILIZE THE SHARPS PROGRAM, ETC. WE HAVE INCLUDED SAMPLES OF JUST A FEW OF THESE REPORTS AT THE END OF THIS SECTION.

Quality Control

From our drivers to our CSR's, responsive customer service and quality service delivery is a priority among every one of our employees. All customer service calls and complaints are tracked on a daily basis. Our internal program, Service Machine, requires that all calls be answered within three rings (less than fifteen seconds) and all requests resolved within twenty-four hours. Customer service managers and district managers are mandated to have Service Machine meetings on a weekly basis to discuss quality control issues and resolve any and all complaints.

In the field, route managers provide quality control on a daily basis. The route managers and supervisors review route sheets daily with the drivers, have a pre-route meeting in the morning and survey the routes to ensure that they are complete. The Route Managers visit customers as necessary to resolve issues.



In addition, we have implemented a Service Care Alert System, which is an internal process to provide timely resolutions to resolve escalated customer service issues within four business hours. Should four hours elapse without a response and closure of the service ticket, an email is automatically generated and emailed to the District Manager for follow up. The District Manager then becomes responsible for resolving the issue, closing out the ticket, and developing best practices so that a similar issue is handled more quickly in the future. As evidenced in this internal program, WM cares deeply about customer service, complaint resolution and total quality control at every level.

Communications with the City



Section 2 - Technical Proposal for Services

Ongoing, efficient, and effective communication between City staff and WM is an essential component to first class service delivery. Issues are addressed quickly via email or phone calls and WM is sure to keep the City looped in to any events that might affect service or contract compliance.

Sandra Pursley and Barry Brunenkant, whose biographies are included with this proposal, will be responsible for communications with the City and will respond to all contact made no later than the next City business day. Additionally, WM staff will be available to meet within one week of a request from the City. WM will meet with City Staff not less than once each month to discuss compliance with the customer service standards outlined in the collection agreement unless otherwise requested.

Reports of any complaints, logs of how and when they were resolved, as well as any other issues can be sent to the City daily, weekly, monthly or upon request based on preference.

Communication with Residents

WM prides itself on our ability to develop relationships with customers. We do this through unparalleled communications via a variety of mediums to reach residents. Below is a list of the different tools that WM currently uses and will use if awarded the franchise to effectively communicate with customers:

- **Senior Citizen Care Specialist** – WM understands that seniors are an important resource to this community and may have special needs with it comes to waste and recycling services. WM will reach out directly to this population segment with information on service enhancements in the new franchise. Additionally, we can provide push out services free of charge as well as a Personal Senior Care Consultant, who will personally visit seniors to provide peace of mind and a seamless transition to the new franchise.
- **Out-Dial Messages** – Out-dial messaging to residents will be performed to communicate holiday schedules, emergencies, or special pick-up events (such as holiday tree recycling or collection events). This system has also proven to be successful in emergency situations including fires, landslides and weather related issues. The City will be able to utilize this method in case of an emergency at no additional charge.
- **Email** - WM creates a voluntary email distribution list for residents who wish to participate and be notified of events and diversion opportunities. The email distribution list will be used to communicate important information electronically.
- **Bill inserts** - Bill inserts provide a simple and effective method to educate residents about service changes, recycling and sustainability programs, or other important information. The City will be able to send billing inserts using this method at no additional charge.
- **Public Education Plan** - WM will submit for review a comprehensive Public Education plan for the roll out and transition prior to the commencement of the franchise agreement. The plan will include proposed education focused on service information and sustainability tips. In addition, this plan will include school outreach and assemblies, outreach at community events and a mailing schedule of newsletters and other collateral materials including an annual notice and four page full color bilingual newsletters.



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- **Customer Care Program** - As part of WM's **Service Machine Program**, our Customer Service Department and Dispatch follow up directly with the customer to ensure customer satisfaction. For example, if a customer's container is blocked, dispatch or customer service calls the customer to communicate the problem while the truck is still on the route.
- **Website** - If selected, WM will design a new website for the City of Ridgecrest to inform the public about routing, new carts, services levels, containers, additional services and information on environmental protection on an on-going basis.
- **One-on-One Site Visits with Route Managers** - Route managers are encouraged to personally visit customers when appropriate to address concerns and find solutions. This is a common practice at WM that helps create strong relationships between route managers, drivers, and customers and demonstrates our commitment to positive customer relations. This service is especially helpful in providing support to senior citizen customers during the transition along with personalized service for commercial customers.
- **One-on-One Recycling Consultations** – As part of our comprehensive multi-family recycling program, WM offers personalized recycling consultations with our expert Recycling Consultants. Our consultants will meet with each building manager and tour the property to determine the appropriate number of waste and recycling containers, placement, and most effective signage areas. They are also available to help with kick-off events and recycling seminars.
- **Toll-free Number** - Residents can call WM's toll-free number and speak directly with CSR's to address any questions or concerns that they may arise. All incoming calls will be answered within three rings consistent with our Corporate Customer Service guidelines.
- [Training programs for CSRs including how the CSRs will gain knowledge of the Franchise Agreement terms as well as the local neighborhoods, streets, and customers](#)



A part of the transition to the City of Ridgecrest franchise, customer service supervisors will participate in field training within the franchise area. They will complete ride a' longs in the City ensuring a thorough understanding of the local community and customer needs. Additionally, a supervisor will attend the franchise introductory kick off meeting proposed in the public education portion of this proposal to meet local customers and hear their feedback first hand.

Customer Service Green Pages

Our Customer Service "Green Pages" is a proprietary, state-of-the-art, real time information management tool. The goal of Green Pages is to ensure representatives can provide the correct answer to any customer question within sixty seconds with 100% accuracy. Information specific to the franchise agreement will be included in the Green Pages and will include rates, daily inventory, bulky item collection details, important phone numbers for HHW sites, upcoming events, the holiday schedule, frequently asked questions, maps, etc. As new programs are developed, the Green Pages will be updated immediately, which is necessary in this ever-changing, dynamic industry.



Section 2 - Technical Proposal for Services

Mapping Program for Service Area Identification

WM uses mapping software to help our CSRs distinguish the exact location of each caller, ensuring we provide accurate customer information each and every time. Once the customer's address is entered into the computer system, the mapping program automatically maps the customer's location and displays the area the address is located.

Ongoing Training

In addition to franchise specific training, WM has an intensive three-week training program for new CSRs and supervisors. A full-time professional trainer is responsible for new-hire training, as well as the on-going training of our customer service staff. Ongoing training is provided weekly. In addition, CSRs train with other departments of the company each month. This training helps CSR's fully understand our services and our customers' needs.

WM established a "National Customer Service Week" to recognize those who serve our customers and remain focused on the commitment to customer satisfaction and customer loyalty. We celebrate the event the first week of October. We observe this week by recognizing our internal and external customers. We give recognition to our CSR's for the hard work they provide to give our customers the best experience possible. Each day of Customer Service Week, we focus on daily training theme such as Smile, Care, Know and Own our customers. This is a week of excitement and fun for our employees and customers!

- **Company's performance standards relative to customer service**

WM's Service Machine is an all-encompassing company-wide commitment to outstanding customer service. Corporate customer service related requirements that we expect of our drivers each and every day include just some of the following:

- Creating a single point of accountability to capture and record all customer information;
- Sending all new residential, and permanent commercial customers a customized welcome package;
- Placing follow-up calls to all new commercial customers to review their first bill and service delivery;
- Providing 100% error-free implementation of new services;
- Completing all follow-up calls to customers who reported missed pickups within 24 hours;
- Achieving 100% service recovery on all identified missed pickups on the same day as reported by the customer;
- Establishing proactive calling for follow-up and preemptive problem solving;
- Establishing scheduled contact with all of our customers;
- Achieving zero repeat calls for the same issue; and
- Attaining an average answer speed of less than three rings for incoming customer calls.

- **Maximum resolution time ("resolution time" means the duration of time from the receipt of the customer's complaint until the time that the complaint is resolved to the customer or City's satisfaction)**

If awarded the Franchise agreement, WM will adhere to all of the City provisions for customer complaints and missed collections outlined in the RFP and will adhere to our internal Service Machine standards:

- All complaints will be addressed by the end of the next service day following Customer contact.



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- All calls will be answered within three rings (less than fifteen seconds).
- WM will provide an answering service at the regular customer service number to take reports of missed pick-ups and other complaints for calls received outside of regular business hours.
- If the City or a Customer notifies us that there was a missed collection, WM will collect from that customer no later than 6pm on the day the complaint is received if the call is received by 3pm, or on the next day, if the complaint is received after 3pm.
- WM will enter, log, and maintain records of complaints in our MAS system. At the City's request, we will immediately email the Complaint records, the Customer's customer service charge, and subscription order to the City during City Office Hours.

- Average Resolution Time

All complaints will be addressed by the end of the next service day following Customer contact and resolved on average in less than twenty-four hours.

- Maximum call center hold time

The maximum call center hold time is fifteen minutes, however, each call is answered within three rings in order to meet Corporate Service Machine requirements.

- Average call center hold time

The current average call center hold time at our facility in Commerce is thirty seconds.

- Email and Website Request Response Times

Because ongoing education through a variety of mediums is so important, a website will be developed dedicated specifically to the City of Ridgecrest that will promote all services and programs provided under the franchise agreement. In addition, residents will be able to simply CLICK to find up to date information on the distribution of new materials and services, transition, upcoming events, diversion programs, and other relevant information specific to that area. We have extensive experience providing dedicated websites in several areas throughout the Country and have an extremely high rate of traffic.

WM's proposed website specific to the City of Ridgecrest will be an exciting customer service enhancement. The web site will feature rates, services, educational materials and individualized features for the new franchise. It is designed to be easy to navigate and provide the user with the information they are seeking as quickly as possible. Additionally, customers have found the website extremely useful during the re-route and implementation phase of the franchise.

The website dedicated exclusively to the City will provide a direct link to www.WM.com which has the systems already in place to allow customers to submit inquires or complaints, request new services, change in services or on call clean up services. **Inquires and customer requests made via email and thru this link managed internally by WM staff, are resolved within twenty-four business hours.**

GOING BEYOND THE BASICS IN CUSTOMER SERVICE

Commitment to Customer Service & Customer Service Protocol

WM is committed to providing the highest level of customer service. In 2007, WM began a partnership with JD Power and Associates to measure customer satisfaction. JD Power is the



Section 2 - Technical Proposal for Services

industry leader in understanding what drives customer engagement. In addition, they assist our company in determining the key areas on which we should focus to improve overall customer satisfaction.

EXHIBIT C2
COST BASIS FOR PROPOSAL

General Proposer Information		City of Ridgecrest Base Services
Proposer Name: USA Waste of California Inc., A Waste Management Company		
A. Primary Contact Information		
1. Name	Sandra Pursley	
2. Title	Public Sector Sales Manager	
3. Phone	661-203-7451	
4. Fax	661-223-3446	
5. E-mail	Spursley@wm.com	
B. Support Facilities		
1. Address of collection vehicle parking, maintenance, washing, and route staff parking facility(ies)	TBD - Location within the City of Ridgecrest	
2. Address of administrative office	1205 City Ranch Road, Palmdale, CA 93551	
3. Address of billing office	13940 Live Oak Blvd, Baldwin Park, CA 91706	
4. Address of customer service office	5701 S. Eastern Ave #300 Commerce, CA 90040	
C. Vehicle Manufacturer and Specifications (Body Capacity, GVWR, Load Capacity)		
1. Residential Collection Vehicles	Amrep ACL, 39 Cubic Yard Body Capacity, GVWR 70,000 pounds, 10 tons load capacity	
2. Commercial Collection Vehicles	Mack FEL, 39 Cubic Yard Body Capacity, GVWR 70,000 pounds, 10 tons load capacity	
3. Drop Box Vehicles	Mack RO, 40 Cubic Yard Body Capacity, GVWR dependant on the load, 13 tons load capacity	
D. Container Manufacturer, Sizes Offered, and Specifications		
1. Carts	Rehrig Pacific, Husk Lite 32,64 and 96 gallon automated collection containers	
2. Bins	Consolidated Fabricators Corps Containers 96 gallon carts or metal 1.5, 3, 4 and/or 6 yard bins	
3. Drop Boxes	Consolidated Fabricator Corps 10, 20, 30 and 40-yard boxes. Standard drop body roll-off (14/12 GA.) or heavy duty roll-off (12/10 GA.)	
E. Recyclable Materials Processing and Handling		
1. Name of processing site	Sun Valley Paper Stock	
2. Owner's name	Allen Company - Jason Young	
3. Operator's name	Allen Company - Jason Young	
4. Address of processing location	11166 Pendleton Street Sun Valley, CA 91352-1525	
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	Direct haul to transfer location (LLRC), transfer to Sun Valley Paper Stock	
6. Name and address of transfer location (if applicable)	Lancaster Landfill (LLRC) 600 E. Avenue F Lancaster, CA 93534	
7. Tip Fee (Inclusive of transfer and disposal costs)	LLRC does not charge a Tip Fee for recyclables	
8. Recyclable Materials Sales Revenue per Ton	Assumed net per ton rebate of \$48.00, inclusive of transportation and loading, not including route costs per hour	

Operating Statistics

Proposer Name: USA Waste of California Inc., A Waste Management Company

City of Ridgecrest Base Services

REPORT FOR 12-MONTH PERIOD	Residential		Bulky Waste Program	Commercial / Multi-family		Drop Box		TOTAL
	Solid Waste	Recyclable Materials		Solid Waste	Recyclable Materials	Solid Waste	Recyclable Materials	
From January 1, 2012 to December 31, 2012								
Account Information								
1 # of weekly accounts/customers	7415	4450	62	397	172	10		12,506
Labor Information								
2 # of regular route personnel	1.78	0.81	0.30	0.73	0.23	0.22		4
3 Labor hours/day/person	10.41	10.41	10.41	10.41	10.41	10.41		62
4 Total labor hours/year	4,820	2,192	812	1,976	623	595		11,018
Route Information								
5 # of routes per weekday	1.78	0.81	0.30	0.73	0.23	0.22		4.07
6 # of persons/route	1.00	1.00	1.00	1.00	1.00	1.00		
7 # of route hours/day/route	10.41	10.41	10.41	10.41	10.41	10.41		
8 # of route hours/year	4,819.82	2,192.35	811.98	1,975.82	622.52	595.45		11,017.94
9 # of FTE routes	2.32	1.05	0.39	0.95	0.30	0.29		5.30
10 # of lifts/pulls per week for all routes	7,415	4,450	62	560	172	10		
11 # of lifts/pulls per year for all routes	385,580	231,374	3,240	29,140	8,950	496		
12 # of lifts/pulls/route hour	80.00	105.54	3.99	14.75	14.38	0.83		
Tonnage Information (annual)								
13 Solid waste collected	9,832		324	4,703	603	1,984		16,842
14 Recyclable materials collected		2,044						2,647
15 Total Collected	9,832	2,044	324	4,703	603	1,984		19,489
16 Processing residue disposed								
17 Net Diverted		2,044			603			2,647
							Projected Diversion Rate	13.6%

Operating Statistics

Proposer Name: USA Waste of California Inc., A Waste Management Company

City of Ridgecrest Base Services

Notes for Form 2:

- Line 1** - Should equal the number of customer serviced on a weekly basis. This should tie to the estimates presented in Forms 6 and 7.
- Line 2** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 5.
- Line 3** - Identify number of hours per day each regular route employee will work each day (including breaks, pre- and post-route checks, etc., excludes casual/pool personnel).
- Line 4** - Should equal Line 2 * Line 3 * 260 days
- Line 5** - Information is to be reported for collection routes only and does not include any support (e.g., container delivery routes, cleanup routes, missed pickup routes etc.)
- Line 6** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 5.
- Lines 7** - Identify number of hours per day each route will take to complete (including collection time and hauling time to transfer station, landfill, or processing site).
- Line 8** - Should equal Line 5 * Line 6 * Line 7 * 260 days
- Line 9** - Should equal Line 8/2080 hours per year
- Line 10** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 5.
- Line 11** - Should equal Line 10 * 52 weeks.
- Line 12** - Should equal Line 11/ Line 8
- Line 13** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 5.
- Line 14** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 5.
- Line 15** - Should equal Line 13 + Line 14.
- Line 16** - Data to be input by proposer. Processing residue is the material disposed from the recyclable materials processing facility which cannot be marketed.
- Line 17** - Should equal Line 14 - Line 16

Pulls = pull and return etc.

Full Time Equivalent (FTE) = 40 hours per week, 2,080 hours per year

Proposed Staffing Requirements

City of Ridgecrest Base Services

Proposer Name: USA Waste of California Inc., A Waste Management Company

Route Personnel Headcount (Include fractions of employees, as applicable)	# of Regular Personnel	# of Casual/Pool	Total
Residential Solid Waste	1.78		2
Residential Recyclable Materials	0.81		0.81
Residential Annual Clean-up Program	0.3		0.3
Commercial Solid Waste	0.73		0.73
Commercial Recyclable Materials	0.23		0.23
Drop Box Solid Waste	0.22		0.22
Drop Box Recyclable Materials	0		0
Subtotal Route Personnel	4.07	0	4
Other Personnel Headcount (Include fractions of employees, as applicable.)			# of Employees
Chief Executive Officer/Chief Financial Officer			
General Manager			0.05
Operations Manager			0.05
Route Supervisor			0.5
Dispatcher			0.25
Container Distribution			0.05
Container Maintenance/Welder			
Maintenance Supervisor			0.1
Maintenance Personnel			0.5
Controller			0.05
Staff Accountant			0.05
Office Manager			0
Customer Service Supervisor			0.05
Customer Service Representatives			1
Recycling Manager			0
Recycling/Public Education Coordinator			1
Other (specify): _____			
Other (specify): _____			
Other (specify): _____			
Subtotal Other Personnel			3.65
	Total ALL Personnel		8

Capital Requirements

City of Ridgecrest Base Services

Proposer Name: USA Waste of California Inc., A Waste Management Company

Collection Vehicles	Quantity									Proposed Cost During Contract Term
	New			Used			Total			
	Actual	Spare	Total	Actual	Spare	Total	Actual	Spare	Total	
Rear Loader(s)			0			-	-	-	-	
Side Loader(s)			0	2.59	0.37	2.96	2.59	0.37	2.96	\$ 636,810
Front Loader(s)			0	1.35	0.1929	1.54	1.35	0.19	1.54	\$ 208,182
Roll Off			0	0.2	0.0286	0.23	0.20	0.03	0.23	\$ 66,088
Subtotal	0	0	0	4.14	0.5914	4.73	4.14	0.59	4.73	\$ 911,079
Other Vehicles										
Pickup Trucks			0			-	-	-	-	\$ -
Container Distribution			0			-	-	-	-	
Mobile Service Truck			0			-	-	-	-	
Other (specify): _____			0			-	-	-	-	
Other (specify): _____			0			-	-	-	-	
Subtotal	0	0	0	0	0	-	-	-	-	\$ -
Total Vehicle Cost										\$ 911,079
Containers										
Cart service										
Solid Waste 96-gallon	6021	710	6731			-	6,021	710	6,731	\$ 356,000
Solid Waste 64-gallon	741	89	830			-	741	89	830	\$ 37,000
Solid Waste 32-gallon	741	89	830			-	741	89	830	\$ 30,000
Recyclable Material 96-gallon	8982	1068	10050			-	8,982	1,068	10,050	\$ 536,661
Subtotal	16485	1956	18441	0	0	-	16,485	1,956	18,441	\$ 959,661
Bin service										
1.5 cubic yard	0	19	19	122		122.00	122	19	141	\$ 32,635
3 cubic yards	100	58	158	339		339.00	439	58	497	\$ 165,398
6 cubic yards	0	1	1	8		8.00	8	1	9	\$ 3,436
Subtotal	100	78	178	469	0	469.00	569	78	647	\$ 201,469
Drop Box service										
10 cubic yards			0			-	-	-	-	
15 cubic yards			0			-	-	-	-	
20 cubic yards			0			-	-	-	-	
25 cubic yards			0			-	-	-	-	
30 cubic yards			0			-	-	-	-	
35 cubic yards			0			-	-	-	-	
40 cubic yards	9		9			-	9	-	9	\$ 27,000
Other (specify): _____			0			-	-	-	-	
Other (specify): _____			0			-	-	-	-	
Subtotal	9	0	9	0	0	-	9	-	9	\$ 27,000
Total Container Cost										\$ 1,188,130
Other (If Applicable)										
Offices										
Processing Site(s)										
Transfer Station										
Corporation Yard/Maintenance										
Container Storage Yard										
Shop Equipment										
Fueling Equipment										
Computer and Office Equipment										
Procurement-Related Expense										\$ 140,000
Other (specify): _____										
Total Other Cost										\$ 140,000
Total Cost										\$ 2,239,209

EXHIBIT C3 - INITIAL RATES FOR COLLECTION SERVICES

EXHIBIT C3 - INITIAL RATES FOR COLLECTION SERVICES

Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Rate Factor	Total Rate
Regularly Scheduled Solid Waste Cart Services				
Solid Waste	One 35-gallon cart (Residential)	1	0.80	\$11.96
Solid Waste	One 65-gallon cart (Residential)	1	0.90	\$13.46
Solid Waste	One 95-gallon cart (Residential)	1	1.00	\$14.95
Solid Waste	Additional 95-gallon cart (Residential)	1	0.47	\$7.00
Solid Waste	Commercial 95-gallon cart	1	2.41	\$36.00
Regularly Scheduled Commercial Solid Waste Bin Services				
Solid Waste	1.5 cubic yard container	1	1.00	\$109.40
Solid Waste	1.5 cubic yard container	2	1.61	\$175.67
Solid Waste	1.5 cubic yard container	3	2.21	\$242.03
Solid Waste	1.5 cubic yard container	4	2.82	\$308.21
Solid Waste	1.5 cubic yard container	5	3.42	\$374.59
Solid Waste	3 cubic yard container	1	1.45	\$158.55
Solid Waste	3 cubic yard container	2	2.33	\$254.59
Solid Waste	3 cubic yard container	3	3.21	\$350.78
Solid Waste	3 cubic yard container	4	4.06	\$444.68
Solid Waste	3 cubic yard container	5	4.96	\$542.89
Solid Waste	4 cubic yard container	1	1.67	\$182.34
Solid Waste	4 cubic yard container	2	2.68	\$292.78
Solid Waste	4 cubic yard container	3	3.69	\$403.39
Solid Waste	4 cubic yard container	4	4.70	\$513.68
Solid Waste	4 cubic yard container	5	5.71	\$624.32
Solid Waste	6 cubic yard container	1	2.32	\$253.68
Solid Waste	6 cubic yard container	2	3.72	\$407.35
Solid Waste	6 cubic yard container	3	5.13	\$561.24
Solid Waste	6 cubic yard container	4	6.53	\$714.69
Solid Waste	6 cubic yard container	5	7.94	\$868.62
Note: Customers requesting split bin (a 3 cubic yard bin equally divided for recycling and garbage service in the same container) service will be charged at the 1.5 cubic yard Solid Waste container rate.				

EXHIBIT C3 - INITIAL RATES FOR COLLECTION SERVICES

Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Rate Factor	Total Rate
Regularly Scheduled Multi-Family Solid Waste Bin Services				
Solid Waste	1.5 cubic yard container	1	0.96	\$104.62
Solid Waste	1.5 cubic yard container	2	1.48	\$161.80
Solid Waste	1.5 cubic yard container	3	2.00	\$219.08
Solid Waste	1.5 cubic yard container	4	2.52	\$276.16
Solid Waste	1.5 cubic yard container	5	3.05	\$333.46
Solid Waste	3 cubic yard container	1	1.31	\$142.97
Solid Waste	3 cubic yard container	2	1.99	\$217.18
Solid Waste	3 cubic yard container	3	2.66	\$291.55
Solid Waste	3 cubic yard container	4	3.32	\$363.40
Solid Waste	3 cubic yard container	5	4.02	\$440.00
Solid Waste	4 cubic yard container	1	1.45	\$158.66
Solid Waste	4 cubic yard container	2	2.18	\$238.23
Solid Waste	4 cubic yard container	3	2.91	\$317.99
Solid Waste	4 cubic yard container	4	3.63	\$397.39
Solid Waste	4 cubic yard container	5	4.36	\$477.18
Solid Waste	6 cubic yard container	1	1.98	\$216.18
Solid Waste	6 cubic yard container	2	2.95	\$322.34
Solid Waste	6 cubic yard container	3	3.92	\$428.75
Solid Waste	6 cubic yard container	4	4.89	\$534.67
Solid Waste	6 cubic yard container	5	5.86	\$641.12
Note: Customers requesting split bin (a 3 cubic yard bin equally divided for recycling and garbage service in the same container) service will be charged at the 1.5 cubic yard Solid Waste container rate.				

EXHIBIT C3 - INITIAL RATES FOR COLLECTION SERVICES

Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Rate Factor	Total Rate
Regularly Scheduled Recyclable Materials Cart Services Available with Solid Waste Service				
Recyclable Materials	One or Two 95-gallon cart(s) (Residential)	Every Other Week	0.00	\$0.00
Recyclable Materials	Additional 95-gallon cart (Residential)	Every Other Week	0.47	\$7.00
Recyclable Materials	Commercial 95-gallon cart	Every Other Week	0.00	\$0.00
Recyclable Materials	Commercial 95-gallon cart	1	0.00	\$0.00
Regularly Scheduled Recyclable Materials Bin Services Available with Solid Waste Service				
Recyclable Materials	1.5 cubic yard container	Every Other Week	0.00	\$0.00
Recyclable Materials	1.5 cubic yard container	1	0.79	\$86.93
Recyclable Materials	1.5 cubic yard container	2	1.19	\$130.72
Recyclable Materials	1.5 cubic yard container	3	1.60	\$174.61
Recyclable Materials	1.5 cubic yard container	4	2.00	\$218.32
Recyclable Materials	1.5 cubic yard container	5	2.40	\$262.23
Recyclable Materials	3 cubic yard container	Every Other Week	0.00	\$0.00
Recyclable Materials	3 cubic yard container	1	1.04	\$113.60
Recyclable Materials	3 cubic yard container	2	1.51	\$164.70
Recyclable Materials	3 cubic yard container	3	1.97	\$215.94
Recyclable Materials	3 cubic yard container	4	2.42	\$264.90
Recyclable Materials	3 cubic yard container	5	2.91	\$318.16
Recyclable Materials	4 cubic yard container	Every Other Week	0.00	\$0.00
Recyclable Materials	4 cubic yard container	1	1.12	\$122.41
Recyclable Materials	4 cubic yard container	2	1.58	\$172.93
Recyclable Materials	4 cubic yard container	3	2.04	\$223.61
Recyclable Materials	4 cubic yard container	4	2.50	\$273.97
Recyclable Materials	4 cubic yard container	5	2.97	\$324.68
Recyclable Materials	6 cubic yard container	Every Other Week	0.00	\$0.00
Recyclable Materials	6 cubic yard container	1	1.50	\$163.79
Recyclable Materials	6 cubic yard container	2	2.08	\$227.57
Recyclable Materials	6 cubic yard container	3	2.67	\$291.57
Recyclable Materials	6 cubic yard container	4	3.25	\$355.13
Recyclable Materials	6 cubic yard container	5	3.83	\$419.17

EXHIBIT C3 - INITIAL RATES FOR COLLECTION SERVICES

Type of Service	Receptacle	Service Frequency	Cost/Pull	Cost/Ton	Total Rate
Regularly Scheduled Collection Service (Monthly Rate not including rental & delivery fees which are charged separately)					
Solid Waste	3 cubic yard compactor	1 pickup/week	\$131.14	\$40.50	\$171.64
Solid Waste	6 cubic yard compactor	1 pickup/week	\$146.02	\$40.50	\$186.52
Solid Waste	10 cubic yard compactor	1 pickup/week	\$190.00	\$40.50	\$230.50
Solid Waste	20 cubic yard compactor	1 pickup/week	\$190.00	\$40.50	\$230.50
Recyclable Material	3 cubic yard compactor	1 pickup/week	\$131.14	\$0.00	\$131.14
Recyclable Material	6 cubic yard compactor	1 pickup/week	\$146.02	\$0.00	\$146.02
Recyclable Material	10 cubic yard compactor	1 pickup/week	\$136.00	\$0.00	\$136.00
Recyclable Material	20 cubic yard compactor	1 pickup/week	\$136.00	\$0.00	\$136.00
On-Call Collection Service (Per Pick-Up Rate not including rental and delivery fees which are charged separately)					
Solid Waste	10 cubic yard drop box	On-call pickup	\$190.00	\$40.50	\$230.50
Solid Waste	20 cubic yard drop box	On-call pickup	\$190.00	\$40.50	\$230.50
Solid Waste	30 cubic yard drop box	On-call pickup	\$190.00	\$40.50	\$230.50
Solid Waste	40 cubic yard drop box	On-call pickup	\$190.00	\$40.50	\$230.50
Solid Waste	3 cubic yard compactor	On-call pickup	\$131.14	\$40.50	\$171.64
Solid Waste	6 cubic yard compactor	On-call pickup	\$146.02	\$40.50	\$186.52
Solid Waste	10 cubic yard compactor	On-call pickup	\$190.00	\$40.50	\$230.50
Solid Waste	20 cubic yard compactor	On-call pickup	\$190.00	\$40.50	\$230.50
Recyclable Material	10 cubic yard drop box	On-call pickup	\$136.00	\$0.00	\$136.00
Recyclable Material	20 cubic yard drop box	On-call pickup	\$136.00	\$0.00	\$136.00
Recyclable Material	30 cubic yard drop box	On-call pickup	\$136.00	\$0.00	\$136.00
Recyclable Material	40 cubic yard drop box	On-call pickup	\$136.00	\$0.00	\$136.00
Recyclable Material	3 cubic yard compactor	On-call pickup	\$131.14	\$0.00	\$131.14
Recyclable Material	6 cubic yard compactor	On-call pickup	\$146.02	\$0.00	\$146.02
Recyclable Material	10 cubic yard compactor	On-call pickup	\$136.00	\$0.00	\$136.00
Recyclable Material	20 cubic yard compactor	On-call pickup	\$136.00	\$0.00	\$136.00

EXHIBIT C3 - INITIAL RATES FOR COLLECTION SERVICES

Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Rate Factor	Total Rate
Other Services				
Extra bulky waste collection frequency (beyond 3 per year)	N.A.	Per occurrence	N.A.	\$16.70
Extra Appliance or Bulky Waste Item Collection (beyond 1 per event)	N.A.	Per item	N.A.	\$2.85
Extra bulky waste collection volume (beyond 3 cubic yards per event)	N.A.	Per cubic yard per occurrence	N.A.	\$5.50
On-Property Service (Except Senior & Disabled Customers)	N.A.	Per Month	N.A.	\$27.75
Extra can or bag of Solid Waste collected on customer's regularly scheduled collection day	32-gal can or bag	Per occurrence	N.A.	\$2.85
Extra can or bag of Solid Waste collected on a day other than the customer's regularly scheduled collection day	32-gal can or bag	Per occurrence	N.A.	\$5.50
Extra pick-up for on-call service or overage pick-up service for regular container customers	1.5 to 6 cubic yard container	Per cubic yard per occurrence	N.A.	\$19.23
Lock/unlock	N.A.	Per Month	N.A.	\$28.25
Steam cleaning	N.A.	Per occurrence	N.A.	\$75.00
Customers requesting recycling service only will be billed at the same rate as regularly scheduled solid waste service.				

EXHIBIT C4
IMPLEMENTATION PLAN AND SCHEDULE



Section 5 - Implementation Plan & Schedule

IN SECTION 5 OF THE PROPOSAL, WM COMPREHENSIVELY OUTLINES:

- **IMPLEMENTATION PLAN & SCHEDULE**

OPERATIONAL AND LOGISTICAL PLANS AND SCHEDULE FOR AFFECTING A TRANSITION OF SERVICES WITH A START DATE OF JANUARY 1, 2012

WM acknowledges that it is of the utmost importance to City and our Company that the transition of solid waste services under the new Agreement proceeds smoothly to the satisfaction of customers.

WM is able to meet all commencement dates of collection pursuant to the draft franchise agreement and timelines provided in the RFP. We already have experienced personnel within the franchise area familiar with the community and their needs. The drivers, route manager, and district manager bring extensive industry experience with them to work every day. Their professional experience and personal commitment ensures that service will continue seamlessly.

Below is a detailed timetable of WM’s program implementation schedule based on the January 2012 contract start date stated in the RFP documents.

Public Education Program Implementation Timetables		
<u>Task to be Performed</u>	<u>Target Completion Date</u>	<u>Tasks Requiring City Staff Effort</u>
Website development	November 2011	N/A
Development of initial public education materials	October 2011	N/A
Letters and phone calls to all civic groups and organizations to set up presentations	November 2011	N/A
Letters and calls to school districts to set up assemblies and discuss the new programs	January 2012	N/A
Start using the violation notices to minimize contamination and encourage proper cart usage – tags are already in use and effective in the Citrus franchise	January 2012	N/A
Personal visits and implementation of multi-family outreach	First 6 months of the agreement and ongoing	N/A
Distribution of public education materials to residents about the new franchise and programs	November 2011	N/A
Second distribution of public education materials to residents about the new franchise and programs	December 2011	N/A
Distribution of subscription order and cart selection materials	October 2011 – January 2012	N/A
Distribution of the new 2 cart system and associated public education	December 2011	N/A
Host Community Kick Off Meeting introducing new franchise and programs including display of new carts at community and public facilities	November 2011	City attendance recommended but not required





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Below are additional program implementation timetables related to billing, operations, personnel planning, training, and the cart roll out.

Additional Program Implementation Timetables		
Task to be Performed	Target Completion Date	Tasks Requiring City Staff Effort
<u>Billing</u>		
Create billing database file and mailing for new residents	3 months prior to Implementation	N/A
Post commencement audit to ensure accurate billing set up and service levels	6 months following implementation and not less than once annually	N/A
<u>WM Operations</u>		
Project manager initiates the transition plan contract execution	September 2011	N/A
Survey of Franchise area – Residential & Commercial <ul style="list-style-type: none"> ○ Identify special services ○ Identify special needs of residents ○ Identify commercial recycling opportunities ○ Backyard services 	August/September 2010	N/A
Routing of Franchise Area - Waste Route	September 2011	N/A
Trucks- trucks are ready	Complete	N/A
Meetings with cart vendors <ul style="list-style-type: none"> ○ Initial cart order ○ Finalize cart order and graphics ○ Discuss distribution schedule 	September 2011	N/A
Corporation Yard Acquisition and Development (if necessary)	If selected, immediately following award of the agreement	Contractor to coordinate location with City Staff or a third party property owner
<u>Personnel</u>		
Training of drivers – addition of new accounts and new routing	Two months prior to new franchise	N/A
Personnel Hiring and Training	Complete - WM will not require additional personnel to fulfill this contract	N/A
Customer Service and Billing Personnel	Complete - WM currently has the adequate number of customer service and billing representatives in place	N/A



Section 5 - Implementation Plan & Schedule

<u>Cart Roll Out Plan</u>		
Final Compilation of Cart Quantity Order, Purchase from Manufacturer	September 2011	N/A
Delivery of Carts	October 2011	N/A
Cart exchanges and additional requests filled	Beginning February 1 and Ongoing	N/A
Collection and recycling of customer's old personal containers upon request	January 2012	N/A
<u>Pre-Roll Out Outreach and Education</u>		
Approval of reporting formats	3 months prior to new franchise	Contractor to submit reporting format for City approval
Mailer – draft and examples presented to City	3 months prior to new franchise	Contractor to submit for City approval
Community meeting invitation draft letter submitted to City	3 months prior to new franchise	Contractor to submit for City approval
Community Events	Ongoing	
Personal visits to residents if necessary	As needed	N/A
Prepare talking points for the Customer Service Center	3 months prior to new franchise	N/A
Prepare and finalize WM Green Pages	2 months prior to new franchise	N/A
Establish deadlines for public education distribution	3 months prior to new franchise	Contractor to submit for City approval
Launch Think Green Rewards residential recycling inventive program	Upon commencement	N/A
<u>Roll Out</u>		
Starter Kits – Welcome letter and service guidelines	November 2010	N/A
Information on other services provided under the franchise agreement will be provided with the packets and on an on-going basis to new customers	On-going	N/A
Establish Local Help Desk	December 2011	Contractor to coordinate location with City Staff
Commencement date of Collection	January 1, 2012	N/A
Commencement date of special services outlined in the proposal	January 1, 2012	N/A

We have included additional information relative to the implementation in the paragraphs below.

Optional Early Commencement Date at No Additional Charge

WM can offer the City of Ridgecrest immediate implementation of the new franchise agreement should the current provider exit the City prior to January 1, 2012. We have the ability to immediately develop and distribute (as approved by the City) the tools to implement new services and program enhancements proposed throughout the RFP response. The personnel to



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service the city, the administration to support the franchise agreement requirements, equipment needed and disposal sites are already in place.

The accelerated implementation that only WM can offer will not only provide residents with the immediate value of new solutions offered, but will also help the City save thousands of dollars associated with the \$60,000 monthly fee during the transition from the current contract protecting the City's revenue.

At the time of the implementation date, WM will be prepared to fully comply with all proposed service requirements outline in our proposal including:

- Automated collection services
- Pay as You Throw - Volume-Based Rates
- City-Wide New Cart Distribution
- Refuse Cart Collection
- Recycling Cart Collection
- Green Waste Drop Off Program
- Refuse Bin Service
- Construction and Demolition Waste Recycling
- Commercial Cart or Can Service
- Temporary Bin Service
- Bin Cleaning and Maintenance
- Green Waste Roll-Off Service
- Holiday Tree Collection and Recycling
- Roll-Off Box Collection
- Locking Bins
- Scout Service/Push-out Service
- On-Call Bulky Item Pickup
- City Facilities' Collection
- City Facilities Hazardous Waste Collection
- Abandoned Item Collection
- City Sponsored Events
- Sharps Collection Program

Development and Distribution of Outreach Materials Relative to the Implementation

WM understands the importance of public education and the distribution of educational literature to residents, multi-family complexes and commercial customers. As such, WM has prepared a plan that is multi-faceted and multi-lingual to maximize the effectiveness of our literature. We pride ourselves on having "education for everyone," meaning we utilize a variety of mediums from community workshops, to fliers, electronic newsletters on a voluntary basis, door to door site visits, social networking, automated outdial messaging and recycling rewards contests. WM's Contract Liaison and Public Education Manager will work with our in-house staff that develops these materials for all of our franchises to ensure that each piece of literature is targeted to the specific diversion needs or opportunities in the City that will drive participation and behavior.

Outlined below is a list of just some of the **FREE** literature materials that will be developed and distributed to each resident throughout the term of the franchise agreement outlining available



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services and available opportunities to reduce, reuse and recycle. All materials will be bilingual and will be submitted to the City for review and approval at least one month prior to mailing.

- *Think Green Rewards Program and Collateral Materials*
- *Recycling Robot*
- *Quarterly Four Page Full-Color Newsletters promoting available services, diversion programs and recycling tips*
- *Starter Kit to be distributed prior to commencement of the new franchise*
- *Press releases promoting diversion programs, opportunities and events*
- *Community presentations and power point*
- *Community presentation handouts*
- *Welcome letter*
- *Bill inserts to promote annual events (clothing and e-waste drive, annual clean up) and on-going programs*
- *Out dial phone messages to promote Holiday Schedules, special collections event, emergencies and diversion opportunities*
- *Bill inserts to promote various recycling programs*
- *Door hangers to promote community and recycling events*
- *Educational Stickers for carts*
- *Embossed – hot-stamped brands for carts*
- *Recycling messages on invoices*
- *Multi-family took kit and educational materials for all stakeholders*
- *School Recycling presentation*
- *Website dedicated to the City of Ridgecrest*
- *Website Announcement and Invitation to Annual Electronic Waste And Clothing Drop Off Event*
- *Website Announcement for Annual Clean Up Event*
- *Sharps Home Delivery Flier & Website Information*

We have included additional information on key public education tools that will be utilized during the transition to the new agreement. More detailed information is available in the Public Education portion of Section 2 of this submittal. Our enhanced bilingual program will include:

Starter Kit - As part of this outreach program, WM will develop a starter kit that will be attached to carts delivered to each home as part of the transition to the new agreement. The starter kit, available in English and Spanish, will include a welcome letter and service guidelines that explain the new and expanded recycling programs and will provide instructions for using the two-cart system. The kit will also provide information about the new contract and other services that WM provides such as bulky item pick-ups, citywide cleanups, available discounts, roll-out services, new programs and temporary bins services.

Website Creation - Electronic education mediums have become an increasingly important tool to educate residents about a variety of things including the importance of recycling, service offerings, proper cart usage and upcoming events. If selected, WM will design and launch a new website for the Franchise area to inform the public about routing, new carts, services levels, proper cart usage, recyclable materials accepted and information on environmental protection that will be updated on an on-going basis.



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Outdial Messaging - WM will contact every residential customer within the franchise area using our automated Outdial Messaging program. Messages are prerecorded to be thirty seconds or less and can be submitted to the City for approval. Outdial messaging is the quickest and most thorough way to inform residents of important information including Holiday Schedules, new programs and upcoming events. We have successfully used the outdial messaging system in several surrounding areas to facilitate the implementation of new collection schedules, diversion programs and special collection events.

Community Meetings - In addition, WM will host a community meeting to introduce residents in the franchise area to WM and to outline new programs and service offerings. By answering residents' questions and introducing new value added services in person, we aim to make customers comfortable and well informed about any proposed service offerings and change to existing services. Collection containers and public education materials will be on-site giving customers the opportunity to see the services available to them first hand.

Procedures for Cart Selection, Enhanced Service Offering - Each household, as well as each business in the franchise area will receive an Initial Cart Selection Mailer. The full color mailers will show each available cart size, color, and corresponding price for service. A mail-back order sheet will be included.

Residents will also be able to select carts through a web-based survey. WM will email the link to customers, as well as promote the link on mailers and other transition public education. On the web survey, residents will be able to view photos and pricing options for all available varieties of carts and order online. Residents will receive a confirmation email with the carts they selected, and the date of delivery.

Key Operational Implementation Tasks

Outlined below is a plan that demonstrates that WM is prepared and is ready to immediately implement programs and services related to the new franchise agreement.

Vehicles – WM has all of the vehicles ready for use in the City of Ridgecrest. All required standard and ancillary vehicles are currently in stock and ready for use.

Containers - Our long-term relationship and Western Regional agreement with the local cart vendor, Rehrig Pacific, will ensure that carts are delivered on time. WM estimates that the final order of carts will be made in September 2011 with delivery to the customer starting at the end of December. This timeline is based on a January 2012 start up, however, we can be prepared to implement the franchise earlier if the City desires.

Container Assembly/Distributing Containers to Customers - If WM is awarded this contract, the Company will place a cart order with the manufacturer once the agreement is executed. The manufacturer will begin delivering carts to WM's staging areas within 30-60 days from when the order is placed. If necessary, the delivery time can be shortened. Carts will meet all specifications of the RFP and the Draft Franchise Agreement.

Dependent upon the execution of the contract, the cart distribution timeline will be developed prior to the start date of the new agreement. Based on the experience of our key personnel, we will distribute between 1500-2000 carts per day. Residents will be instructed to not use the carts



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until the start date of the contract. In the event that residents use carts, WM will make arrangements to service them to minimize confusion and to ensure health and safety.

Determining Routes - Routes will be determined and developed based on the current street sweeping schedule and current routes already in place in the City. The schedule will be inputted into WM's routing tool which combines the latest routing software technology with the "tried and true" method of driving the City's streets to ensure the most efficient routes possible.

WasteRoute uses system information to plot service points on maps, change or update customer address information and asset information. The software enables the company to tie GPS, routing, and productivity software together to create real-time, day-to-day routing. WasteRoute has the ability to "talk" to our Main Database (MAS) and get daily updates on new customers, service changes, and other customer information. Route sheets are printed from MAS as well, so the data is always current. Once the routes are developed through our software system, we will schedule collection one to two days before the street sweepers unless otherwise requested by the City.

If necessary, we have the vehicles in stock today to start servicing the area and can work with the cart vendor to implement the program well before the expected commencement date of collection. Accordingly, we are well prepared to move forward and welcome the opportunity to discuss the early implementation of this Transition Plan with the City. This will provide additional diversion opportunities to the City.

Key Customer Service Implementation Tasks

WM currently has the adequate number of customer service representatives in place. All customer services representatives will be trained prior to the transition date so that they will be able to answer questions about the new program. Should the need arise, WM has other calls centers throughout the State to which we can transfer calls from specific areas of the market area if call volumes are high during a transition or implementation. This ability provides assurance that no City customers will be on hold for long periods of time and will get prompt service from WM.

We will also update the WM "Green Pages," a state-of-the-art, real time information management tool. The goal of Green Pages is to ensure representatives can provide the correct answer to any customer question within sixty seconds with 100% accuracy. Information specific to the franchise agreement will be included in the Green Pages and will include rates, daily inventory, bulky item collection details, important phone numbers for HHW sites, upcoming events, the holiday schedule, etc. As new programs are developed, the Green Pages can be updated immediately, which is necessary in this ever-changing, dynamic industry.

Other implementation tasks and goals related to customer service include:

- Creating a single point of accountability to capture and record all customer information through our Internal Customer Service Measurement Tool "Service Machine";
- Sending all new residential, and permanent commercial customers a customized welcome package;
- Placing follow-up calls to all new commercial customers to review their first bill and service delivery to date;
- Providing 100% error-free implementation of new services;



Section 5 - Implementation Plan & Schedule

- Completing all follow-up calls to customers who reported missed pickups within 24 hours;
- Achieving 100% service recovery on all identified missed pickups on the same day as reported by the customer;
- Establishing proactive calling for follow-up and preemptive problem solving;
- Establishing scheduled contact with all of our customers;
- Achieving zero repeat calls for the same issue; and
- Attaining an average answer speed of less than three rings for incoming customer calls.

An Assumption Regarding City Staff Participation

WM assumes that the City staff will have minimal time requirements in the transition process unless otherwise requested or desired. We are available to meet regularly with the City to discuss implementation progress on a scheduled or requested basis.

In addition to the transition roll-out plan outlined above WM appreciates and understands the importance of providing minimal impact to the customers. As such, we will also implement BEST PRACTICES AND LESSONS LEARNED from other recent franchise awards and transitions.

- Eliminating bin confusion should be one of the main goals to make the transition process smoother. We will provide more clarity to the customers on container use, which bins are used for each material, how many bins they will receive, etc.
- A focus will be placed on educating customers on how many bins they were going to receive and why. In other jurisdictions, a number of customers felt that they were too restricted on how much waste they were able to put out.
- Build a partnership with the other hauler transitioning out of the franchise area and focus on serving the customer. There are going to be unexpected challenges that need to be addressed quickly and smoothly.
- Add additional staff on the road with the drivers for the first days on the new route to reduce missed and late pick ups.
- A major success was collaborating with the community center and participating in all community events.
- The website has proven to be a huge success and a key factor in a successful transition. We will work to launch the website dedicated specifically to the City of Ridgecrest prior to the transition date to ensure customers can learn more about our company, service offerings and route schedules.
- Schedule and meet with the hauler that is transitioning out of the franchise area to ensure a smooth transition and consistent messaging.

EXHIBIT C5
PUBLIC EDUCATION AND OUTREACH PLAN



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2.4 PUBLIC EDUCATION AND OUTREACH PLAN

At WM we are proud of our proven ability to develop relationships with customers to best understand and meet their needs. Clear, effective and informative public education is the key to a successful waste and recycling program and is essential to keeping diversion rates high.

Superior Public Education Programs

WM has existing outreach programs designed for large cities, corporate customers, higher education facilities, large venue event facilities, commercial customers, multifamily and single-family homes. We are committed to exceeding the goals and objectives set in the City's SRRE related to environmental ethics and participation in source reduction and recycling activities, and anticipate an awareness level of greater than 90% in all sectors.

Our comprehensive public education programs feature new services, innovative technology and industry-leading collateral material and outreach plans. Through the distribution of brochures, cart tags, press releases, news articles, on-site audits and visits, advertisements, websites, strategic community partnerships and participation at public meetings and community events, our comprehensive approach allows us to reach every customer in Ridgecrest to achieve high participation and program results.

RESIDENTIAL PUBLIC EDUCATION PROGRAMS

- Public education programs that will be implemented for the proposed recyclable materials and organic materials programs.

WM WILL EXCEED CONTRACT REQUIREMENTS BY PROVIDING EDUCATIONAL MATERIALS ABOVE AND BEYOND THE OUTLINED REQUIREMENTS ON AN ON-GOING BASIS AT NO ADDITIONAL COST TO THE CITY OR TO RESIDENTS. SOME OF OUR PUBLIC EDUCATION EFFORTS ARE OUTLINED BELOW.

Annual Public Education Plan

WM will submit for review a comprehensive Public Education plan for the roll out and transition of residential and commercial services prior to the commencement of the franchise agreement, as well as for each year of the agreement. The plan will include proposed education focused on service information and recycling tips. In addition, this plan will include school outreach and assemblies, outreach at community events and a mailing schedule of newsletters and other collateral materials including an annual notice and four page full color bilingual newsletters.

“Green” Public Education

Consistent with our Corporate Wide Green Procurement Policy and the City's Green Procurement Policy (referenced in CalRecycle's Compliance Order, Task 14,) all public education materials that are distributed as part of our outreach program will be printed on recycled paper and will be labeled “printed on recycled content.” Additionally, we will utilize our current invoice system and schedule to minimize waste and greenhouse gas emissions related to printing, additional envelopes and transportation.

Introductory Service Guidelines

As part of this outreach program, WM will develop a starter kit that will be delivered to each home as part of the transition to the new agreement.





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The starter kit, available in English and Spanish, will include a welcome letter and service guidelines that explain new programs, routing and container usage. The kit will also provide information about the new contract and other services that WM provides such as bulky item pick-ups, citywide cleanups, available discounts, roll-out services, new programs and temporary bin services. WM will submit a draft of the starter kit for review and approval by the City one month prior to distribution.

Community Meetings

WM will host a community meeting to introduce residents in the franchise area to WM and to outline new programs and service offerings. By answering residents' questions and introducing new value added services in person, we aim to make customers comfortable and well informed about any proposed service offerings and changes to existing services. Collection containers and public education materials will be on-site giving customers the opportunity to see the services available to them first hand.

Electronic Welcome Packets

In 2009, we implemented a voluntary electronic welcome packet distribution list for both commercial and residential customers. An initial guide to services and recycling is electronically distributed to new customers and periodic recycling reminder messages are sent throughout the year. Electronic Welcome Packets will be utilized in the City of Ridgecrest upon approval from the City and will play an integral role in educating residents about available services and programs

Website Creation

Electronic education mediums have become an increasingly important tool to educate residents about a variety of things including the importance of recycling, service offerings, proper cart usage and upcoming events. If selected, WM will design and launch a new website for the Franchise area to inform the public about routing, new carts, services levels, proper cart usage, recyclable materials accepted and information on environmental protection that will be updated on an on-going basis.

Quarterly Residential Newsletters

WM will produce four quarterly full-color newsletters each year. The City will have discretion to dictate article topics, or WM will produce articles on topics such as recycling tips, waste reduction, seasonal recycling programs and more. Please see a sample attached at the end of this section.





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Bill Residential Invoice Inserts

Bill inserts provide a simple and effective method to educate residents about service changes, recycling and sustainability programs, or other important information. The City, at its discretion, would also be able to send billing inserts using this method at no additional charge. WM will also utilize bill inserts to promote the annual Christmas tree recycling program, annual reduce holiday packing notice, annual source separated recycling and greenwaste recycling notice, and annual special programs like sharps collection, HHW, e-waste and composting bins. Please see a sample attached at the end of this section.

Cart Tag Correction Notices

WM will launch cart tags in both English and Spanish that are large in size with colorful pictures and descriptions of proper waste and recycling behavior to ensure residents know exactly what to do with materials in the future. Picture samples are provided for each commodity (refuse and recyclables) to assist residents in properly disposing of materials and educating them on how to properly dispose of un-permitted waste and providing contact information should they have any questions.



The tags have four distinct categories:

- A listing of reasons why refuse or recyclables were left or will be left in the future.
- A listing of materials that shouldn't be placed in recycling cart.
- A customer service number for WM.
- Household hazardous waste collection phone number.

Out-dial Messages

Out-dial messaging to residents will be performed to communicate holiday schedules, emergencies, or special pick-up events (such as holiday tree recycling or collection events). This system has also proven to be successful in emergency situations including fires, landslides and weather related issues. The City, at its discretion, may also be able to utilize this method in case of an emergency at no additional charge.

Hold Call Messaging





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In the event that Customers are momentarily placed on hold while being served by our Customer Service Representatives, they receive hold-call waiting messaging tips to help customers increase recycling and reduce waste. This is a simple and effective communication tool to educate customers.

Container Labels

WM will provide labeling and signage indicating the correct usage of container, weight and material limitations, name and phone number. We will utilize detailed waste and recycling stickers for bins and residential collection carts.

Email

WM creates a voluntary email distribution list for residents who wish to participate and be notified of events and diversion opportunities. The email distribution list will be used to communicate important information electronically.

Multi-Family Recycling Tool Kit

WM recognizes that the Multi-family waste sector is one of the more difficult waste sectors to drive diversion and participation due to the transient population. To address these challenges, WM has developed a Multi-family recycling toolbox specially designed to address the unique needs of these residents. As part of this toolkit, we have ensured that we have multiple education options that are customizable for the type of complex and stage of the recycling program: from new to well established and onsite versus offsite property management. Just a few of our successes implementing this toolkit include more than doubling multi-family participation in the Cities of Santa Clarita, Lancaster and Palmdale as well as the successful implementation of more than 100 multifamily beverage recycling programs in the City of Long Beach.

Annual Reuse Collection Event

Once each calendar year, WM will host a FREE community reuse drop off event for the collection of unlimited amounts of customers' reusable items including clothing, toys, books and textiles. Additionally, WM will host the "WM Think Green Recycling Education Zone" during the event and will distribute Sharps containers to eligible residents as well as educational materials about available services and the importance of reducing, reusing and recycling. WM created and launched this program as part of several franchises in the Los Angeles Area. Specifically, in the Citrus Franchise Agreement with Los Angeles County, we facilitated three successful events thus far collecting and diverting nearly 1,000 pounds of clothing from the landfill while generating much needed materials for those in need.



Personalized Senior Citizen Services

Waste Management understands that seniors are an important resource to the Ridgecrest community and may have special needs with it comes to waste and recycling services. Waste Management will reach out directly to this population segment with information on service enhancements in the new franchise. WM will make available Personal Senior Service Consultants, who will personally visit participating seniors upon request to ensure ease of



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Free Waste Audits and Consultations

To help each school customize its own recycling program, WM works with school administration, custodial and cafeteria staff and parent volunteers to conduct complementary waste audits.

Online Resources for Students and Teachers

WM has developed a variety of educational materials for kids and teachers such as recycling activity sheets and posters. There are also many web-based resources available. At www.thinkgreen.com, there is an entire section of classroom resources provided in collaboration with Discovery including games for kids, lesson plans for teachers, and valuable tips and facts for everyone.

Grades of Green Enhanced School Outreach Programs - Stimulating Sustainability, Learning and Environmental Stewardship Through On-Campus Initiatives at No Additional Charge

In partnership with the non-profit organization Grades of Green, WM brings hands-on sustainability programs on-campus, working closely with district and school staff, parents and especially children. The program has been recognized and won awards by national organizations such as the National Mayor's Conference and EPA. The result is that our children are learning early—making sustainability a part of their everyday lives.



Our school specialists help districts and schools save money, assist in implementation, enrich student- learning experience and gain community support through on-campus sustainability initiatives designed to:

- Divert waste
- Reduce chemical usage
- Increase walker and wheelers
- Reduce water and electricity



Recycling Training for Staff and Volunteers

WM offers ongoing training for school staff and volunteers in recycling and composting at no additional cost.

Customized Public Education Plans and Activities for Schools and Community Facilities

In 2008, WM was awarded the US Conference of Mayor's "Outstanding" Award for Public-Private Partnership for our joint efforts in school-site sustainability programs. As demonstrated by this award, WM's Public Education Specialists have extensive experience creating customized public education for several cities throughout Southern California. Sheets containing recycling fun facts, word searches, coloring, mazes and other fun activities for all ages are currently handed out at community events and are available to schools upon request. WM will also customize lesson plans, presentations and other materials on a requested basis.

- [Plan for development of tenant recycling program training brochures or other materials to be provided to property managers](#)



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WM will send a separate mailing to each commercial and multi-family customer on an introductory and annual basis describing benefits of implementing, enhancing or expanding a recycling program or services. We have a wide variety of tested, proven solutions to help business maximize diversion and minimize cost. We offer businesses and multi-family properties free waste and recycling audits to help them determine how to save money, recycle more, and integrate sustainability into their bottom line.

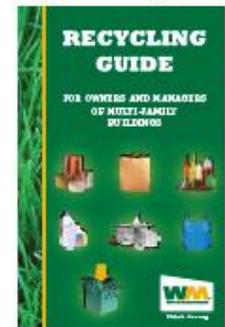
Multi-Family Property Manager and Tenant Recycling Toolkit

WM has developed a comprehensive program that has had considerable success throughout California. We have written and designed educational and outreach materials for both building managers/HOAs and residents with information on the program and recycling tips. All materials are bilingual, full color, and easy to read, making them a simple tool for all stakeholders. Samples are included at the end of this section.

- **Individual Apartment Recycling Basket** – WM created a custom basket for multifamily recycling that will be used as part of the agreement. Designed to fit under the counter or sink with an easy-carry handle, the basket lists acceptable materials for recycling on the side, making participation easy for residents. A basket will be provided to each unit in a multifamily complex upon request.



- **Multifamily Recycling Brochure with Guidelines** - A comprehensive multifamily recycling brochure will be distributed to all complexes upon commencement of the agreement listing how multifamily complexes can join the program, how the program works, and a list of all acceptable materials for recycling on recycled paper.



- **Posters/ Flyers** – These full color posters are available in two sizes, explain everything that can and cannot be recycled. It is also available printed on plastic, with fade and weather resistant inks. Flyers will be distributed with every Individual Apartment Recycling Basket and posters will be displayed strategically throughout a complex. Additional flyers will be available to complexes and to the City upon request. Please see a sample at the end of this section.

- **Mailer** – This introductory letter is mailed to each multifamily complex manager or property owner introducing the new recycling program and explaining the benefits of getting started and how to do so. This letter is followed up with phone calls and personal visits.

- **Door hangers** – Door hangers that list recyclables to be hung on each unit's door will be utilized as a follow up to the launch of the program. The doorknob hanger tears off to create the perfect size flyer for bulletin boards, refrigerator doors and more. Please see a sample at the end of this section.



- **Property Manager Guide** – The Property Manager Guide will be distributed upon the launch of each new program as it features



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important program information and guidelines, such as how to kick-off the recycling program, how to keep tenants engaged, the benefits of recycling, frequently asked questions and more.

- **Bin Labels/Recycling Decals** – WM will provide full color bin labels/recycling decals on all containers delivered as part of the agreement. The decal will include a list of recyclable items including beverage containers, paper, plastic, bulk mail, plastic bags, magazines, etc.
- **Workshops at Community Outreach Events** – WM’s recycling consultants are skilled at presenting recycling workshops for groups of all ages and sizes. A recycling workshop is a great way to kick off a new recycling program, and attract interest and attendee participation at community outreach events.
- **Plans for participation at City or other community events, such as booths, displays, sponsorship, parade floats, etc.**

WM takes pride in our involvement in the communities in which we serve. Our representatives are always available to attend and staff local public events and distribute promotional and educational materials at the City’s request. WM values these events and realizes they are a great way to educate and excite the community, as well as give back. Our goal is to attend as many events as possible - making ourselves available to answer questions and concerns residents may have, as well as distribute information to maximize recycling participation and diversion.

Below are some examples of WM’s work at community events:

- **City of Guadalupe Salad Bowl Festival**
In September, 2010, WM partnered with the City of Guadalupe to sponsor the first Annual Salad Bowl Festival. We assisted the City with various details of event planning ranging from sustainable giveaways, event promotion and waste and recycling services. Together, we gave away more than 200 reusable plastic drinking bottles that included education explaining the importance of recycling and “green” living both at the event and at home.
- **Rolling Hills Estates Earth Day Event**
The City of Rolling Hills Estate’s Earth day event is one of the biggest of the year. WM is proud to play a role in this event every year. In 2010, we provided waste and recycling event service, as well as staffed a booth with educational games, fun prizes, craft projects, informational handouts, and sustainable giveaways. Residents were also able to bring batteries and spent ink jet cartridges for free recycling.
- **Long Beach Sea Festival**
During the Summer of 2010, WM became an official sponsor the Long Beach Sea Festival. As part of that sponsorship, we provided a variety





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of services at events over the span of the four-month festival, including temporary event containers, trash and recycling roll-off service, educational presentations and booths, and Greenopolis Recycling Kiosks. Sizes and locations of the events varied, from a small restaurant tasting on the Belmont Pier, a beach day for 1,100 children, and a large Dragon Boat race at Long Beach's 104 acre Marine Stadium.

Recycling Workshops

To keep Ridgecrest residents updated with the most current trends in recycling, WM will host four recycling workshops each year. The free sessions will feature topics such as composting, how to make the most of recycling, or reuse and available programs and services.

WM Recycling Robot

Waste Management will utilize our interactive Recycling Robot, Rocky the Raccoon, for various Ridgecrest community events, school presentations and recycling demonstrations. Remote-controlled by WM recycling experts, this state-of-the-art robot has the ability to rotate his head, look around, wink and blink, drive his recycling truck around the room, carry on a conversation and play music. Providing heightened audience participation, Rocky leaves a lasting impression on all audiences ensuring the recycling message is retained long after the presentation is over. This durable robot is a proven success at community events such as Lancaster's Annual Poppy Festival and numerous elementary school recycling assemblies.



- [Outreach and waste audits to identify additional recycling opportunities](#)

Think Green Rewards – Recycling Rewards Program

The WM Recycling Reward and Recognition program is an innovative way to help the City of Ridgecrest meet recycling goals while engaging constituents about the importance of recycling. Residents are awarded discounts and coupons good for entertainment, dining, travel, personal services and much more by using their curbside recycling bin.

Reward and recognition programs can be cost-effective and valuable tools to increase community engagement. Studies have found that effective reward and recognition programs increase recycling participation. The process should be easy and fun. By educating the residents on what and how to recycle and by offering an incentive to recycle via an online website with backend coupon and incentive rewards for residents that recycle, participation will increase, rewards points will increase, and resident satisfaction will increase.



WM will work with Ridgecrest to ensure that a Recycling Rewards incentive program excites and engages residents and the community, as well as helps to drive significant improvements in the City's diversion.



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For more detailed information about WM's Think Green Rewards Program, please see the Proposed Service Enhancements Section below.

Individual Recycling Audits, Procedures, Techniques and Methods to Identify Additional Recycling Opportunities

WM recycling consultants will conduct initial and ongoing site visits at commercial and multifamily complexes located in the City to increase program participation and identify additional diversion opportunities. Site visits will include program introduction, waste evaluations, consultations, third party audits, recycling workshops, ongoing support, and distribution of outreach materials.

a. Consultations

WM recycling consultants are well trained professionals and have extensive experience providing commercial and multi-family outreach and consultative services. Consultations are designed to emphasize new or improved WM practices. Recycling consultants will schedule appointments with commercial business owners, property managers and on site managers to inform them of available recycling collection services and education. They will also review current waste practices at the site and propose any necessary enhancements.



In each building's customized waste reduction program, WM recycling consultants will make practical recommendations with consideration to space constraints, refuse collection practices and other factors. They will also evaluate the appropriate type, size and placement of recycling containers based on individual needs.

b. Recommendations

Following all site visits, WM recycling consultants will provide the property manager or business owner with a Site Review and Recommendation Report that summarizes the date, people consulted, waste assessment, and recommendations including the type and quantities of recycling waste baskets, carts or dumpsters needed.

c. Database

WM will maintain a database of all site visit information to be submitted along with the monthly reports. Any properties deemed inaccessible for any reason will be noted on the database.

d. Follow-Up

WM recycling consultants will follow up with visited commercial and multi-family premises one or more times within two months following a site visit or program implementation to gauge how waste diversion improved and to provide further assistance or outreach materials to the complex. Consultants will also be on hand for the duration of the contract to answer questions and ensure the success of the City's commercial and multi-family recycling programs.



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- Schedule, description, and quantity of information that will be distributed

Program	Implementation Date
Transition Materials	30 days from contract approval
Quarterly Residential Newsletters	With the first residential invoice
Bill Inserts	Samples 60 days after notification for the first two notifications
Welcome Packets	30 days from contract approval
Community Events	Immediate
Cart Tag Notices	Upon first collection date
Outdial Messages	Upon receipt of phone numbers or when numbers are captured through outreach efforts
Hold Call Messaging	Immediate
Email notification	Upon receipt of email lists or when emails are captured through outreach efforts
Sharps Home Delivery Program and Outreach Materials	Upon contract commencement
Local Help Desk	Upon contract commencement
Personal visits and implementation of multi-family recycling programs	Within 60 days or sooner of contract commencement, and on an annual basis
School Outreach	Within 90 days or sooner of contract commencement, and on an annual basis

- Proposed number of hours per week that will be devoted to the promotion and maintenance of each of the programs.

WM understands that time, thought, and creative programming are all essential components to effective public outreach plans. We go above and beyond contact requirements in our public outreach efforts because education truly drives diversion efforts. We will make a minimum commitment of 500 combined hours (approximately 9 per week) on annual basis toward just some of the programs outlined below:

- Implementation efforts
- Subscription Order Outreach Initial and Ongoing
- Think Green Rewards
- School outreach
- Community event participation (upon request)
- Personal site visits
- Sharps Home Delivery Program



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While WM commits to this minimum time requirement, we anticipate that the amount of time, effort, and thought leadership our dedicated staff will spend on these programs will far exceed the minimum commitment.

- Public education and outreach staff or subcontractors qualifications, resumes, years of experience, and references

WM would like to introduce a public education and outreach plan with regular targeted efforts based on the actual behavior in the community. Well-informed, enthusiastic customers are the key to a successful recycling and diversion program. We are committed to providing innovative and industry leading public education to residents in Ridgecrest. Doing so will not only keep residents informed of WM schedules and programs but will also increase the diversion rates in the City. We have included additional information on some of the key public education tools that will be utilized during the transition to the new agreement throughout this section.

WM and its managing employees serving Ridgecrest have more than twenty years of experience designing, implementing and conducting outreach campaigns in the fields of solid WM and public education for public entities, including more than ten years providing solid waste and recycling education in Southern California. Our full time, professional staff uses a dynamic, multi-dimensional approach to implement outreach and public education, employing the industry's best practices designed to simplify the process of achieving recycling goals.

Sandra Pursley, Public Sector Services and Education Manager, will be responsible for leading and managing public education and outreach strategies and efforts as part of the agreement. Sandra is passionate about recycling and has developed many community-based programs to promote recycling and sustainability in the communities she serves. As part of her role, she oversees recycling programs, public education and outreach, acts as a community partner, and oversees all elements of franchise agreements. She is well versed in implementation and transition plans, will attend appropriate meeting with City Staff, including Council Meetings, develop all public education, speak at community meetings, work with Customer Service, and resolve any concerns or issues that may arise during the transition and throughout the term of the contract.

Lily Quiroa, Public Involvement Specialist, Communications/Community Relations Manager

Lily Quiroa serves as the primary contact for community and media relations. She is also in charge of developing informational and educational materials for the public and creating educational programs for various WM sites, helping residents and businesses increase their recycling efforts. Before joining WM, she spent eight years working as the Public Affairs Regional Manager for Los Angeles Unified School District, New Facilities Division. There, she helped with the construction of over 40 new schools in the Los Angeles area, addressing development and land use issues through grassroots outreach. Lily graduated from the University of Southern California, where she completed a double major in political science and sociology. Lily will use her expertise to craft comprehensive public involvement programs, ensuring the transition to new services and programs is a positive experience for the constituents of Ridgecrest.

- Samples of similar educational materials, which may have been used in other programs

Please refer to the end of this section for sample education materials similar to those proposed in the City of Ridgecrest.



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- Proposed annual budget for public education and outreach

Program	Estimated Budget
Transition Materials	\$3,000
Quarterly Residential Newsletters	\$8,000
Bill Inserts	\$2,000
Welcome Packets	\$1,500 per insert does not include design
Community Events	\$750 for design work – electronically distributed
Cart Tag Notices	\$10,000 - estimated
Outdial Messages	\$3,000
Hold Call Messaging	\$4,500
Email notification	N/A
Sharps Home Delivery Program and Outreach Materials	\$1,000
Local Help Desk	\$5,000 – includes staffing, outreach
Personal visits and implementation of multi-family recycling programs	\$30,000
School Outreach	\$5,000 includes staffing, outreach

COMMERCIAL AND CITY FACILITIES PUBLIC EDUCATION PROGRAMS

- Public education programs that will be implemented for the proposed recyclable materials and organic materials programs

WM will implement a commercial recycling program for businesses and City facilities within the franchise area using source separated commercial containers. In addition to the educational container wrap referenced below, we will utilize a two-color container system to clearly identify waste and recycling containers educating business owners and employees of proper use.

Our Commercial public education approach is multi-faceted reaching the various stakeholders from business owners and property managers to employees, tenants and business patrons. Some of the public education outlets are described below.

Annual Public Education Plan

WM will submit for review a comprehensive Public Education plan for the roll out and transition of commercial services prior to the commencement of the franchise agreement, as well as for each year of the agreement. The plan will include proposed education focused on service information and recycling tips. In addition, this plan will include outreach at community events and a mailing schedule of newsletters and other collateral materials including an annual commercial notice and community presentations.



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“Green” Public Education

All public education materials that are distributed as part of our outreach program will be printed on recycled paper and will be labeled “printed on recycled content.” Additionally, we will utilize our current invoice system and schedule to minimize waste and greenhouse gas emissions related to printing, additional envelopes and transportation.

Introductory Commercial Service Guidelines

As part of this outreach program, WM will develop a starter kit that will be delivered to each business as part of the transition to the new agreement. The starter kit, available in English and Spanish, will include a welcome letter and service guidelines that explain new programs, routing and container usage. The kit will also provide information about the new contract and other services that WM provides.

Commercial Invoice Inserts

WM will utilize commercial bill inserts to promote recycling programs, highlight successful local business recycling programs encouraging increased participation and a sense of pride throughout the community.

Hold Call Messaging

In the event that Customers are momentarily placed on hold while being served by our Customer Service Representatives, they receive hold-call waiting messaging tips to help customers increase recycling and reduce waste. This is a simple and effective communication tool to educate both residents and businesses alike.

Email

WM creates a voluntary email distribution list for business owners who wish to participate in diversion programs. The email distribution list will be used to communicate important information electronically.



Commercial Recycling Outreach

WM will send a separate mailing to each commercial and multi-family customer describing benefits of implementing, enhancing or expanding a recycling program or services. WM has a wide variety of letters, container labels, guidelines and incentives to help business maximize diversion and minimize cost. We offer businesses and multi-family properties free waste and recycling audits to help them determine how to save money, recycle more, and integrate sustainability into their bottom line.

Annual Commercial Newsletter

Each year, WM will create an electronic newsletter for businesses and multifamily property managers detailing current rates, available programs and other best practices and tips.

Container Labels



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WM will provide labeling and signage indicating the correct usage of container, weight and material limitations, name and phone number. We will utilize detailed waste and recycling stickers for bins and collection carts.

Innovative Container Signage and Recycling Education Pilot Program

WM has partnered with a local, City of Ridgecrest vendor to wrap commercial recycling containers with customized recycling education and artwork. WM and our local strategic partner, are the only vendor in the County that can provide labels/wraps printed on the newest eco latex printing (Zero carbon footprint using water based inks that supply the longest life of any outdoor ink).



Because many of the commercial containers in Ridgecrest are not in enclosures, a wrapped container is a great way to get the word out about recycling. Additionally, recycling education displayed so predominantly will increase the chances of employee engagement and participation at local businesses.

WM's Think Green Website

WM's www.thinkgreen.com website is more than just a website advertising our services, it's a resource for those looking to learn more about sustainability. The site features case studies, videos and fact sheets on topics like the journey of a recycled bottle, how WM has helped companies go carbon neutral, and how we have turned several landfills into certified wildlife habitats.

- [Plans for presentations to schools, churches, and other community organizations](#)

Partners to the Business Community

Waste Management is committed to reaching out to the local Chamber of Commerce, business community, and civic organizations during the transition of service and throughout the term of the contract. Our staff make every effort to become true partners to the communities we service- it's good for business and good for the environment. In fact, Waste Management representatives often volunteer their time and talent to give back, including serving as Rotary or Chambers of Commerce Presidents, and holding various non-profit board positions. By actively participating in local organizations, we can provide direct and customized outreach, and as importantly, contribute to causes and events that matter to Ridgecrest.

- [Plan for development of employee recycling program training brochures or other materials to be provided to business owners](#)

City of Ridgecrest - Green Business Certification Recognition

WM's Green Business Certification program will allow the City to recognize businesses that take steps to incorporate sustainable practices into their operations, with an emphasis on reducing waste and increasing diversion. WM can work with the City and Chamber of Commerce to certify and recognize green businesses in the community. While the purpose of the program will be primarily to reduce waste, if the City prefers, WM can develop a comprehensive program to include and recognize the following:



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- Reduce solid waste disposal and promote recycling
- Become energy and water efficient
- Purchase products that are less harmful to human health and the environment
- Minimize pollution contributions
- Help improve indoor air quality and reduce smog formation
- Educate their customers, employees and other businesses about green business practices.

Any business with a physical commercial location in Ridgecrest can apply for Green Business Certification. To participate, businesses will complete a simple two page application with self assessment information about waste reduction practices and other green policies practiced.

Awards will be presented annually at an event determined mutually by the City and WM including a Council presentation or award ceremony event. Winners will be presented a certificate and may also be listed in the City's website.

Green Works - Promoting Recycling at the Workplace

A workplace recycling program is only as effective as the employees responsible for the day to day implementation of the program. Effectively training employees about proper recycling techniques and creating a workplace culture of commitment to recycling are important aspects to establishing a successful commercial recycling program. To meet these goals, WM will work with the City to develop Green Works, a workplace recycling incentive program that will provide managers tools to implement and maintain a reward-based program that encourages employee participation in recycling.

Providing incentives will help build morale and ongoing participation in the program. In addition to incentives provided by each participating business manager, WM will provide prizes such as reusable water bottles, reusable grocery bags, or other incentives for managers to provide to employees who contribute to the organization's green program. These items will be provided to managers who sign up for the program, as well as all promotional information, flyers instructional posters, etc. to implement a comprehensive recycling program.

Additionally, WM staff can provide initial and ongoing consultation and support to business who request it to ensure their Green Works program is a long term success.

Employers can consider creating their own incentives to add value to the program. For example, managers can calculate costs savings from the commercial recycling program on their monthly trash bill and give the money saved back to employees to fund projects such as:

- a. Annual employee picnic
- b. Special benefit funds (extended illness fund for employees, etc.)
- c. Donation to charities

Similarly, a company may chose to recycle their own CRV recyclables (bottles and cans), rather than place them in the commercial recycle bin. Those funds can also be used for events described above.



Section 2 - Technical Proposal for Services

WM can work with the City and Chamber of Commerce to tailor this program to best meet the needs of the commercial sector and create a program with that will encourage high participation and success.

- Plans for participation at City or other community events, such as booths, displays, sponsorship, parade floats, etc.

Waste Management will participate in community events and parades as requested. Participation may include but is not limited to sponsorship, in kind donations, recycling support, educational booths, sustainable giveaways, volunteer staff and event attendance.

Event Toolkit

WM offers event venues and planners a complete solutions toolkit to reduce, reuse and recycle at any type of event from small community gatherings to large street fairs, sporting events and concerts. As part of the toolkit, WM will provide everything needed to manage all litter and recyclables generated at an event. This program is available upon reasonable advance notice. The provided event stations not only encourage recycling at large events but are also very easy to use. This program will require no additional staff requirements and will help the City meet State diversion goals.

Chamber and Rotary Club Presentations

WM will reach out to the local Chamber of Commerce and service organizations as part of the transition to the agreement as well as on an ongoing basis. We will work with these organizations to complete presentations to the business community about available services and programs as well as with the benefits of recycling services. Additionally, we will invest in a local Chamber memberships and serve as active participants in the community.

Sustainable Community Partnerships

WM is a proven partner in Southern California; as the programs listed above indicate, we work hard to bring sustainable solutions that also bring value back to the community. Recent notable community partnerships that met these mutual goals include:

- Distribution of the City of Santa Clarita “Green” Guide to Sustainable Living to nearly 40,000 residents in the Santa Clarita Valley.
- The “greening” the Long Beach Sea Festival helping the City to meet State Diversion mandates.
- City of Palmdale “Ready Set Go Green” event that resulted in the successful collection and donation of nearly four tons of books, clothing, and toys along with several hundred pounds of recyclables.
- “Recycle your Bicycle” program whereby abandoned, broken bikes were collected, restored and donated to local children’s advocacy groups to redistribute the bikes back to needy children, families, and adults.

As part of the agreement with the City of Ridgecrest, we are committed to identifying sustainable opportunities like those listed above and will commit our resources and resourcefulness to programs that build up the communities and cities we serve while helping the City to exceed State diversion requirements.



Section 2 - Technical Proposal for Services

- Outreach and waste audits to identify additional recycling opportunities

Snapshot Program



WM's Snapshot Program helps businesses set up and maintain the most efficient level of service based on individual needs. Under the Snapshot program, WM drivers are equipped with digital cameras to visually document overflowing containers, blocked access, contamination, recycling opportunities and damaged containers. The digital photos can provide quantifiable data to modify a garbage collection program. Snapshot will help ensure businesses have the correct level of service, enhance property image, increase proper recycling participation and provide protection from possible fines.

Customized Commercial Recycling Programs and Consultative Services

WM is the only hauler positioned to act as a business and environmental consultant to commercial customers to develop customized plans to improve recycling and waste education. In addition to completing free waste audits upon request, our recycling specialists will provide a customized commercial recycling plan to participating companies.

WM has local knowledge, understanding of the waste characterization of the commercial sector, experience with hard to service accounts, and knowledge of the seasonal needs of each commercial account that will be instrumental in driving commercial diversion numbers upwards.

WM brings a proven team of experts to achieve these goals for commercial recycling outreach in Ridgecrest:

- Maximizing the number of participating businesses.
- Maximizing diversion for targeted materials.
- Providing exceptional customer service.
- Maximizing outreach staff efficiency.
- On-going site checks to identify contamination and need for additional education.
- Presentation and coordination of commercial recycling recognition winners with the city – ensuring that press releases are written that can be placed in the Chamber newsletters, website updates, etc. to promote the program.
- Managing multi family outreach.
- Distribution of educational materials to commercial customers.

Our ability to customize commercial recycling plans will help the City meet and exceed its annual diversion goals. Our customized attention, expertise and local knowledge will provide additional support to businesses.

- Schedule, description, and quantity of information that will be distributed

Program	Implementation Date
Transition Materials	30 days from contract approval
Annual Public Education Plan	45 days from contract approval
Annual Commercial Newsletters	45 days from contract approval
Commercial Welcome Packets	30 days from contract approval
Innovative Container Signage and Recycling Education Pilot Program	Immediate



Section 2 - Technical Proposal for Services

Chamber and Service Group Outreach	Within 30 days or sooner of contract commencement
Event Toolkit	Immediate, upon request
Sustainable Community Partnerships	As needed or upon request
Community Events	Immediate, upon request
Snapshot Program	Upon first collection date
Hold Call Messaging	Immediate
Email notification	Upon receipt of email lists or when emails are captured through outreach efforts
Customized Commercial Recycling Programs and Consultative Services including personal visits and implementation of commercial outreach	Within 60 days or sooner of contract commencement
Green Works - Promoting Recycling at the Workplace	Within six months or sooner of contract commencement
City of Ridgecrest - Green Business Certification Recognition	Within one year or sooner of contract commencement

- Proposed number of hours per week that will be devoted to the promotion and maintenance of each of the programs.

WM understands that time, thought, and creative programming are all essential components to effective public outreach plans. We go above and beyond contact requirements in our public outreach efforts because education truly drives diversion efforts. We will make a minimum commitment of 1,000 combined hours (approximately 20 weekly hours) on an annual basis toward programs outlined below:

- Multi-family outreach
- Commercial recognition
- School outreach
- Personal site visits
- Snapshot program facilitation
- Waste characterizations and audits

While WM commits to this minimum time requirement, we anticipate that the amount of time, effort, and thought leadership our dedicated staff will spend on these programs will far exceed the minimum commitment.

- Public education and outreach staff or subcontractors qualifications, resumes, years of experience, and references

WM's team of Communication and Public Education Specialists have years of experience implementing variety of successful new programs and creating engaging, informative public education pieces. We also have industry standard-setting public education plans and collateral materials that provide a simple, comprehensive approach for reaching out to customers.



Section 2 - Technical Proposal for Services

Sandra Pursley, Public Sector Services and Education Manager, will be responsible for leading and managing public education and outreach strategies and efforts as part of the agreement. Sandra is passionate about recycling and has developed many community-based programs to promote recycling and sustainability in the communities she serves. As part of her role, she oversees recycling programs, public education and outreach, acts as a community partner, and oversees all elements of franchise agreements. She is well versed in implementation and transition plans, will attend appropriate meeting with City Staff, including Council Meetings, develop all public education, speak at community meetings, work with Customer Service, and resolve any concerns or issues that may arise during the transition and throughout the term of the contract.

Julianne Fulton, Contract Compliance Manager and Recycling Coordinator

Julianne, along with Sandra Pursley, will be responsible for community outreach efforts such as community events, creation and distribution of educational materials and recycling presentations. Through these outreach efforts, she has successfully implemented numerous recycling diversion programs throughout multi-family residences and commercial businesses in Palmdale, Lancaster and Santa Clarita.

Patricia Snyder, Educational K-12 Outreach Manager, will act as the liaison between the Ridgecrest schools and Waste Management. She currently meets with educational facilities, federal accounts and community groups to discuss recycling issues, coordinate school recycling programs and assemblies and the use of the WM Recycling Robot.

WM assumes that the City staff will have minimal time requirements in the process unless otherwise requested or desired.

- [Samples of similar educational materials, which may have been used in other programs.](#)

Please refer to the end of this section for sample education materials similar to those proposed in the City of Ridgecrest.

- [Proposed annual budget for public education and outreach](#)

Program	Estimated Budget
Transition Materials	\$3,000
Annual Public Education Plan	\$0.00
Annual Commercial Newsletters	\$2,000
Commercial Welcome Packets	\$750 for design work – electronically distributed
Innovative Container Signage and Recycling Education Pilot Program	\$38,000
Chamber and Service Group Outreach	\$3,000
Event Toolkit	\$2500
Sustainable Community Partnerships	TBD
Community Events	\$2,500



Section 2 - Technical Proposal for Services

Snapshot Program	N/A – Included in Operational Costs
Hold Call Messaging	N/A
Email notification	N/A
Customized Commercial Recycling Programs and Consultative Services including personal visits and implementation of commercial outreach	\$25,000
Green Works - Promoting Recycling at the Workplace	\$5,000
City of Ridgecrest - Green Business Certification Recognition	\$1,000

**EXHIBIT C6
CONTRACTOR'S RECYCLING PLAN**



Section 2 - Technical Proposal for Services

2.3 RECYCLING PLAN

- [Source Separation Diversion Program\(s\)](#)

Source Separation Collection Programs for Residential, Commercial and Drop Box Services

WM will collect source separated single stream recyclables at the curb every other week using up to two 96-gallon carts for recyclables. Additionally, WM will offer single stream recycling to commercial customers in the franchise area using 96 gallon carts or 1.5, 3, 4 and/or 6 yard bins as frequently as scheduled by customer, but not less than once every other week. Carts and containers will be color-coded and sufficiently labeled indicating the appropriate commodity. Additionally, we will utilize the highest quality of materials processing available to capture the increased quantities of recovered materials expected through single stream collection programs.

Commercial Mix Waste Processing Pilot Program

During the first year of the agreement, WM will launch a commercial wet/dry selection pilot program that designates accounts with high concentrations of recyclable materials to dry routes. Many commercial customers generate large quantities of recycling, such as office buildings, but may not have the space available to accommodate a separate recycling bin. By separating these loads from wet waste generated at restaurants and other food establishments, we are better able to capture and divert recyclables through the sorting process. This program is seamless to the customer as we work with our operations staff and drivers to identify locations that are suitable to add to the dry route. After 90 days of wet/dry route implementation, WM will provide information to the City regarding the expectations for additional diversion from the program.

Pay as You Throw Variable Rate Offering – Proposed Enhancement

As part of our enhanced service offering, WM will offer residents with added value, convenience and customizable service, by providing the curbside collection of solid waste using three levels of cart sizes ranging from 32, 64 and 96 gallon automated collection containers and a tiered rate structure. Refuse carts of all sizes will be emptied using automated side loader vehicles on a weekly basis. With the pay-as-you-throw program, residents will be charged for the collection of solid waste based on the amount they throw away as determined by the selected cart size. This creates a direct economic incentive to recycle more and to generate less waste. This incentive will not only provide cost savings to the residents of Ridgecrest, but will also greatly assist in engaging the community and meeting State recycling mandates. Single stream recycling will be offered using up to two 96-gallon automated carts collected every other week.

- [A description of the proposer’s approach for acknowledging/rewarding the recycling efforts of individual customers and/or the service area as a whole](#)

Think Green Rewards – Recycling Rewards Program

The WM Recycling Reward and Recognition program is an innovative way to help the City of Ridgecrest meet recycling goals while engaging constituents about the importance of recycling. Residents are awarded discounts and coupons good for entertainment, dining, travel, personal services and much more by using their curbside recycling bin.

Reward and recognition programs can be cost-effective and valuable tools to increase community engagement. Studies have





Section 2 - Technical Proposal for Services

found that effective reward and recognition programs increase recycling participation. The process should be easy and fun. By educating the residents on what and how to recycle and by offering an incentive to recycle via an online website with backend coupon and incentive rewards for residents that recycle, participation will increase, rewards points will increase, and resident satisfaction will increase.

WM will work with Ridgecrest to ensure that a Recycling Rewards incentive program excites and engages residents and the community, as well as helps to drive significant improvements in the City's diversion. For more detailed information about WM's Think Green Rewards Program, please see the Proposed Service Enhancements Section below.

City of Ridgecrest - Green Business Certification Recognition

WM's Green Business Certification program will allow the City to recognize businesses that take steps to incorporate sustainable practices into their operations, with an emphasis on reducing waste and increasing diversion. WM can work with the City and Chamber of Commerce to certify and recognize green businesses in the community. While the purpose of the program will be primarily to reduce waste, if the City prefers, WM can develop a comprehensive program to include and recognize the following:

- Reduce solid waste disposal and promote recycling
- Become energy and water efficient
- Purchase products that are less harmful to human health and the environment
- Minimize pollution contributions
- Help improve indoor air quality and reduce smog formation
- Educate their customers, employees and other businesses about green business practices.

Any business with a physical commercial location in Ridgecrest can apply for Green Business Certification. To participate, businesses will complete a simple two page application with self assessment information about waste reduction practices and other green policies practiced.

Awards will be presented annually at an event determined mutually by the City and WM including a Council presentation or award ceremony event. Winners will be presented a certificate and may also be listed in the City's website.

- A description of any diversion to be achieved through segregation of materials at a transfer station or material recovery facility(ies);

The selected processing facility utilizes both mechanized and manual sorting techniques. In order to achieve high diversion rates from curbside recyclables, magnets are used to sort various metals, eddy currents are utilized to sort aluminum products, star screens and air classification systems sort paper and fiber products. Newsprint and mixed paper account for nearly half of what is recovered. These specialized practices are the reason Sun Valley Paper Stock can boast a successful recovery rate. After sorting, the materials are then bundled and shipped to processing facilities.

- A description of other innovative solutions to be provided that may increase diversion levels.

Green Works - Promoting Recycling at the Workplace



Section 2 - Technical Proposal for Services

A workplace recycling program is only as effective as the employees responsible for the day to day implementation of the program. Effectively training employees about proper recycling techniques and creating a workplace culture of commitment to recycling are important aspects to establishing a successful commercial recycling program. To meet these goals, WM will work with the City to develop Green Works, a workplace recycling incentive program that will provide managers tools to implement and maintain a reward-based program that encourages employee participation in recycling.

Green Works - Promoting Recycling at the Workplace

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Providing incentives will help build morale and ongoing participation in the program. In addition to incentives provided by each participating business manager, WM will provide prizes such as reusable water bottles, reusable grocery bags, or other incentives for managers to provide to employees who contribute to the organization's green program. These items will be provided to managers who sign up for the program, as well as all promotional information, flyers instructional posters, etc. to implement a comprehensive recycling program.

Additionally, WM staff can provide initial and ongoing consultation and support to business who request it to ensure their Green Works program is a long term success.

Employers can also consider creating their own incentives to add value to the program. For example, managers can calculate costs savings from the commercial recycling program on their monthly trash bill and give the money saved back to employees to fund projects such as:

- a. Annual employee picnic
- b. Special benefit funds (extended illness fund for employees, etc.)
- c. Donation to charities

Similarly, a company may chose to recycle their own CRV recyclables (bottles and cans), rather than place them in the commercial recycle bin. Those funds can also be used for events described above.

WM can work with the City and Chamber of Commerce to tailor this program to best meet the needs of the commercial sector and create a program with that will encourage high participation and success.



Commercial Foodwaste Pilot Program – Future Program Opportunity

WM Sustainability Services

Our Sustainability Services Division is specifically designed to help our customers identify and implement sustainable business practices. Working together, we find new ways to minimize waste, maximize efficiencies and uncover resource value all along the supply chain of an individual company. We are also developing and refining capabilities that create little or no waste to begin with. We are the only company capable of providing end-to-end environmental solutions. Sustainability Services from WM offers a wide range of solutions designed to help businesses reduce costs, mitigate risk and strengthen their brands. This program will be available to all businesses within the franchise area for an additional cost.

Although we are confident the programs above will drastically increase diversion in the City of Ridgecrest, WM is pleased to introduce a Commercial Foodwaste Pilot Program at the request of the City. We will phase in a two-container, wet-dry system, for selected commercial customers. Organics will be collected in one container, and all other dry materials will be collected in a second container. The organics stream will be processed by a facility already secured for this endeavor to remove contaminants; other materials will be processed at Sun Valley Paper Stock to recover marketable recyclables. This aggressive dual stream collection strategy provides the following benefits:

- Retains critical source separation, permits high recovery rates at our processing facility, and protects the value of materials.
- Sorts all recyclable and compostable materials at processing facilities; only un-marketable materials are landfilled as residual.

This program can be made available at a minimal additional cost to the current rates.

EXHIBIT C7

APPROVED SUBCONTRACTORS

Waste Management Subcontractor Information

Cart Distribution Vendor

Company Name – Rehrig Pacific
Subcontractor Role – Cart Distribution Vendor
Company Contact Person Name – Brad Gust
Phone Number - 323-415-5507
Primary Business Address - 4010 East 26th Street Los Angeles, CA 90058

Bin Wraps Pilot Program:

Company Name – AP STUDIOAP Studio
Subcontractor Role – Bin Wrap Pilot Program
Company Contact Person Name – Aaron Podell
Phone Number – 760-384-3700
Primary Business Address - 139 N. Balsam St. Ste 1900 Ridgecrest, CA 93555

Recycling Processor

Company Name – Sun Valley Paper Stock
Subcontractor Role – Recycling Processor
Company Contact Person Name – Jim Sweeney – Controller
Phone Number - 818-767-8984
Primary Business Address - 11166 Pendleton Street Sun Valley, CA 91352-1525

Recycling Transfer Location

Company Name – Waste Management Lancaster Landfill (LLRC)
Subcontractor Role – Recycling Transfer Location
Company Contact Person Name – Nicole Stetson
Phone Number – 661-223-3418
Primary Business Address - 600 E. Avenue F Lancaster, CA 93534

City Median Weed Abatement Program:

Company Name – To be determined upon award
Subcontractor Role –
Company Contact Person Name –
Phone Number -
Primary Business Address -

EXHIBIT D

REPORTING REQUIREMENTS

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

1. Determine and set Rates and evaluate the financial efficacy of operations.
2. Evaluate past and expected progress towards achieving the Contractor's Diversion goals and objectives.
3. Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under the Act.
4. Determine needs for adjustment to programs.
5. Evaluate Customer service and complaints.

Quarterly Report Content

Quarterly reports shall be presented by Contractor to show the following information for each month in the reported quarter and include a quarterly average. In addition, each quarterly report shall show the past four (4) quarters average for data comparison (the first three (3) quarters of the Agreement shall only include the available quarterly information).

1. Tonnage Report

- A. Tonnage delivered to each Approved Facility by Customer Type, subtotaling and clearly identifying those Tons that are Disposed and those that are Diverted.
- B. Units of Bulky Items Collected by Customer Type.
- C. Recyclable Materials Tonnage Marketed (by commodity and including average commodity value for each) and Processing Residue Tonnage Disposed.

2. Customer Report

- A. Number of Customers by Customer Type.
- B. Number of Containers at each Service Level by Customer Type and program. Summarizing the total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Drop Box and Compactor service by Customer Type. Report should calculate the average volume of service received per Single-Family Customer and Commercial Customer.
- C. Number of Bulky Item Collection events by Customer Type.
- D. Participation percentage by program and Customer Type where the participation percentage is calculated as the number of Customers who have subscribed to or requested service under the program relative to the number of Customers of that Customer Type subscribing to Solid Waste service. Contractor shall not be required to submit participant Customer names and addresses

EXHIBIT D

REPORTING REQUIREMENTS

as part of the regular reporting; however, such information shall be provided to the City Contract Manager upon request.

3. City Services Report

City facility Diversion rate report (i.e., volume of service by Service Type received by each County Waste Facility and the percentage of the total Service Levels that are for Diversion services relative to the total).

4. Customer Service Report

- A. Number of Customer calls listed separately by complaints and inquiries (where inquiries include requests for Recycling information, Rate information, etc.). For complaints, list the number of calls separately by category (e.g., missed pickups, scheduled cleanups, billing concerns, damage claims, etc.).
- B. Number of new service requests for each Customer Type and program.
- C. Number of events of Discarded Materials being tagged for non-Collection summarized by the reason for tagging (e.g., inclusion of non-Recyclable materials, improper setout, Hazardous Waste, etc.).
- D. Number of hits and unique visitors to the Contractor's website.

5. Education and Outreach Report

- A. Provide a status report of Contractor's actual activities completed compared to the annual public education plan. For each completed item, document the results including what date the activity was performed, how many Customers were targeted or participated, and what methods were used to accomplish the task, if different from the plan.
- B. Summarize the Recycling opportunity assessments provided to Customers by identifying the number of Recycling opportunity assessments conducted each month in the most-recently completed quarter, and contact information including address, contact names, and telephone number of Persons contacted. Include any Service Level changes resulting from such visits.
- C. Dates, times, and group names of meetings and events attended.

6. Pilot and New Programs Report

For each pilot and/or new program, provide activity related and narrative reports on goals, milestones, and accomplishments. Describe problems encountered, actions taken and any recommendations to facilitate progress. Describe vehicles, personnel, and equipment utilized for each program.

7. Revenue Report

- A. Provide a statement detailing Gross Receipts from all operations conducted or permitted pursuant to this Agreement as required by Section 7.8.

EXHIBIT D

REPORTING REQUIREMENTS

- B. Maintain a list of Customers that are forty five (45) or more calendar days past due and include the following information for each delinquent account: name; service address; contact information; number of days the account is delinquent; method(s) the Contractor has used to attempt collection of the bad debt including date of such attempt(s); and, identification, if, and when the Contractor plans to or did stop service to a delinquent account.

Annual Report Content

The annual report shall be the fourth quarterly report plus the following additional information.

1. Summary Assessment

Provide a summary assessment of the programs performed under this Agreement from Contractor's perspective relative to the financial and physical status of the program. The physical status assessment shall reflect how well the program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and objectives of this Agreement, particularly the Contractor's Diversion goals. Provide recommendations and plans to improve. Highlight significant accomplishments and problems. Results shall be compared to other similar size communities served by the Contractor in the State.

2. Vehicle Inventory

Provide a listing of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), and mileage at December 31.

3. Recyclables Markets

Contractor shall include a listing of markets for Recyclable Materials and the end use of these materials. This type of information is intended to help the City gauge the sustainability of Recycling markets and the ultimate Disposal of all types of materials Collected.

4. Operational Information:

A. Routes by Customer Type:

- i. Number of routes per day.
- ii. Types of vehicles.
- iii. Crew size per route.
- iv. Number of full time equivalent (FTE) routes.
- v. Number of accounts and cubic yards scheduled per route.
- vi. Total route hours per Customer Type per year.
- vii. Average cost per route.

B. Personnel:

- i. Organizational chart.

EXHIBIT D

REPORTING REQUIREMENTS

- ii. Job classifications and number of employees (e.g., administrative, Customer service representatives, drivers, supervisors, educational staff).
- iii. Wages by job classification.
- iv. Number of FTE positions for each job classification.
- v. Number of hours per job classification per year.

C. Productivity Statistics:

- i. Average Number of accounts per route per day by Customer Type.
- ii. Average number of setouts per route per day by Customer Type.
- iii. Average Tons per route per day by vehicle type (i.e. side-loader, front-loader, roll-off).
- iv. Average cubic yards of Collection scheduled per route.

D. Vehicles:

- i. List of collection vehicles including year purchased and mileage.
- ii. Average age of mobile equipment with oldest and newest.

E. Operational Changes:

- i. Number of routes.
- ii. Staffing.
- iii. Supervision.
- iv. Collection services.

5. Variance Analysis

Provide the following variance analysis for each Customer Type. For any variances greater than five percent (5%) annually, Contractor shall provide sufficient rationale to support variance:

- A. Variance analysis comparing current Rate Period to each of the prior Rate Periods of Agreement
- B. Variance analysis comparing current Rate Period to each of the future projected Rate Periods.

EXHIBIT E
FORM OF PERFORMANCE BOND

CONTRACTOR'S FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That _____, a California _____, as PRINCIPAL, and _____, a Corporation organized and doing business by virtue of the laws of the State of California, and duly licensed for the purpose of making, guaranteeing, or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as SURETY, are held and firmly bound to the _____, hereinafter called OBLIGEE, in the penal sum of _____ and No/100 Dollars (\$_____) lawful money of the United States, for the payment of which, well and truly to be made, we and each of us hereby bind ourselves, and our and each of our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the above bounden PRINCIPAL has entered into a contract, entitled "SOLID WASTE FRANCHISE AGREEMENT " with the City of Ridgecrest, to do and perform the following work, to wit: Collect Solid Waste and Recyclable Materials generated within the City of Ridgecrest, in accordance with the contract.

NOW, THEREFORE, if the above bounden PRINCIPAL shall well and truly perform, or cause to be performed each and all of the requirements and obligations of said contract to be performed by said PRINCIPAL, as in said contract set forth, then this BOND shall be null and void; otherwise it will remain in full force and effect.

And the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed there under or the specifications accompanying the same shall in any wise affect its obligations on this BOND, and it does hereby waive 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 FURTHER, the original term of this bond is _____ to _____. Renewal of this bond for any additional periods shall be at the sole option of the Surety. Non-renewal of the bond by the Surety shall not constitute any right or claim against the bond by the OBLIGEE.

Name/Title: _____

IN WITNESS WHEREOF, said PRINCIPAL and said SURETY have caused these presents to be duly signed and sealed this _____ DAY OF _____, 201_.

a California Corporation

SURETY

By: _____
(PRINCIPAL)
(SEAL)

By: _____
(ATTORNEY IN FACT)
(SEAL)

The bond in all terms, conditions and limitations is acknowledged and accepted
by: _____ By: _____

EXHIBIT G CITY SERVICE LOCATIONS

Location	Garbage Service	Recycling Service
Community Recycling Drop-off Site	None	(2) 3 CY Bins (2) 4'x8'x3' Trailers
Kerr McGee Community Center	(4) 3 CY Bins	(1) 3 CY Bin
Kerr McGee Sports Center	None	(1) 3 CY Bin
City Hall	(1) 3 CY Bin	(1) 3 CY Bin
Parks & Recreation – Station Street	(1) 90-Gal Cart	(1) 90-Gal Cart
Wastewater	(2) 3 CY Bins	None
Hayfield/Reclamation Facility	(1) 3 CY Bin	None
Balsam Street	(8) 33-Gal Cans	None
Corp Yard	(1) 3 CY Bin	None
Animal Shelter	(1) 3 CY Bin	None
Parks – Upjohn	(1) 3 CY Bin	None
Parks – Leroy Jackson	(2) 3 CY Bins	None
Parks – Ball Fields on Downs	(1) 3 CY Bin	None
Pool	(1) 3 CY Bin	(1) 3 CY Bin
Senior Center	(2) 3 CY Bins	(1) 3 CY Bin

EXHIBIT H CITY SERVICE LOCATIONS

Location	Garbage Service	Recycling Service
Community Recycling Drop-off Site	None	(2) 3 CY Bins (2) 4'x8'x3' Trailers
Kerr McGee Community Center	(4) 3 CY Bins	(1) 3 CY Bin
Kerr McGee Sports Center	None	(1) 3 CY Bin
City Hall	(1) 3 CY Bin	(1) 3 CY Bin
Parks & Recreation – Station Street	(1) 90-Gal Cart	(1) 90-Gal Cart
Wastewater	(2) 3 CY Bins	None
Hayfield/Reclamation Facility	(1) 3 CY Bin	None
Balsam Street	(8) 33-Gal Cans	None
Corp Yard	(1) 3 CY Bin	None
Animal Shelter	(1) 3 CY Bin	None
Parks – Upjohn	(1) 3 CY Bin	None
Parks – Leroy Jackson	(2) 3 CY Bins	None
Parks – Ball Fields on Downs	(1) 3 CY Bin	None
Pool	(1) 3 CY Bin	(1) 3 CY Bin
Senior Center	(2) 3 CY Bins	(1) 3 CY Bin

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING AUTHORITY AGENDA ITEM

SUBJECT:

Discussion Of Creating Prioritized Infrastructure Projects Eligible For American Recovery and Reinvestment Act (ARRA) Stimulus Funding

PRESENTED BY:

Vice Mayor – Jerry Taylor

SUMMARY:

It is anticipated that Federal Government may release additional stimulus funds thru and extension to the American Recovery and Reinvestment Act of 2009 (ARRA). The primary objective for ARRA was to save and create jobs almost immediately. Secondary objectives were to provide temporary relief programs for those most impacted by the recession and invest in infrastructure, education, health, and 'green' energy.

In the event additional funding is available, it would be in the City's best interest to be proactive to identify and prioritize a group infrastructure projects which could potentially qualify for additional funding, thus offsetting the total cost to the City for those projects and allowing for completion at earlier timeframes than originally projected.

FISCAL IMPACT:

No Fiscal Impact

Reviewed by Finance Director

ACTION REQUESTED:

Discussion item with possible direction to staff.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Discussion and direction to staff.

Submitted by: Jerry Taylor

Action Date: October 5, 2011

(Rev. 6/12/09)

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING AUTHORITY AGENDA ITEM

SUBJECT:

Discussion of the feasibility of a lobbyist to represent the City of Ridgecrest in State and Federal interests

PRESENTED BY:

Vice Mayor – Jerry Taylor

SUMMARY:

On August 17, 2011, council viewed a presentation and had discussions with one lobbyist firm. Members of the public, both individuals and businesses in the community, have expressed an interest in pursuing the topic of Lobbyists and the advantages that may be gained by contracting this service.

This item has been placed on the agenda to continue the previous discussions.

FISCAL IMPACT:

No Fiscal Impact

Reviewed by Finance Director

ACTION REQUESTED:

Discussion and possible direction to staff.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Discussion and direction to staff

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING AUTHORITY AGENDA ITEM

SUBJECT:

Discussion And Recommendation For Proceeding With Selection Of A Grant Services Administration Firm.

PRESENTED BY:

Kurt Wilson – City Manager

SUMMARY:

The current budget, adopted by the City Council earlier this year, contemplates the outsourcing of Grant Services. In concert with a two-member adhoc committee comprised of Mayor Pro Tem Holloway and Council Member Patin, staff solicited vendors through an Request For Proposals (RFP) process. Staff has received and evaluated proposals from two vendors, George Passantino and California Consulting.

Both proposals were substantially responsive and demonstrated an ability to meet the City's wide ranging needs.

California Consulting, is being recommended by staff and the ad-hoc committee because their proposal offers a slightly larger variety of services:

- Full, hands-on, administration of all functions listed in the RFP
- Additional Services were offered at no extra fee including federal and state lobbying.

If the City Council adopts the recommendation, staff will work with the company and the City Attorney's office to draft an agreement for City Council consideration.

FISCAL IMPACT:

Unknown at this time

Reviewed by Finance Director

ACTION REQUESTED:

Direct Staff to proceed with contract negotiations with California Consulting for Grant Services and Administration

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Direction to staff to proceed with contract negotiations between the City of Ridgecrest and California Consulting for Grant Services and Administration.

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CITY COUNCIL/REDEVELOPMENT AGENCY/FINANCING AUTHORITY AGENDA ITEM

SUBJECT:

Discussion And Recommendation For Proceeding With Selection Of A Human Resources Administration Firm For Outsourcing Of The Human Resources Functions.

PRESENTED BY:

Kurt Wilson – City Manager

SUMMARY:

The current budget, adopted by the City Council earlier this year, contemplates the outsourcing of the majority of the City's Human Resources functions including Benefits Administration; Recruitments; Mandatory Training; Policies & Procedures; Worker Compensation Claims Administration; and State & Federal compliance monitoring. In concert with a two-member adhoc committee comprised of Mayor Carter and Mayor Pro Tem Holloway, staff solicited vendors through an Request For Proposals (RFP) process. Staff has received and evaluated proposals from three vendors.

The focus of the first proposal (Paychex) was largely outside the scope of the RFP and, consequently, offered limited value. The remaining two proposals were substantially responsive and demonstrated an ability to meet the City's wide ranging needs.

The Local and Regional Government Services Authorities (RGS) proposal offered consultative services at an hourly rate. This option would require greater in-house staff than the current part time position that has been budgeted. Additionally, the hourly fee is anticipated to exceed the budgeted funds.

The third company, Employers Resources, is being recommended by staff and the ad-hoc committee because their proposal offers:

- Full, hands-on, administration of all functions listed in the RFP
- Cost is within the budgeted amount of \$75,000
- Pro-active in teaming with a fourth company to provide a broader range of services not previously anticipated including Personnel Litigation and a 24-hour employee hotline, thus potentially increasing savings for Personnel Attorney fees.

If the City Council adopts the recommendation, staff will work with the company and the City Attorney's office to draft an agreement for City Council consideration.

FISCAL IMPACT:

\$75,000 budgeted for Fiscal Year 2010-11

Reviewed by Finance Director

ACTION REQUESTED:

Direct Staff to proceed with contract negotiations with Employers Resources for Human Resources Administration

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested: Direction to staff to proceed with contract negotiations between the City of Ridgecrest and Employers Resources for Administration of Human Resources functions.

Submitted by: Kurt Wilson
(Rev. 6/12/09)

Action Date: October 5, 2011