

RESOLUTION NO. 07-04

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE
AUTHORIZING THE EXECUTION OF A FRANCHISE AGREEMENT WITH
NORTHERN RECYCLING & WASTE SERVICES FOR REFUSE COLLECTION,
RECYCLING AND VEGETATIVE WASTE DIVERSION SERVICES FOR THE
TOWN OF PARADISE, SUBJECT TO THE APPROVAL OF THE TOWN
ATTORNEY**

WHEREAS, pursuant to Public Resources Code section 40059, the Town has the authority to enter into an exclusive franchise agreement relating to solid waste handling services if the Town Council finds that the public health, safety and well-being so require; and

WHEREAS, the Town has received proposals from four solid waste handling companies to provide services within the Town's jurisdiction; and

WHEREAS, after carefully considering all the proposals, the Town Council awarded an exclusive solid waste handling franchise to Northern Recycling & Waste Services on January 11, 2007.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE
TOWN OF PARADISE AS FOLLOWS:**

SECTION 1. The Town Council finds that the public health, safety, and well-being require the Town to enter into an exclusive franchise agreement relating to the collection and handling of solid waste within the Town's jurisdiction.

SECTION 2. The Town Manager is directed and authorized to execute the attached Franchise Agreement with Northern Recycling & Waste Services for refuse collection recycling and vegetative waste diversion services within the Town of Paradise, subject to the approval of the Town Attorney.

SECTION 3. Within twelve (12) months from the date of this resolution, the Town will negotiate with Contractor concerning an "opener" (amendment) to the franchise agreement relating to possibly modifying Section 6.04 A by changing the provision for submission of an application from "rate year four" to "rate year three" pertaining to the amount of Contractor's compensation.

Resolution No. 07-04, A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE
AUTHORIZING THE EXECUTION OF A FRANCHISE AGREEMENT WITH NORTHERN
RECYCLING & WASTE SERVICES FOR REFUSE COLLECTION, RECYCLING AND VEGETATIVE
WASTE DIVERSION SERVICES FOR THE TOWN OF PARADISE, SUBJECT TO THE APPROVAL OF
THE TOWN ATTORNEY

PASSED AND ADOPTED by the Town Council of the Town of Paradise on this
18th day of January 2007, by the following vote:

AYES: Robin Huffman, Frankie Rutledge, Alan White and Steve "Woody" Culleton,
Mayor

NOES: None

ABSENT: Scott Lotter.

ABSTAIN: None



STEVE "WOODY" CULLETON, MAYOR

ATTEST:

BY: 

JOANNA GUTIERREZ, CMC, TOWN CLERK

APPROVED AS TO LEGAL FORM:

BY: 

DWIGHT L. MOORE, TOWN ATTORNEY

FRANCHISE AGREEMENT

BETWEEN

THE TOWN OF PARADISE

AND

NORTHERN RECYCLING AND WASTE SERVICES, LLC

FOR

**SOLID WASTE, RECYCLABLE MATERIALS, AND
YARD WASTE COLLECTION, PROCESSING, AND
DISPOSAL SERVICES**

* * * * *

January 18, 2007

**FRANCHISE AGREEMENT
BETWEEN**

**THE TOWN OF PARADISE
AND
NORTHERN RECYCLING AND WASTE SERVICES, LLC
FOR
SOLID WASTE, RECYCLABLE MATERIALS, AND YARD WASTE
COLLECTION, PROCESSING AND DISPOSAL SERVICES**

TABLE OF CONTENTS

RECITALS:	1
ARTICLE 1 DEFINITIONS	3
ARTICLE 2 GRANT AND ACCEPTANCE OF AGREEMENT	3
2.01 GRANT AND ACCEPTANCE OF FRANCHISE.....	3
2.02 EFFECTIVE DATE AND COMMENCEMENT DATE.	3
2.03 TERM.	3
2.04 CONDITIONS TO THE EFFECTIVENESS OF AGREEMENT.	4
2.05 SCOPE OF FRANCHISE.	5
2.06 LIMITATIONS TO SCOPE.	5
2.07 ADDITIONAL SERVICES AND MODIFICATIONS TO SERVICE	7
2.08 TOWN'S RIGHT TO DIRECT / OWNERSHIP OF SOLID WASTE.....	8
ARTICLE 3 FRANCHISE AND OTHER FEES	9
3.01 FRANCHISE FEE AMOUNT.....	9
3.02 VEHICLE IMPACT FEE.	9
3.03 OTHER FEES.	9
3.04 TIME AND METHOD OF PAYMENT.....	9
3.05 ADJUSTMENT TO FEES.	9
ARTICLE 4 DIRECT SERVICES	10
4.01 GENERAL.....	10
4.02 SOLID WASTE COLLECTION.	10
4.03 RECYCLABLE MATERIALS COLLECTION.....	11
4.04 YARD WASTE PROGRAM.	12
4.05 MATERIALS PROCESSING OPERATIONS.	13
4.06 COLLECTION LOCATIONS.	14
4.07 FAILURE TO COLLECT.....	14
4.08 MARKETING OF RECYCLABLE MATERIALS AND YARD WASTE.	15
4.09 CLEANUPS	15
4.10 OPERATIONS.	15
4.11 CONTAINERS.	17
4.12 LITTER ABATEMENT.....	19
4.13 PERSONNEL.	19
4.14 IDENTIFICATION REQUIRED.....	21
4.15 FEES AND GRATUITIES.	21
4.16 NON-DISCRIMINATION.	21

4.17	CHANGE IN COLLECTION SCHEDULE.....	21
4.18	REPORT OF ACCUMULATION OF SOLID WASTE; UNAUTHORIZED DUMPING.....	21
4.19	CONTINGENCY PLAN.....	21
4.20	COLLECTION ROUTES.....	22
4.21	TRANSPORTATION OF SOLID WASTE.....	22
4.22	TRANSPORTATION OF RECYCLABLE MATERIALS AND YARD WASTE.....	22
4.23	PROCESSING OF SOLID WASTE.....	22
4.24	DISPOSITION OF SOLID WASTE.....	22
ARTICLE 5 OTHER SERVICES		24
5.01	LOCAL OFFICE AND TRUCK YARD.....	24
5.02	SERVICE NOTICE AND SERVICE RECIPIENT BILLING.....	24
5.03	SERVICE RECIPIENT COMPLAINT RESOLUTION.....	26
5.04	EDUCATION AND PUBLIC AWARENESS.....	29
5.05	WASTE GENERATION/CHARACTERIZATION STUDIES.....	30
ARTICLE 6 CONTRACTOR'S RATES		32
6.01	GENERAL.....	32
6.02	INITIAL RATES.....	32
6.03	SUBSEQUENT RATES FOR RATE YEARS TWO THROUGH FOUR, RATE YEARS SIX THROUGH THIRTEEN.....	33
6.04	RATES FOR RATE YEAR FIVE.....	34
6.05	VARIANCES FROM PROJECTIONS.....	40
6.06	SCHEDULE.....	41
6.07	INTERIM RATE ADJUSTMENT.....	41
ARTICLE 7 REVIEW OF SERVICES AND PERFORMANCE		42
7.01	PERFORMANCE HEARING.....	42
7.02	ANNUAL DIVERSION PROGRAM REVIEW.....	42
ARTICLE 8 RECORDS, REPORTS AND INFORMATION REQUIREMENTS.....		44
8.01	GENERAL.....	44
8.02	RECORDS.....	44
8.03	REPORTS.....	47
8.04	ADVERSE INFORMATION.....	51
8.05	RIGHT TO INSPECT RECORDS.....	51
ARTICLE 9 INDEMNIFICATION, INSURANCE AND BOND		53
9.01	INDEMNIFICATION.....	53
9.02	AB 939 INDEMNIFICATION.....	54
9.03	INSURANCE.....	54
9.04	LETTER OF CREDIT.....	59
ARTICLE 10 TOWN'S RIGHT TO PERFORM SERVICE		60
10.01	GENERAL.....	60
10.02	TEMPORARY POSSESSION OF CONTRACTOR'S PROPERTY.....	61
10.03	BILLING AND COMPENSATION TO THE TOWN DURING TOWN'S POSSESSION.....	61
10.04	TOWN'S RIGHT TO RELINQUISH POSSESSION.....	62
10.05	DURATION OF TOWN'S POSSESSION.....	62
ARTICLE 11 DEFAULT, REMEDIES AND LIQUIDATED DAMAGES		63

11.01	EVENTS OF DEFAULT.....	63
11.02	RIGHT TO TERMINATE UPON DEFAULT.	64
11.03	LIQUIDATED DAMAGES.	65
11.04	EXCUSE FROM PERFORMANCE.	68
11.05	NOTICE, HEARING AND APPEAL OF TOWN/ BREACH.	68
11.06	ASSURANCE OF PERFORMANCE.	69
11.07	DAMAGE TO PROPERTY.....	69
11.08	TOWN REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE.	69
ARTICLE 12 OTHER AGREEMENTS OF THE PARTIES		70
12.01	RELATIONSHIP OF PARTIES.	70
12.02	COMPLIANCE WITH LAW.	70
12.03	GOVERNING LAW.	70
12.04	JURISDICTION.....	70
12.05	ASSIGNMENT BY CONTRACTOR.	71
12.06	BINDING ON ASSIGNS.	72
12.07	AFFILIATED COMPANIES.	72
12.08	SUBCONTRACTING.....	73
12.09	TRANSITION TO NEXT CONTRACTOR.....	73
12.10	PARTIES IN INTEREST.....	73
12.11	WAIVER.....	73
12.12	CONTRACTOR'S INVESTIGATION.	73
12.13	NOTICE.	74
12.14	REPRESENTATIVES OF THE PARTIES.	74
12.15	TOWN FREE TO NEGOTIATE WITH THIRD PARTIES.....	75
12.16	COMPLIANCE WITH THE TOWN'S CODES.....	75
12.17	PRIVACY.....	75
12.18	INTEGRATED CONTRACT.....	75
12.19	INSERTED PROVISIONS.	75
12.20	EXECUTION.	76
12.21	NON-DISCRIMINATION.	76
12.22	DISPUTE RESOLUTION.....	76
ARTICLE 13 REPRESENTATIONS AND WARRANTIES OF CONTRACTOR.....		77
13.01	COMPANY STATUS.....	77
13.02	COMPANY AUTHORIZATION.....	77
13.03	AGREEMENT WILL NOT CAUSE BREACH.....	77
13.04	NO LITIGATION.	77
13.05	NO ADVERSE JUDICIAL DECISIONS.....	77
13.06	ABILITY TO PERFORM.....	78
ARTICLE 14 MISCELLANEOUS PROVISIONS.....		79
14.01	ENTIRE AGREEMENT.....	79
14.02	SECTION HEADINGS.....	79
14.03	REFERENCES TO LAWS AND OTHER AGREEMENTS.....	79
14.04	INTERPRETATION.	79
14.05	AGREEMENT.....	79
14.06	SEVERABILITY.	79
14.07	EXHIBITS.....	79
14.08	ATTORNEYS' FEES.....	79
14.09	COMPILATION OF INFORMATION FOR STATE LAW PURPOSES.....	80

14.10	DEFINITIONS.	80
14.11	COUNTERPARTS.	80

EXHIBITS

Definitions..... Exhibit A
Town's Facilities/Special Events Exhibit B
Contractor Public Education Plan Exhibit C
Payments to Town Exhibit D
Rate Adjustment Methodology Exhibit E
Solid Waste Collection Rate Schedule..... Exhibit F
Notary Certification..... Exhibit G
Contractor's Proposal..... Exhibit H

1
2
3
4 **AGREEMENT**
5 **FOR**
6
7 **SOLID WASTE, RECYCLABLE MATERIALS, AND YARD WASTE**
8 **COLLECTION, PROCESSING AND DISPOSAL SERVICES**

9 This AGREEMENT is made as of this 18th day of January 2007, by and between the TOWN
10 OF PARADISE, a municipal corporation, (hereinafter referred to as the "Town") and
11 Northern Recycling and Waste Services, LLC, a California Limited Liability Company
12 (hereinafter referred to as "Contractor").

13 **RECITALS:**

14
15 **Whereas;** the Legislature of the State of California, by enactment of Assembly Bill 939 of
16 1989 (Act) (California Public Resources Code Section 40000 et seq.), has declared that it is in
17 the public interest to authorize and require local agencies to make adequate provisions for
18 Solid Waste handling within their jurisdiction; and,

19
20 **Whereas;** the State of California has found and declared that the amount of Solid Waste
21 generated in California, coupled with diminishing landfill space and potential adverse
22 environmental impacts from landfilling and the need to conserve natural resources, have
23 created an urgent need for State and local agencies to enact and implement an aggressive
24 integrated waste management program. The State has, through enactment of the Act,
25 directed the responsible state agency, and all local agencies, to promote landfill diversion
26 and to maximize the use of feasible waste reduction, Recycling and composting options in
27 order to reduce the amount of Solid Waste that must be disposed of in landfills; and,

28
29 **Whereas;** pursuant to California Public Resources Code Section 40059(a)(2), the Town has
30 determined that the public health, safety, and well-being require that a franchise agreement
31 be awarded to a qualified contractor for the Collection of Solid Waste, Recyclable Materials,
32 and Yard Waste, and other services related to meeting the diversion goals, and other
33 requirements of the California Act; and,

34
35 **Whereas;** the current Agreements dated December 1, 1995 between Town of Paradise
36 (Town) and Waste Management, Inc. and Norcal Waste Systems of Butte County will expire
37 on April 30, 2007 and shall be terminated upon effectiveness of this Agreement; and,

38
39 **Whereas;** the Town declares its intention of maintaining reasonable rates and quality
40 service related to the Collection of Solid Waste, Recyclable Materials, and Yard Waste, the
41 transportation of such material to appropriate places of processing, Recycling, Composting,
42 and/or Disposal, and the Processing of Recyclable Materials and Yard Waste and other
43 services; and,

45 **Whereas;** the Contractor has submitted a plan to provide Solid Waste, Recyclable Materials,
46 and Yard Waste programs at reasonable costs to the ratepayers of the Town and the Town
47 has elected to enter into this Agreement based on the advantages of that plan; and,
48

49 **Whereas;** the Town has selected Contractor based on the strength of its plan to provide the
50 desired services and the ability of those services to meet the Town's diversion goals and
51 comply with the requirements of the Act; and,
52

53 **Whereas;** Contractor agrees to and acknowledges that it shall arrange for the proper
54 Disposal of all Solid Waste collected in the Town's Service Area and the Town is not
55 instructing Contractor how to Collect, transport, process and / or Dispose of Solid Waste,
56 Recyclable Materials, and Yard Waste; and,
57

58 **Whereas;** Town and Contractor desire to leave no doubts as to their respective roles, and
59 that by entering into this Agreement, the Town is not thereby becoming a "generator" or
60 "arranger" as those terms are used in CERCLA 107 (a)(3), and that it is Contractor, not the
61 Town, which is "arranging for" the Collection of Solid Waste, Recyclable Materials, and
62 Yard Waste, the transportation of such material to appropriate places of processing,
63 Recycling, Composting, and/or Disposal, and the Processing of Recyclable Materials and
64 Yard Waste; and,
65

66 **Whereas;** this Agreement has been developed by and is satisfactory to the parties.
67

68 **NOW, THEREFORE,** in consideration of the mutual promises, covenants, and conditions
69 contained in this Agreement and for other good and valuable consideration, the parties
70 agree as follows:

71
72
73
74
75
76
77
78
79
80

**ARTICLE 1
DEFINITIONS**

Unless the context otherwise requires, capitalized terms used in this Agreement will have the meanings specified in Exhibit A to this Agreement, which is attached hereto and incorporated by reference.

81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99

**ARTICLE 2
GRANT AND ACCEPTANCE OF AGREEMENT**

2.01 Grant and Acceptance of Franchise.

Subject to Sections 2.04 and 2.06, the Town hereby grants to Contractor the exclusive right and privilege to Collect, transport, process and / or Dispose of Solid Waste, Recyclable Materials, and Yard Waste accumulating in Service Area that is required to be accumulated and offered for Collection to Contractor in accordance with Paradise Municipal Code Chapter 8.08 and this Agreement. Contractor hereby accepts the terms and conditions set forth in this Agreement.

2.02 Effective Date and Commencement Date.

The Effective Date of this Agreement shall be January 18, 2007.

The Commencement Date shall be May 1, 2007, and shall be the date on which the Contractor initiates provision of the Franchised Services required by this Agreement.

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

2.03 Term.

The term of this Agreement shall commence at midnight April 30, 2007, and shall end at midnight April 30th, 2017, unless terminated as provided in Section 11.02. In addition, the term of this Agreement may be extended for an additional three (3) years subject to the following conditions:

- A. Rates shall not have increased by more than the change in the "California Statewide, Consumer Price Index, All Items, 1982-84 = 100 for All Urban Consumers (CPI-U)" over the first seven years of this Agreement exclusive of pass-through costs.
 - B. Contractor shall receive a favorable rating by more than 85% of respondents to a customer satisfaction survey performed in the fourth and seventh year of this Agreement.
 - C. The Town shall be in compliance with AB939 and not under any penalty.
 - D. Liquidated damages as provided in Section 11.03 through the sixth year of the term of this Agreement shall not exceed \$30,000.
- 100
101
102
103
104
105
106
107
108
109
110
111
112
113

114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156

2.04 Conditions to the Effectiveness of Agreement.

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

- A. **Accuracy of Representations.** Representations and warranties made by Contractor throughout this Agreement are accurate, true and correct on and as of the Effective Date of this Agreement. Any information submitted to the Town supplementary thereto, on which the Town has relied in awarding this franchise to Contractor and entering into this Agreement, does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in light of the circumstances in which they were made, nor is misleading.
- B. **Absence of Litigation.** There is no litigation pending in any court challenging the award of this Franchise to Contractor or the execution of this Agreement or seeking to restrain or enjoin its performance.
- C. **Furnishing of Insurance and Bonds.** Contractor has furnished evidence of the insurance and performance bond required by Article 9.
- D. **Effectiveness of Town Council Action.** The Town has the authority to enter into and perform its obligations under this Agreement. The Town has taken all actions required by law or otherwise to authorize the execution of this Agreement. The Persons signing this Agreement on behalf of the Town have the authority to do so. The Town's Resolution No. 07-04 (Town) approving this Agreement, shall have become effective pursuant to California law on or before the Effective Date.

In the event that any condition set forth in this Section 2.04 is not satisfied or waived, by the Effective Date, by the Town, this Agreement shall be void and shall have no further force or effect. The Town may waive the satisfaction of conditions described in this Section 2.04, allow this Agreement to become effective, and exercise its rights and remedies under this Agreement for Contractor's failure to deliver the bond and/or evidence of insurance. Each party is obligated to perform in good faith the actions, if any, which this Agreement requires it to perform before the Effective Date and to cooperate towards the satisfaction of the conditions set forth above.

157 **2.05 Scope of Franchise.**

158 Subject to Section 2.06, the Franchise granted to Contractor shall be exclusive for all
159 Solid Waste, Recyclable Materials, and Yard Waste generated in the Service Area,
160 except where otherwise precluded by Federal, State and local laws and regulations or
161 where other current programs provide for Collection and handling of Household
162 Hazardous Waste and/or electronic waste.
163

164 **2.06 Limitations to Scope.**

165 The Agreement for the Collection, transportation, processing, and /or Disposal of
166 Solid Waste, Recyclable Materials, and Yard Waste granted to Contractor shall be
167 exclusive except as described in this Section 2.06. The award of this Agreement shall
168 not preclude the categories of Solid Waste, Recyclable Materials and Yard Waste
169 listed below from being delivered to and/or Collected and transported by others.
170 However, nothing in this Agreement is intended to or shall be construed to excuse
171 any Person from obtaining any authorization from the Town which is otherwise
172 required by law:
173

- 174 A. Solid Waste, Recyclable Materials and Yard Waste, which are removed from
175 any Premises by the Waste Generator, and which are transported personally by
176 the Owner or Occupant of such Premises or by his or her full-time employees or
177 a contractor whose removal of the Solid Waste, Recyclable Materials and/or
178 Yard Waste are incidental to the service being performed;
179
- 180 B. Collection and Processing of Recyclable Materials not specifically included in
181 the definition of Recyclables in Exhibit A;
182
- 183 C. Recyclable Materials and Yard Waste which are Source Separated at any
184 Premises by the Waste Generator and donated to youth, civic, or charitable
185 organizations;
186
- 187 D. Source Separated Recyclable Materials generated in the Service Area that are
188 placed in Containers, collected through a private arrangement with the
189 Generator and the Generator is compensated for the Recyclable Materials
190 Collected; provided, however, that the Owner or Occupant of such Premises
191 shall be required to subscribe to and pay for the basic level of service provided
192 by Contractor. For the purposes of this Agreement, Source Separated loads are
193 loads that consist of 90% or more by weight or volume (whichever is greater) of
194 Source Separated Recyclable Materials or Yard Waste. If Contractor can
195 document that other recyclers are servicing Collection Containers that contain
196 less than 90% Source Separated Recyclable Materials or Yard Waste, it shall
197 report the location and the name of the recycler to the Town along with
198 Contractor's evidence of the violation of the exclusiveness of this Agreement;
199

- 200 E. Containers delivered for Recycling under the California Beverage Container
201 Recycling Litter Reduction Act, California Public Resources Code Section 14500,
202 et. seq.;
- 203
- 204 F. Yard Waste removed from Premises by gardening, landscaping, or tree-
205 trimming contractors as an incidental part of a total service offered by that
206 contractor rather than as a hauling service;
- 207
- 208 G. Construction Debris and Demolition Debris which is removed from any
209 Premise by employees of the construction or demolition contractor, using
210 equipment owned by the contractor;
- 211
- 212 H. Solid Waste generated by public schools and other State institutions located
213 within the Service Area;
- 214
- 215 I. Animal waste and remains from slaughterhouse or butcher shops for use as
216 tallow;
- 217
- 218 J. By-products of sewage treatment, including sludge, sludge ash, grit and
219 screenings;
- 220
- 221 K. Abandoned cars that are removed from any Premises by a licensed towing
222 Contractor authorized to do so by the Town; and,
- 223
- 224 L. Hazardous Waste, including Household Hazardous Waste (HHW), and
225 Designated Waste regardless of its source.
- 226
- 227 M. Material removed pursuant to a nuisance abatement or court order.
- 228
- 229 N. Clean up services including removal of Rubbish from residential or
230 commercial Premises where all of the following conditions are met:
- 231
- 232 1. The person who transports the Rubbish for Disposal or Processing is the
233 person who actually enters on the customer's premises and performs the
234 clean-up services, loads the Rubbish directly to the transportation vehicle,
235 and removes the Rubbish from the premises
- 236 2. The Rubbish is not stored in a debris box, roll-off box, a container designed
237 to be emptied by a Collection Vehicle, or a container provided by the
238 person performing the services.
- 239 3. The services are provided to the particular premises on a temporary basis,
240 not on a regular or on-going basis.
- 241
- 242 O. Any services not specifically identified in Section 2.05.
- 243

244 This grant to Contractor of an exclusive right and privilege to Collect, transport,
245 process and / or Dispose of Solid Waste, Recyclable Materials, and Yard Waste
246 shall be interpreted to be consistent with State and Federal laws, now and during
247 the term of the Agreement, and the scope of this exclusive right shall be limited
248 by applicable state and federal laws with regard to the matters contained in this
249 Agreement. In the event that future court interpretations of current law or new
250 laws, regulations, interpretations or trends limit the ability of the Town to
251 lawfully provide for the scope of services as specifically set forth in this
252 Agreement, Contractor agrees that the scope of the Agreement shall be limited to
253 those services and materials which may be lawfully provided and that the Town
254 shall not be responsible for any lost profits or losses claimed by Contractor to
255 arise out of limitations of the scope of the Agreement. In such an event, it shall be
256 the responsibility of Contractor to minimize the financial impact to other services
257 being provided as much as possible.
258

259 **2.07 Additional Services and Modifications to Service**

260
261 **A. General.** The Town shall have the right to direct Contractor to perform
262 additional services (including new diversion programs, billing services, etc.) or to
263 modify the manner in which it performs existing services, including directing the
264 Contractor in the end use of Yard Waste. Pilot programs and innovative services
265 which may entail adding additional Recyclable Materials to existing programs,
266 new Collection methods, targeted routing, different kinds of services and/or new
267 requirements for Waste Generators are included among the kinds of changes
268 which the Town may direct. Contractor shall be entitled to an adjustment in its
269 compensation in accordance with Article 6 for providing such additional or
270 modified services.
271

272 The Town may adopt an ordinance for Construction and Demolition Debris
273 Diversion during the term of this Agreement. It is expected the ordinances will
274 mandate a 50% Diversion Goal based upon the material being taken to a Certified
275 Processing Facility through a contract with the Generator.
276
277

278 **B. New Diversion Programs.** Contractor shall present, within 30 days of a
279 request to do so by the Town, a proposal to provide additional or expanded
280 diversion services. At a minimum, the proposal shall contain a complete
281 description of the following:
282

- 283 1. Collection methodology to be employed (equipment, manpower, etc.).
- 284
- 285 2. Equipment to be utilized (number and types of vehicles, capacity, age,
286 etc.).
- 287
- 288 3. Labor requirements (number of employees by job classification).

289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333

4. Type of materials containers to be utilized.
5. Provision for program publicity/education/marketing.
6. Estimate of the tonnage to be diverted and the methodology for determining that diverted tonnage.
7. Five-year projection of the financial results of the program's operations in a balance sheet and operating statement format including documentation of the key assumptions underlying the projections and the support for those assumptions, giving full effect to the savings or costs to existing services.

C. **Town's Right to Permit Others to Provide Services.** Contractor acknowledges and agrees that the Town shall have the right to permit other Persons besides Contractor to provide additional Solid Waste services not otherwise contemplated under Section 2.05 and 2.06 of this Agreement if Contractor and the Town cannot agree on terms and conditions of such services in one hundred twenty (120) days from the date when the Town first request a proposal from Contractor to perform such services.

2.08 Town's Right to Direct / Ownership of Solid Waste.

Once Solid Waste, Recyclable Materials and/or Yard Waste is placed in Containers and properly placed at the Collection location, ownership and the right to possession shall transfer directly from the Waste Generator to Contractor by operation of this Agreement. Contractor is hereby granted the right to retain, recycle, process, Dispose of, and otherwise use such Solid Waste, Recyclable Materials or Yard Waste, or any part thereof, in any lawful fashion or for any lawful purpose desired by Contractor. This right shall be subject to: 1) Contractor's obligation to meet both the Town's and AB 939's diversion goals; and, 2) the Town's right to direct Contractor to process Solid Waste, Recyclable Materials or Yard Waste at a particular licensed Facility or to Dispose of Solid Waste, Recyclable Materials or Yard Waste at a particular licensed Disposal Site, if and only if the Town exercises such right by providing specific written direction to Contractor. Subject to Article 6 and the other provisions of this Agreement, Contractor shall have the right to retain any benefit resulting from its right to retain, recycle, process, dispose of, or reuse the Solid Waste, Recyclable Materials or Yard Waste, which it Collects. Solid Waste, Recyclable Materials or Yard Waste, or any part thereof, which is disposed of at a Disposal Site, Transfer Station, Material Recovery Facility or other Facilities shall become the property of the owner or operator of the Disposal Site(s) once deposited at Facilities by Contractor. The Town may obtain ownership or possession of Solid Waste, Recyclable Materials or Yard Waste placed for Collection upon written notice of its intent to do so; provided, however, nothing in this Agreement shall be construed as giving rise to any inference that the Town has such ownership or possession unless such written notice has been given to Contractor.

ARTICLE 3
FRANCHISE AND OTHER FEES

334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372

3.01 Franchise Fee Amount.

In consideration of the exclusive Franchise provided in Section 2.05 of this Agreement, Contractor shall pay to the Town the Franchise Fee in accordance with the schedule on Exhibit D. Payment shall be calculated as a percentage (%) of Gross Revenues Collected (or another amount as provided in Section 3.05) by the Contractor from services provided in the Service Area.

3.02 Vehicle Impact Fee.

Contractor shall pay a Vehicle Impact Fee to the Town each month in accordance to the schedule on Exhibit D.

3.03 Other Fees.

The Town shall have the right to set Other Fees, as it deems necessary. Any such fees shall be reflected in the rates that Contractor is allowed to charge and collect from service recipients. The time and method of payment shall be set similar to Section 3.04 below.

3.04 Time and Method of Payment.

On or before the twentieth (20th) day after the end of each calendar quarter during the Term of this Agreement, Contractor shall remit to the Town the Franchise Fees, Vehicle Impact Fee, and Other Fees amount. Each quarterly remittance to the Town shall be accompanied by a statement detailing the basis for the Franchise Fee, Vehicle Impact Fee, and Other Fees calculation. If the Fees are not paid on or before the twentieth (20th) day after any calendar quarter, Contractor shall pay to the Town a late payment penalty in an amount equal to two percent (2%) of the amount owing for that quarter. Contractor shall pay an additional two percent (2%) owing on any unpaid balance for each following thirty (30) day period the fee remains unpaid. The late payment penalty amounts are not intended as interest on debt, but rather are intended as a predetermined penalty for failure to meet an obligation under this Agreement.

3.05 Adjustment to Fees.

The Town may adjust the amount of any fee annually. Such adjustment shall be reflected in the rates that Contractor is allowed to charge and Collect from service recipients.

ARTICLE 4
DIRECT SERVICES

373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417

4.01 General.

The work to be done by Contractor pursuant to this Agreement shall include, but not be limited to, the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the services required. The enumeration of, and specification of requirements for, particular items of labor or equipment shall not relieve Contractor of the duty to furnish all others, as may be required, whether or not enumerated elsewhere in the Agreement.

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

4.02 Solid Waste Collection.

A. Single-Family Dwellings Collection. For single-family dwelling service, Contractor shall Collect Solid Waste from the Contractor-provided Containers placed for Collection by the Waste Generator at the Curbside or in an approved other location, not less than once per week. Standard Collection service shall be once per week Curbside Collection unless another method is approved by the Town.

B. Commercial, Industrial, Institutional and Multi-Family Residential Complex Collection. For commercial, industrial, institutional and multi-family residential complex services, Contractor shall Collect Solid Waste from Contractor-provided Containers not less than once per week. Special consideration shall be given when determining the pick up area for Commercial, Industrial, Institutional, and/or Multi-Family Residential Complex accounts to ensure that the flow of traffic is not impeded and that it does not result in an aesthetic degradation of an area. The designated pick-up area, if disputed by service recipient or Contractor, shall be determined by the Town. Additionally, if in the Town's opinion the location of an existing pick up area is inappropriate, the Town may require the service recipient or Contractor to relocate the pick up area.

C. Town Facilities' Collection. Contractor shall Collect, transport and Dispose of all Solid Waste generated at public facilities according to the specified service levels identified in Exhibit B. Contractor shall make Collections from Containers

Monday through Friday or on Saturdays following non-working holidays. Collections from bins and debris boxes shall be scheduled at a time mutually agreed upon by Contractor and the Town.

Contractor shall provide to the Town, at Town's direction, additional Collections services to the Town entailing:

1. Collection of Solid Waste and Recyclable Materials from all public sidewalk litter or Recycling Containers;
2. Collection of Solid Waste, Recyclable Materials and Yard Waste from Town's facilities and parks;
3. Collection of materials from debris box as directed by the Town;
4. Collection of Solid Waste, Recyclable Materials and Yard Waste at a maximum of four (4) annual Special Events (Johnny Appleseed Days, Gold Nugget Days, Chocolate Festival and one to be determined) designated by the Town; and,
5. Review of plans for land use or property developments with regard to Solid Waste service issues.

At the option of the Town, exercised in writing, these additional services may be provided at no charge to the Town but shall be reimbursed to the Contractor through the rates charged other service recipients.

D. Permanent Containers/Debris Box Service. Contractor shall provide permanent /debris box Containers for the purpose of Collection of Solid Waste. Contractor shall deliver to and Collect debris boxes from the location identified by the service recipient. Containers shall be free of graffiti and in good repair. Containers shall be clearly marked and identifiable as belonging to Contractor. Special consideration shall be given when determining the pick up area for temporary Containers to ensure that the flow of traffic is not impeded and that it does not result in aesthetic degradation of an area. The designated pick up area, if disputed by service recipient or Contractor, shall be determined by the Town. Additionally, if in the Town's opinion the location of an existing pick up area is inappropriate, the Town may require the service recipient or Contractor to relocate the pick up area.

4.03 Recyclable Materials Collection.

A. Residential Recyclable Materials Collection. Contractor shall Collect and remove all Recyclable Materials placed in Recycling Containers at the designated Collection locations for Waste Generator's residing in Single Family Dwellings

463 and Multi-Family Residential Complex. It is understood that all Single-Family
464 Residential Dwelling's Recyclable Materials Collection service shall be provided
465 at Curbside. Contractor shall work with Residential service recipients to
466 determine mutually acceptable Collection locations to both parties in the event
467 inaccessible to collection service vehicles exist.

468
469 Recyclable Materials Collection from Residential Waste Generators within the
470 Service Area shall be weekly or bi-weekly, as determined by the Town.
471 Residential Recyclable Materials Collection shall be on the same day of the week
472 as Solid Waste Collection service. The Collection day may change if prior written
473 approval is received from the Town. Contractor shall notify Recycling service
474 recipients, as is done for regular service, regarding holiday Collection schedules.
475 At a minimum, Contractor shall collect: aluminum cans, glass bottles and jars,
476 metal cans and narrow neck plastic containers (plastic 1 & 7), and newspaper,
477 mixed paper (including but not limited to magazines, junk mail, brown paper
478 bags, and white and colored paper), and corrugated cardboard. The Town
479 reserves the right per Section 2.07 to direct Contractor to add to the list of
480 materials to be collected and described above and to perform additional
481 Residential Recycling services.

- 482
483 **B. Commercial Recyclable Materials Collection.** Contractor shall Collect
484 Recyclable Materials from Commercial Premises as frequently as scheduled by
485 Customer in a Contractor-provided Container at no additional cost. Contractor
486 shall actively and regularly promote this program to ensure that all potential
487 service recipients are aware of this service and shall offer reasonable assistance to
488 help such potential service recipients participate. Collection shall be performed at
489 a time mutually agreed upon by Contractor and the Waste Generator or Owner of
490 the property. The Town reserves the right per Section 2.07 to direct Contractor to
491 add to the list of materials to be collected as part of this program.

492
493 **4.04 Yard Waste Program.**

- 494
495 **A. Yard Waste Collection.** Contractor shall Collect Yard Waste from Residential
496 Waste Generators within the Town's Service Area weekly or bi-weekly as
497 determined by the Town. Yard Waste Collection shall be on the same day as the
498 Collection of Solid Waste. The Collection day may change if prior written
499 approval is received from the Town. Contractor will notify service recipients at
500 least two (2) weeks in advance of any scheduled Yard Waste and Recycling
501 Collection day change(s), including those required due to route changes and
502 holidays such as Labor Day, Thanksgiving, Christmas, and New Year's Day.

503
504 All Yard Waste must fit safely within a standard Yard Waste Container provided
505 by Contractor. As part of its educational activities specified in Section 5.04,
506 Contractor shall instruct residents as to any necessary preparation of Yard Waste,

507 such as the cutting of large items, and the appropriate use and placement of Yard
508 Waste Containers.

- 509
510 **B. End Uses for Yard Waste.** Contractor agrees to develop, implement, operate,
511 and participate (locally and regionally) in mulching, composting, land
512 application, alternative daily cover, or other programs necessary to achieve the
513 Town's Yard Waste diversion requirements. In accordance with Section 2.07.A,
514 the Town reserves the right to direct Contractor in the end use of Yard Waste.

515
516 Contractor shall provide end uses for Yard Waste that maximize diversion credits
517 according to regulations established by the California Integrated Waste
518 Management Board. Also, Contractor shall make end products (compost or
519 mulch) available to Town residents at a cost to residents to be determined by the
520 Town and the cost of providing these products shall be an allowable operating
521 expense. In addition to these uses of Yard Waste, Contractor agrees to be
522 aggressive in the pursuit of new cost-effective opportunities to divert Yard Waste
523 from Disposal and to maximize the distribution of Yard Waste among approved
524 diversion methods.

525
526 **4.05 Materials Processing Operations.**

- 527
528 **A. Construction/Demolition Debris Diversion Program.** Contractor shall
529 identify and direct loads of Construction Debris and/or Demolition Debris and
530 other selected debris box Containers containing recoverable materials to a
531 Construction/Demolition Debris processing operation. The Construction Debris /
532 Demolition Debris processing operation Contractor has designated shall be the
533 _____ owned by _____. In accordance with Section 2.08, the
534 Town reserves the right to direct Contractor to process Solid Waste, Recyclable
535 Materials and/or Yard Waste at a particular licensed Facility. Contractor agrees to
536 process such loads for purposes of recovering Recyclable Materials. Contractor
537 shall also provide the Town with an accounting of the total tons processed and
538 recovered as part of its Construction/Demolition Debris processing operation as
539 part of its annual reporting requirements. Any and all compensation due the
540 Contractor for this service is provided for in the Solid Waste Collection Rate
541 Schedule (Exhibit F).

- 542
543 **B. Material Recovery Facility Processing Capacity.** Contractor shall identify and
544 direct targeted loads of Solid Waste and Recyclable Materials from within the
545 Service Area to a Material Recovery Facility processing operation. The Material
546 Recovery Facility Contractor has designated shall be the City of Napa MDF
547 owned by the city of Napa. In accordance with Section 2.08, the Town reserves the
548 right to direct Contractor to process Solid Waste, Recyclable Materials and/or
549 Yard Waste at a particular licensed Facility. Contractor agrees to process such
550 loads for purposes of recovering Recyclable Materials. Contractor shall also
551 provide the Town with an accounting of the total tons processed and recovered as

552 part of its Material Recovery Facility processing operation as part of its annual
553 reporting requirements. Any and all compensation due the Contractor for this
554 service is provided for in the Solid Waste Collection Rate Schedule (Exhibit F).
555

556 **4.06 Collection Locations.**

557 It is understood that all Solid Waste, Recyclable Materials and Yard Waste Collection
558 services shall be provided at Curbside, with the following exceptions:
559

- 560 A. On-property collection of Solid Waste, Residential Recyclable Materials, and
561 Yard Waste shall be provided by Contractor to residents who are physically
562 unable to place the cart Curbside. Resident shall present to Contractor a medical
563 waiver from a physician. Such medical waiver shall be updated annually and the
564 Contractor will send a notice to the customer reminding them to get a new
565 waiver. Information about this option shall be provided by the Contractor upon
566 request. Contractor will notify all residents annually, beginning within thirty (30)
567 days of effectiveness of this Agreement, of this Collection option and submit, for
568 approval, a draft notification to the Town prior to distribution to service
569 recipients. New service recipients shall be notified of this option upon requesting
570 service.
571
- 572 B. Residents of Multi-Family Residential Complexes of two (2) to four (4) units
573 will use the same Collection Containers as residents of Single Family Dwellings.
574 Contractor shall Collect these Containers at Curbside. Residents of Multi-Family
575 Residential Complexes of five (5) or more units may also use the same Containers
576 as residents of Single Family Dwellings or may be provided with larger
577 Containers such as bins, which shall be Collected in a central location reasonably
578 accessible by Collection vehicles.
579

580 **4.07 Failure to Collect.**

- 581
- 582 A. **Solid Waste.** When Solid Waste is not Collected by Contractor from any
583 service recipient, Contractor shall notify its service recipient in writing, at the time
584 Collection is not made, through the use of a "tag" or otherwise, of the reasons
585 why the Collection was not made.
586
- 587 B. **Recyclable Materials or Yard Waste.** Contractor may choose not to Collect
588 Recyclable Materials or Yard Waste that contain ten percent (10%) by volume or
589 greater of Solid Waste, subject to Contractor's best efforts to educate the public.
590 Contractor shall issue written warning notices to such service recipients stating
591 the reason(s) why their Recyclable Materials and/or Yard Waste were not
592 Collected. Monthly, Contractor shall report to the Town any warning notices
593 issued. Contractor shall take direction from the Town with regard to termination
594 or reinstatement of service to a service recipient. Contractor may refuse to Collect
595 Recyclable Materials or Yard Waste from, and shall not be obligated to continue
596 to provide any Recyclable Materials or Yard Waste Container to, any service

597 recipient who, after efforts to re-educate the service recipient and the second
598 written warning in a twelve (12) month period, fails to sort Recyclable Materials
599 or Yard Waste from other Solid Waste and/or fails to properly set out their
600 Recyclable Materials or Yard Waste Container.
601

602 **4.08 Marketing of Recyclable Materials and Yard Waste.**

603 Contractor shall be responsible for delivering Recyclable Materials and Yard Waste
604 Collected pursuant to this Agreement to the Facilities for processing, marketing, sale,
605 donation, or reuse of all such materials.
606

607 Contractor shall prepare, submit to the Town for approval, and maintain a marketing
608 plan for all Recyclable Materials and Yard Waste Collected by Contractor under this
609 Agreement. The approved marketing plan for Recyclable Materials and Yard Waste
610 service shall be in place with the execution of this Agreement and at the time of
611 beginning any expanded service. The marketing plan shall fully describe
612 Contractor's marketing methods and approach, targeted primary and contingent
613 markets, pricing policy, and assumed salvage value or cost for each Collected type of
614 Recyclable Materials and Yard Waste.
615

616 **4.09 Cleanups**

617 **A. Annual Cleanups.** The Town elects to have Contractor provide two
618 community-wide pre-scheduled cleanups per year during periods mutually
619 established by Contractor and the Town.
620

621 **B. Household Hazardous Waste, E-Waste, Oil, Universal Waste and Paint**
622 **Collection.** Contractor shall provide a permanent Household Hazardous Waste
623 facility within the Town. Such facility shall serve as a drop off site for E-Waste
624 and Universal Waste and a buy-back center. The facility operating hours may be
625 limited subject to the prior approval of the Town.
626

627 **4.10 Operations.**

628
629 **A. Schedules.** Residential Solid Waste, Residential Recyclable Materials and Yard
630 Waste shall be collected on weekdays between 6:00 AM and 6:00 PM. To preserve
631 peace and quiet, no Solid Waste, Recyclable Materials, or Yard Waste shall be
632 Collected from or within two-hundred (200) feet of Residential Premises between
633 6:00 P.M. and 6:00 A.M. on any day. Collection of Solid Waste and Recyclables
634 from Commercial, industrial and institutional properties shall be scheduled
635 subject to the prior approval of the Town.
636

637 Contractor shall review its operations plan outlining the Collection routes,
638 intervals of Collection and Collection times for all materials Collected under this
639 Agreement with the Town or its representatives at least annually. The Town may
640 require more frequent reviews if Contractor's operations are not satisfactorily

641 performed based on documented observations or reports or Complaints. If the
642 plan is determined to be inadequate by the Town, Contractor shall revise the plan
643 incorporating any changes into a revised plan and review the revised plan with
644 the Town within thirty (30) calendar days.

645
646 When notified of a missed pick-up, Contractor shall Collect the Solid Waste,
647 Recyclable Materials or Yard Waste on the same day, if possible, but in no case
648 more than one (1) working day (24 hours) after receipt of notice.

649
650 **B. Vehicles.**

651
652 **1. Specifications.** All vehicles used by Contractor in providing Solid Waste,
653 Recyclable Materials and Yard Waste Collection services shall be registered
654 with the California Department of Motor Vehicles. All such vehicles shall
655 have bodies designed to prevent leakage, spillage and/or overflow.

656
657 **2. Vehicle Identification.** Contractor's name, local telephone number,
658 and a unique vehicle identification number designed by Contractor for
659 each vehicle shall be prominently displayed on all vehicles, in letters and
660 numbers no less than two and one-half (2 1/2) inches high. Contractor
661 shall not place Town's name or Town's logo on Contractor vehicles.
662 Vehicles used solely for the Collection of Recyclable Materials and Yard
663 Waste shall be labeled to indicate those are the Collected materials.

664
665 **3. Cleaning and Maintenance.**

666
667 **a.** Contractor shall maintain all of its properties, vehicles, facilities, and
668 equipment used in providing service under this Agreement in a good,
669 safe, neat, clean and operable condition at all times.

670
671 **b.** Vehicles used in the Collection of Solid Waste, Recyclable Materials
672 and Yard Waste shall be painted, thoroughly washed, and thoroughly
673 steam cleaned on a regular basis so as to present a clean appearance.
674 The Town may inspect vehicles at any time to determine compliance
675 with this Agreement. Contractor shall also make vehicles available to
676 the Butte County Health Department for inspection, at any frequency
677 it requests.

678
679 **c.** Contractor shall repaint or refurbish to the reasonable satisfaction of
680 the Town all vehicles used in the Collection of Solid Waste, Recyclable
681 Materials and Yard Waste within thirty (30) days' notice from the
682 Town, if the Town determines that their appearance warrants painting.

683
684 **d.** Contractor shall inspect each vehicle daily to ensure that all equipment
685 is operating properly. Vehicles that are not operating properly shall be
686 removed from service and repaired. Contractor shall perform all

687 scheduled maintenance functions in accordance with the
688 manufacturer's specifications and schedule. Contractor shall keep
689 accurate records of all vehicle maintenance, recorded according to date
690 and mileage and shall make such records available to the Town upon
691 request.

692
693 e. Contractor shall repair, or arrange for the repair of, all of its vehicles
694 and equipment for which repairs are needed because of accident,
695 breakdown or any other cause so as to maintain all equipment in a safe
696 and operable condition. Contractor shall maintain accurate records of
697 repair, which shall include the date and mileage, nature of repair and
698 the verification by signature of a maintenance supervisor that the
699 repair has been properly performed.

700
701 f. Contractor shall furnish sufficient equipment to provide all service
702 required under this Agreement, including back-up Collection vehicles.
703 Contractor shall furnish within thirty (30) days of request to the Town,
704 a written inventory of all equipment, including Collection vehicles,
705 used in providing service, and shall update the inventory annually.
706 The inventory shall list all equipment by manufacturer, ID number,
707 and date of acquisition, type, and capacity.

708
709 g. Contractor shall arrange to store all vehicles and other equipment in
710 safe and secure location(s) in accordance with all applicable zoning
711 regulations.

712
713 4. **Operation.** Vehicles shall be operated in compliance with Federal, State
714 and local laws and regulations, including but not limited to the California
715 Vehicle Code, and all applicable safety laws and local ordinances.
716 Contractor shall not load vehicles in excess of the manufacturer's
717 recommendations or limitations imposed by state or local weight
718 restrictions on vehicles.

719
720 Contractor equipment used for Solid Waste, Recyclable Materials, and
721 Yard Waste services shall comply with the Town's ordinances or US EPA
722 noise emission regulations, currently codified at 40 CFR Part 205 and other
723 applicable noise control regulations, and shall incorporate noise control
724 features throughout the entire vehicle. Noise and pollution emission levels
725 of equipment used for Collection shall comply with the Town's ordinance.

726 727 **4.11 Containers.**

728
729 A. **Single Family Dwelling Solid Waste Containers.** At no additional cost,
730 Contractor shall offer wheeled carts to all Single Family Dwelling service

731 recipients in sizes compatible with the Town's variable can rate (20-, 35-, 65-, 95-
732 gallons, or as other sizes approved by Town.).

733
734 All Contractor-provided wheeled carts shall be constructed of heavy gauge
735 plastic with wheels and attached lids in sizes of 20-, 35-, 65-, and 95-gallons, or
736 other sizes approved by the Town. Contractor shall maintain all Contractor-
737 provided Containers in good repair.

738
739 **B. Commercial, Industrial, Institutional and Multi-Family Residential**
740 **Complex Solid Waste Containers.** Contractor shall offer wheeled 35-, 65-, and 95-
741 gallon carts (or other sizes approved by the Town) to all Commercial, Industrial
742 and Institutional Service Recipients and Multi-Family Residential Complex
743 service recipients receiving service of less than (1) cubic yard per week.

744
745 Contractor shall furnish Commercial, Industrial and Institutional Service
746 Recipients and Multi-Family Residential Complex service recipients receiving one
747 (1) cubic yard service or more with appropriate Containers to Collect Solid Waste
748 upon service recipient request. Containers with a capacity of one cubic yard or
749 more shall be available in standard sizes. The kind, size and number of
750 Containers furnished to particular service recipients shall be as determined
751 mutually by the service recipient and Contractor. All Containers with a capacity
752 of one cubic yard or more shall meet applicable regulations for Solid Waste bin
753 safety and shall have reflectorized markings. All Containers shall be maintained
754 in good repair with neatly and uniformly painted surfaces and shall prominently
755 display the name and telephone number of Contractor and the types of material
756 accepted.

757
758 **C. Residential Recyclable Materials and Yard Waste Containers.** Residential
759 service recipients shall place their Recyclable Materials in the Contractor-
760 provided Recycling Containers for collection by Contractor. Extra Containers
761 shall be provided to service recipients upon request.

762
763 Residents shall place their Yard Waste in Contractor-provided 95- gallon
764 Containers for Collection by Contractor. Residence may request 1 additional
765 Container at no additional charge.

766
767 **D. Commercial Recyclable Materials and Yard Waste Containers.** Contractor
768 shall furnish Commercial, Industrial and Institutional service recipients
769 Containers for the Collection of Recyclable Materials and Yard Waste of a size
770 appropriate to the particular service recipient's needs and availability of space.
771 Multiple sizes shall be made available by Contractor.

772
773 **E. Delivery.** Appropriate Containers of a size requested by the service recipient
774 as described in this Section 4.11 shall be delivered to new service recipients, upon
775 request, within five (5) business days of the service recipient's request for service.

776 Contractor shall notify the Town if it fails to deliver Containers within five (5)
777 business days.

- 778
779 **F. Container Replacement.** The Town and Contractor acknowledge that from
780 time to time Contractor-provided Containers may be stolen or damaged. When
781 notified of such occurrence, Contractor shall replace the stolen or damaged
782 Container(s), at no charge to the service recipient, not more than one (1) time
783 within any twelve (12) month period. If the service recipient requests more than
784 one (1) replacement set of Containers per twelve (12) month period, the
785 Contractor shall make Containers available for purchase by the service recipient
786 at a price not to exceed the cost to Contractor of purchasing the Containers.
787

788 **4.12 Litter Abatement.**

- 789
790 **A. Minimization of Spills.** Contractor shall use due care to prevent Solid Waste
791 fluids from leaking being spilled and/or scattered during the Collection or
792 transportation process. If any material or fluids leak or are spilled during
793 Collection, Contractor shall promptly clean up all such materials. Each Collection
794 vehicle shall carry absorbent material, a broom and shovel at all times for this
795 purpose.
796

797 Contractor shall not transfer loads from one vehicle to another on any public
798 street, unless it is necessary to do so because of mechanical failure, accidental
799 damage to a vehicle, or a pre-approved method of Solid Waste transfer between
800 vehicles, without prior written approval by the Town.
801

- 802 **B. Clean Up.** During the Collection or transportation process, Contractor shall
803 clean up litter in the immediate vicinity of any storage area (including the areas
804 where Collection bins and debris boxes are delivered for Collection) whether or
805 not Contractor has caused the litter. Contractor shall discuss instances of
806 repeated spillage not caused by it directly with the Waste Generator responsible
807 and will report such instances to the Town. The Town will attempt to rectify such
808 situations with the Waste Generator if Contractor has already attempted to do so
809 without success.
810

- 811 **C. Covering of Loads.** Contractor shall properly cover all open debris boxes
812 during transport to the Disposal or Processing Site.
813

814 **4.13 Personnel.**

815 Contractor shall furnish such qualified drivers, mechanical, supervisory, clerical,
816 management and other personnel as may be necessary to provide the services
817 required by this Agreement in a satisfactory, safe, economical and efficient manner in
818 accordance with all applicable Federal, State and local laws and regulations. If
819 additional personnel are required to meet the service standards of this Agreement,
820 Contractor shall provide such additional personnel if approved in advance by the

821 Town. All drivers shall be trained and qualified in the operation of vehicles they
822 operate and must possess a valid license, of the appropriate class, issued by the
823 California Department of Motor Vehicles and participate in periodic driver safety
824 trainings.

825
826 Contractor also agrees to establish and vigorously enforce an educational program
827 which will train Contractor's employees in the identification of Hazardous Waste.
828 Contractor's employees shall not knowingly place such Hazardous Waste in the
829 Collection vehicles, nor knowingly dispose of such Hazardous Wastes at the
830 Processing Facility or Disposal Site.

831
832 Contractor shall train its employees in courtesy, shall prohibit the use of loud or
833 profane language, and shall instruct Collection crews to perform the work quietly.
834 Contractor shall use its best efforts to assure that all employees present a neat
835 appearance and conduct themselves in a courteous manner. If any employee is
836 found to be discourteous or not to be performing services in the manner required by
837 this Agreement, Contractor shall take all necessary corrective measures including,
838 but not limited to, transfer, discipline or termination. If the Town has notified
839 Contractor of a Complaint related to discourteous or improper behavior, Contractor
840 will consider reassigning the employee to duties not entailing contact with the public
841 while Contractor is pursuing its investigation and corrective action process.
842 Contractor shall provide suitable operations, health and safety training for all of its
843 employees who use or operate equipment or who are otherwise directly involved in
844 Collection or other related operations.

845
846 Before the Commencement date of this Agreement, Contractor agrees to hire its
847 labor force from the existing employees of the previous franchised company(ies) that
848 worked within the Service Area within the last 120 days from the Effective Date at a
849 comparable salary and benefits package (e.g. equivalent total hourly rate as
850 provided by the previous employer). Contractor agrees to count years of service with
851 the previous franchise company(ies) in determining seniority for job classifications.
852 Applicants shall be subject to the following criteria:

- 853 a. Applicants shall be fit for duty
- 854 b. Applicants shall pass Contractor's drug tests
- 855 c. Applicant's driving records obtained from DMV shall meet
856 Contractor's requirements (drivers).

857 Contractor shall also provide comparable salary and benefits to such employees with
858 pre-existing medical conditions.

859
860 Contractor shall incorporate the use of C.O.V.E., including its clients, subject to the
861 approval of C.O.V.E administration and the Town, that shall at a minimum, include
862 the following:

- 863 a. Assist in the operation of the HHW site; and/or,
- 864 b. Buy back centers

865

866 **4.14 Identification Required.**

867 Contractor shall provide its employees and subcontractors with identification for all
868 individuals who may make personal contact with residents or businesses in the
869 Service Area. The Town may require Contractor to notify service recipients yearly of
870 the form of said identification. Contractor shall provide a list of current employees,
871 and subcontractors to the Town upon request.
872

873 **4.15 Fees and Gratuities.**

874 Contractor shall not, nor shall it permit any agent, employee, or subcontractors
875 employed by it, to request, solicit, demand, or accept, either directly or indirectly,
876 any compensation or gratuity for services or the Collection, transportation,
877 Recycling, Processing, and /or Disposal of Solid Waste, Recyclable Materials and
878 Yard Waste, otherwise required under this Agreement.
879

880 **4.16 Non-Discrimination.**

881 Contractor shall not discriminate in the provision of service or the employment of
882 Persons engaged in performance of this Agreement on account of race, color,
883 religion, sex, age, sexual orientation, physical or mental disability or medical
884 condition in violation of any applicable Federal or State law.
885

886 **4.17 Change in Collection Schedule.**

887 Contractor shall notify the Town thirty (30) days prior to, and Residential service
888 recipients not later than fourteen (14) days prior to, any change in Residential
889 Collection operations which results in a change in the day on which Solid Waste,
890 Recyclable Materials, and Yard Waste Collection occurs. Contractor shall not permit
891 any service recipient to go more than seven (7) days without service in connection
892 with a Collection schedule change.
893

894 **4.18 Report of Accumulation of Solid Waste; Unauthorized Dumping.**

895 Contractor shall direct its drivers to note (1) the addresses of any service recipients at
896 which they observe that Solid Waste is accumulating and is not being delivered for
897 Collection; and (2) the address, or other location description, at which Solid Waste
898 has been dumped in an apparently unauthorized manner. Contractor shall deliver
899 the address or description to the Town within five (5) working days of such
900 observation.
901

902 **4.19 Contingency Plan.**

903 Contractor shall submit to the Town on or before the Effective Date of the
904 Agreement, a written contingency plan demonstrating Contractor's arrangements to
905 provide vehicles and personnel and to maintain uninterrupted service during
906 breakdowns, and in case of natural disaster or other emergency, including the events
907 described in Section 11.04.
908

909 **4.20 Collection Routes.**

910 Routes over which Contractor's vehicles travel to effect the Collection and transport
911 of Solid Waste, Recyclable Materials and Yard Waste shall be selected to minimize
912 damage to Service Area and private streets, inconvenience and disturbance to the
913 public and shall be subject to the approval of the Town. Contractor shall use due
914 care to obey all traffic laws and prevent materials being transported from being
915 spilled or scattered during transport. If any materials are spilled within the Service
916 Area, Contractor shall immediately clean up all spilled materials, whether on private
917 or public property.

918
919 **4.21 Transportation of Solid Waste.**

920 Contractor shall transport and deliver all Solid Waste to the Neal Road Landfill.
921

922 **4.22 Transportation of Recyclable Materials and Yard Waste.**

923 Contractor shall Collect, transport and deliver (or arrange for the transportation and
924 delivery of) all Recyclable Materials and Yard Waste to a purchaser, a licensed
925 Material Recovery Facility, licensed Processing Facility, or a Person who will use the
926 materials in a process or product and will not dispose of them in a landfill. The
927 Processing Facility Contractor has designated shall be the City of Napa MDF in Napa
928 Ca, owned by the City of Napa. In accordance with Section 2.08, the Town reserves
929 the right to direct the Contractor to process Recyclable Materials and/or Yard Waste
930 at a particular licensed Facility.
931

932 **4.23 Processing of Solid Waste.**

933 The Town, upon prior written notice to Contractor, reserves the right, prior to
934 Disposal, to direct portions of the Solid Waste stream Collected under this
935 Agreement to a Material Recovery Facility or Processing Facility for separation,
936 reuse, and Recycling of any Recyclable Materials or Yard Waste contained therein.
937 The Contractor agrees to assist the Town by identifying loads suitable for processing
938 in the Material Recovery Facility. The Material Recovery Facility Contractor has
939 designated shall be the City of Napa MDF owned by the City of Napa. In accordance
940 with Section 2.08, the Town reserves the right to direct the Contractor to process
941 Solid Waste, Recyclable Materials and/or Yard Waste at a particular licensed Facility.
942

943 **4.24 Disposition of Solid Waste.**

944 Contractor shall Dispose of all Solid Waste, Collected under this Agreement, at the
945 designated Disposal Site. The Disposal Site Contractor as designated shall be the
946 Neal Road Landfill owned by Butte County. In accordance with Section 2.08 the
947 Town reserves the right to direct Contractor to Dispose Solid Waste at another
948 particular licensed Disposal Site.
949

950 **4.25 Service Exceptions; Hazardous Waste Notifications.**
951

- 952 **A. Hazardous Waste Inspection and Reporting.** Contractor reserves the right
953 and has the duty under law to inspect Solid Waste, Recyclable Materials and Yard
954 Waste put out for Collection and to reject Solid Waste, Recyclable Materials and
955 Yard Waste observed to be contaminated with Hazardous Waste and the right not
956 to Collect Hazardous Waste put out with Solid Waste, Recyclable Materials and
957 Yard Waste. Contractor shall notify all applicable agencies, if appropriate,
958 including the California Department of Toxic Substances Control and local
959 emergency response providers and the National Response Center of reportable
960 quantities of Hazardous Waste, found or observed in Solid Waste, Recyclable
961 Materials and Yard Waste anywhere within the Service Area. In addition to other
962 required notifications, if Contractor observes any substances which it or its
963 employees reasonably believe or suspect to contain Hazardous Wastes unlawfully
964 Disposed of or released on any of the Town's property, including storm drains,
965 streets or other public rights of way, Contractor shall immediately notify the
966 Town.
- 967
- 968 **B. Hazardous Waste Diversion Records.** Contractor shall maintain records
969 showing the types and quantities, if any, of Hazardous Waste found in Solid
970 Waste, Recyclable Materials and Yard Waste and which was inadvertently
971 Collected from service recipients within the Service Area, but diverted from
972 landfilling.
973

**ARTICLE 5
OTHER SERVICES**

974
975
976
977

978 **5.01 Local Office and Truck Yard.**

979 Contractor shall operate its local/regional office within the Town limits.. Office
980 hours shall be, at a minimum, from 8:00 A.M. to 5:00 P.M., Monday through Friday,
981 exclusive of holidays. Responsible and qualified representatives (customer service
982 representatives, office manager, etc) of Contractor shall be available during office
983 hours for communication with the public at the local office. Normal office hour
984 telephone numbers shall be a local call directed to the local office. Contractor's
985 telephone system shall be adequate to handle the volume of calls typically
986 experienced on the busiest days. Contractor shall also maintain a local or toll free
987 telephone number for use during other than normal business hours. Contractor shall
988 have a representative, answering or message providing/receiving (voice-mail)
989 service available at said after-hours telephone number. Contractor's telephone
990 system shall be able to track customer hold times and the number of calls received on
991 a daily basis by each customer service representative.

992

993 Contractor shall locate its truck yard for purposes of parking and maintenance within
994 the Town limits or shall obtain approval from the Town to locate the truck yard
995 outside the Town limits. The Town's approval shall not be reasonably withheld. If
996 the property located at 951 American Way in Paradise becomes available for lease
997 from the Town, Contractor agrees to lease the property at a fair market lease value.

998

999 Contractor may locate its Household Hazardous Waste (HHW), E-waste and Buy
1000 Back facility as well as its customer service and office functions at the C.O.V.E.
1001 property and building or another location within the Town limits, subject to
1002 obtaining the necessary operating permits.

1003

1004 **5.02 Service Notice and Service Recipient Billing**

1005

1006 **A. Service Notice.** Contractor shall periodically prepare and distribute, a notice
1007 to each service recipient entitled or mandated to receive service under this
1008 Agreement listing Contractor's standard service rates, rates for other services,
1009 annual holiday schedule, and a general summary of services required under this
1010 Agreement to be provided service recipients. Such notice shall be in form subject
1011 to the Town's approval prior to its distribution and may be included with Billings
1012 made by Contractor.

1013

1014 **B. Billing.** Contractor shall prepare, mail and collect bills (or shall issue written
1015 receipts for cash payments) from persons receiving Collection, Disposal, and
1016 Processing services. Billing shall be performed quarterly for each Residential
1017 account. Bills shall be mailed in advance of the provision of service but no more
1018 than one (1) month in advance. The Town shall have the right to revise the billing

1019 format (size, font, frequency, etc.) and to itemize certain charges and to review the
1020 Billing procedures. The Town may also direct Contractor to insert mailers
1021 relating to service with the Billings. The mailers must fit in standard envelopes
1022 and not increase the required postage. Contractor also agrees to insert with the
1023 Billings, at the Town's expense for the incremental cost, mailers describing
1024 activities of the Town. The Town will provide not less than thirty (30) days notice
1025 to Contractor prior to the mailing date of any proposed mailing to permit
1026 Contractor to make appropriate arrangements for inclusion of the Town's
1027 materials. The Town will provide Contractor the mailers at least thirty (30) days
1028 prior to the mailing date. All Contractor generated mailers must be approved in
1029 advance by the Town with the exception of Contractor's quarterly newsletter.

1030
1031 Contractor shall maintain, for inspection by the Town, copies of said Billings and
1032 receipts, in chronological order, for a period of three (3) years after the date of
1033 service. Contractor may, at its option, maintain those records in computer form,
1034 on microfiche, or in any other manner, provided that the records can be preserved
1035 and retrieved for inspection and verification in a timely manner.

1036
1037 The Town shall establish, by resolution, rates for the types of service provided.
1038 Contractor shall bill and Collect at those rates. Service recipients will be
1039 considered delinquent sixty (60) days after start of the quarter in which the
1040 services are provided. Contractor may discontinue service to any account, if
1041 payment is not received by Contractor within thirty (30) days after the end of the
1042 quarter in which the bill was issued. Contractor must provide all accounts with
1043 written notice of its intent to discontinue service at least thirty (30) days prior to
1044 such discontinuance.

1045
1046 The Town agrees to allow customers subscribing to 35 gallon can - Senior service
1047 as of November 1, 2006, to continue to receive a discounted senior rate. Customer
1048 will provide proof of eligibility by providing a November 2006 disposal services
1049 invoice and a document verifying their age is 65 or older.

1050
1051 Contractor agrees to offer residential customers a Service Suspension for a
1052 minimum of four weeks up to six months. Contractor may establish a minimum
1053 charge subject to the approval of the Town. Each Single Family Dwelling shall be
1054 allowed two Service Suspensions per calendar year for a maximum of six months.

1055
1056 **C. Contractor as Billing Agent.** Contractor shall act as Billing agent on behalf of
1057 the Town. Revenues collected on behalf of the Town shall be handled as
1058 described in Article 3 of this Agreement.

1059
1060 **D. Review of Billings.** Contractor shall review its Billings to service recipients
1061 under Section 5.02.B. The purpose of the review is to determine that the amount
1062 which Contractor is billing each service recipient is correct in terms of the level of
1063 service (i.e., frequency of Collection, size of container, location of container) being

1064 provided to such service recipient by Contractor. Contractor shall review service
1065 recipient accounts not less than every other year, unless the Town shall direct
1066 Contractor to do so annually, and submit to the Town a written report of that
1067 review annually on the anniversary of the effective day of this Agreement. The
1068 intent of this Section 502.D is for the Town to receive reports on an annual basis
1069 which will cover the entire list of service recipients every other year. The scope of
1070 the review and the reviewer's work plan shall be submitted to the Town for
1071 approval no later than six (6) months before the submission of the first report.
1072

1073 **5.03 Service Recipient Complaint Resolution.**

1074
1075 **A. Complaint Documentation.** All service Complaints shall be directed to
1076 Contractor. Daily logs of Complaints concerning Collection of Solid Waste,
1077 Recyclable Materials, and Yard Waste shall be retained for a minimum of thirty-
1078 six (36) months and shall be available to the Town at all times upon twenty-four
1079 (24) hour notice.

1080
1081 Contractor shall log all Complaints received by telephone and said log shall
1082 include the date and time the Complaint was received, name, address and
1083 telephone number of caller, description of Complaint, employee recording
1084 Complaint and the action taken by Contractor to respond to and remedy
1085 Complaint.

1086
1087 All Complaints and inquiries shall be date-stamped when received and shall be
1088 initially responded to within one (1) business day of receipt. Contractor shall log
1089 action taken by Contractor to respond to and remedy the Complaint.

1090
1091 All service records and logs kept by Contractor shall be made available to the
1092 Town upon request and at no cost to the Town. The Town shall, at any time
1093 during regular Contractor business hours, have access to Contractor's Facilities,
1094 records and personnel for purposes that may include monitoring the quality of
1095 service or researching Complaints.

1096
1097 **B. Resolution of Complaints.**

1098
1099 **1. Scope.** The provisions of this Section 5.03.B.1 shall govern the procedure
1100 for reviewing Complaints. The provisions of this Section are not exclusive,
1101 are cumulative, and are in addition to any and all other remedies which
1102 may accrue to the Town as a result of Contractor's performance or failure
1103 to perform its duties and obligations, express or implied, hereunder, or
1104 otherwise as a result of Contractor's actions in violation of this Agreement.

1105
1106 Nothing in this Section 5.03.B is intended to affect the remedies of third
1107 parties against Contractor; nor will the imposition of service recipient

1108
1109
1110
1111
1112
1113
1114
1115
1116
1117
1118
1119
1120
1121
1122
1123
1124
1125
1126
1127
1128
1129
1130
1131
1132
1133
1134
1135
1136
1137
1138
1139
1140
1141
1142
1143
1144
1145
1146
1147
1148
1149
1150
1151
1152

charges prevent the imposition of liquidated damages by the Town pursuant to Section 11.03.

2. **Town Administrator's Review.** All Complaints received or initiated by the Town shall be reviewed by the Town Administrator who shall provide copies thereof to Contractor. The Town Administrator shall review each Complaint to determine whether the Complaint can be resolved informally, or whether the formal action hereunder is warranted. If the Town Administrator determines that formal action is warranted, he or she shall give written notice to Contractor and all interested parties of a hearing to be held by the Town Administrator on each such Complaint not less than ten (10) days from the date of said notice.

At the Town Administrator's hearing on the Complaint, Contractor may present its response thereto, including, but not necessarily limited to, a written response including supporting documents. Within ten (10) days following the hearing, the Town Administrator shall make a determination upon the Complaint. The hearing conducted by the Town Administrator shall be informal, and rules of evidence shall not apply, but the Town Administrator may hear and consider such relevant statements, documents, or other materials as he or she shall determine appropriate under the circumstances.

If the Town Administrator determines that Contractor has violated, or is in continuing violation of, its duties and obligations under this Agreement, or otherwise in violation of any of the provisions hereof, the Town Administrator may issue a Compliance Order to Contractor or may order that the Complaint shall be heard by the Town's Solid Waste Committee. In all cases in which the Town Administrator determines that the appropriate remedy should be termination or payment of compensatory damages, the Complaint shall be heard by the Town Council. If the Town Administrator orders that the Complaint shall be heard by the Town Council, he or she shall prepare a written report to the Town Council which shall state his or her findings, the basis therefore, and a recommended action.

3. **Town's Solid Waste Committee and Town Council Review.** Contractor may appeal a Compliance Order issued by the Town's Administrator to the Town's Solid Waste Committee by filing a notice of appeal with the Clerk of the Town Council within ten (10) days of the date of the Town Administrator's Compliance Order. The Clerk of the Town Council shall set the matter for hearing by the Town's Solid Waste Committee within thirty (30) days of receipt of the notice of appeal unless Contractor consents to an extension of the time for the hearing.

1153
1154
1155
1156
1157
1158
1159
1160
1161
1162
1163
1164
1165
1166
1167
1168
1169
1170
1171
1172
1173
1174
1175
1176
1177
1178
1179
1180
1181
1182
1183
1184
1185
1186
1187
1188
1189
1190
1191
1192
1193
1194
1195
1196
1197

If the Town Administrator orders a Complaint to be heard by the Town's Solid Waste Committee pursuant to this Section, the Clerk of the Town Council shall set the matter for hearing within thirty (30) days of the date of such order, unless the time for hearing is extended by consent of Contractor.

At its hearing the Town's Solid Waste Committee shall consider the Complaint anew, irrespective of whether the hearing is on appeal by Contractor or by order of the Town Administrator. If a Complaint is based upon the manner or quality of Contractor's service to service recipients or members of the public, the hearing shall be a public hearing. If a Complaint is based upon a violation of the standards and procedures implemented under this Agreement, the hearing may, but shall not necessarily, be a public hearing, as the Town Administrator shall determine.

If, upon conclusion of the hearing and consideration of any advisory findings of fact, the Town's Solid Waste Committee determines that Contractor has violated, or is in continuing violation of, any of its duties and obligations, either express or implied, under this Agreement, the Town Council may issue a Compliance Order, Termination Order for violations described in Section 11.01 C, E, F, I, J or K, or Order for Payment of Compensatory Damages, as it deems appropriate. The Town's Solid Waste Committee's decision shall be the final administrative determination, and shall be supported by written findings.

4. Remedies.

- a. **Named.** Remedies available to the Town pursuant to this Article include the issuance of a Compliance Order, Termination Order, or Order for Payment of Compensatory Damages, which terms are defined and described hereinafter. Such Orders may be issued subject to such terms and conditions as the Town Administrator (in the case of Compliance Orders) and the Town's Solid Waste Committee (in the case of all such Orders issued by it) shall deem appropriate.
- b. **Compliance Order.** A Compliance Order may be issued by the Town Administrator or the Town's Solid Waste Committee upon a determination that Contractor has violated, or is in continuing violation of, any of its duties or obligations, either express or implied, under this Agreement, and shall direct Contractor forthwith to cease such violation, and may specify, if appropriate, the time within which such violation shall be remedied, and

1198 otherwise establish terms and conditions governing compliance
1199 there under.

1200
1201 **c. Termination Order.** If the Town's Solid Waste Committee
1202 determines that Contractor has violated, or is in continuing
1203 violation of, Section 11.01 C, E, F, I, J or K under this Agreement, the
1204 Town Council may order termination of this Agreement. Such
1205 Termination Order shall be effective not less than thirty (30) days
1206 from the date of the Termination Order. Contractor shall not be
1207 entitled to any further revenues from Collection operations
1208 authorized hereunder from and after the effective date of
1209 termination.

1210
1211 **d. Order for Payment of Compensatory Damages.** If the Town's Solid
1212 Waste Committee determines that Contractor has violated, or is in
1213 continuing violation of, any of its duties or obligations, either
1214 express or implied, under this Agreement, which has caused loss of
1215 revenues to the Town, or caused the Town to incur unnecessary
1216 costs or has caused loss or damages to any Person, it may order
1217 Contractor to pay compensatory damages therefore to the Town, or
1218 to the Person so damaged.

1219
1220 **C. Government Liaison.** Contractor shall designate in writing a "Government
1221 Liaison" who shall be responsible for working with the Town Administrator
1222 and/or the Town Administrator's designated representative(s) to resolve service
1223 recipient complaints.
1224

1225 **5.04 Education and Public Awareness.**

1226
1227 **A. General.** Contractor acknowledges and agrees that education and public
1228 awareness are critical, key, and essential elements of any efforts to achieve
1229 diversion and effectively manage Solid and Hazardous Waste. Accordingly,
1230 Contractor agrees to take direction from the Town to explore opportunities to
1231 expand public and service recipient knowledge concerning needs and methods to
1232 reduce, reuse, and recycle Solid Waste, and to cooperate fully with the Town in
1233 this regard. Contractor's public education plan is included as Exhibit C.

1234
1235 Contractor shall perform all of the public education activities related to the
1236 transition to new services, as described in Exhibit C. These education activities
1237 shall include, but not be limited to: mailings prior to the start of service, flyers
1238 handed out, follow-up mailings or hand-outs related to the new services,
1239 commercial advertising, and the mailing and hand-outs of The Town's
1240 newsletters upon request.
1241

1242 B. **Content Approval.** Contractor shall make available to the Town, and the
1243 Town shall approve prior to its use, all public educational materials used by
1244 Contractor. At a minimum, Contractor materials will describe the specific types of
1245 Recyclable Materials and Yard Waste, explain how to prepare materials for
1246 Collection, and explain how, where, and when to set out Containers for
1247 Collection.

1248
1249 All public educational materials shall be printed on or manufactured from
1250 recycled materials and contain the highest practical level of post-consumer
1251 content. Contractor's primary educational materials shall be available in English.
1252 Contractor may produce materials in additional languages for which there is a
1253 demand.

1254
1255 C. **Community Events.** At the direction of the Town, Contractor shall participate
1256 in and promote diversion techniques at community events and local activities.
1257 Such participation would normally include providing, without cost, educational
1258 and publicity information promoting the goals of the Town's waste reduction and
1259 recycling programs.

1260
1261 D. **Notification to New Service Recipients.** Immediately upon request for new
1262 service, Contractor shall notify the new service recipients of the Recyclable
1263 Materials and Yard Waste Collection services offered by Contractor. At the
1264 Town's request, such notification shall be available in languages other than
1265 English.

1266
1267 **5.05 Waste Generation/Characterization Studies.**

1268 Contractor acknowledges that the Town may perform Solid Waste generation and
1269 characterization studies periodically. Contractor agrees to participate and cooperate
1270 with the Town and their agents and to accomplish studies and data collection and
1271 prepare reports, as needed, to determine weights and volumes of Solid Waste and
1272 characterize Solid Waste generated, disposed, transformed, diverted or otherwise
1273 handled/processed to satisfy AB 939 requirements.

1274
1275 **5.06 Local Purchases**

1276
1277 Contractor shall purchase, at a minimum, the following supplies and services with
1278 the Town and if they are available within the Town limits:

- 1279
1280 a. Vehicle supplies(fuel, tires, service parts, etc)
1281 b. Office and facility supplies
1282 c. Printing/publishing
1283 d. Uniforms
1284 e. Banking
1285 f. Insurance
1286

1287 **5.07 Vegetative Waste Collection Transfer Station**

1288

1289 Contractor shall operate and manage the Town's Vegetative Waste Collection
1290 Transfer station if requested by the Town. During its first year of operation
1291 Contractor agrees to operate the facility at the current established gate rate or at a
1292 rate approved and agreed upon by the Town Manager in accordance with Section
1293 "5" of the services agreement between Waste Management Inc. and the Town. Gate
1294 rates in subsequent years may be determined for adjustment by the Town Manager
1295 based upon an annual review of operations costs factors such as, but not limited to,
1296 current market for biomass fuels, Neal Road Landfill gate fees, CPI index, etc. The
1297 Town agrees to indemnify and hold harmless Contractor for past environmental
1298 liabilities and clean-up costs associated with known contamination at the facility.

1299

ARTICLE 6
CONTRACTOR'S RATES

1300
1301
1302
1303 **6.01 General.**

1304
1305 **A. Rate Resolution.** The Town shall establish by resolution the maximum rates
1306 for the services provided by Contractor. The Town shall have the right to
1307 structure those rates as it deems appropriate so long as the revenues paid to the
1308 Contractor from charging such rates can reasonably be expected to generate
1309 sufficient revenues to provide for Contractor's Compensation.
1310

1311 **B. Full and Complete Compensation.** Contractor's Compensation provided for
1312 in this Article 6 shall be the full, entire and complete compensation due to
1313 Contractor pursuant to this Agreement for all labor, equipment, materials and
1314 supplies, taxes, insurance, bonds, overhead, profit, and all other things necessary
1315 to perform all the services required by this Agreement in the manner and times
1316 prescribed.
1317

1318 **C. Consulting and Legal Fees.** The Town has incurred consulting and legal costs
1319 associated with the Request for Proposal, negotiations for this Agreement and
1320 assistance with rate setting. Contractor shall reimburse the Town these costs
1321 within thirty (30) days from the Effective Date of this Agreement. These costs
1322 shall not be passed through to the ratepayers via the rates but shall be taken out
1323 of the Contractor's anticipated net profits. The Contractor shall allow an
1324 independent audit, if desired by the Town, or agree to some other method of
1325 determining the costs were not passed through to the ratepayers.
1326

1327 The Town may incur costs, including consulting and legal fees, when determining
1328 adjustments to the Contractor's Compensation for which the Town shall require
1329 the Contractor to reimburse to it such costs within thirty (30) calendar days of
1330 receipt of the Town's invoice for such costs. The Contractor shall recover such
1331 costs through the Contractor's Compensation by treating it as an allowable Pass-
1332 Through Cost as described in Section 6.04.B.4.f. and amortized over the remaining
1333 term of the Agreement.
1334
1335

1336 **6.02 Initial Rates.**

1337
1338 **Solid Waste, Recyclable Materials and Yard Waste.** Contractor's maximum rates for
1339 the initial eight (8) months of this Agreement (i.e., from May 1, 2007 to December 31,
1340 2007) shall be based on the "Solid Waste Collection Rate Schedule" provided in
1341 Exhibit F. The revenue from such rates properly charged shall be the complete
1342 compensation due Contractor for the services performed by the Contractor in
1343 accordance with this Agreement. Estimated Contractor Compensation for the first
1344 rate period is \$2,475,717 (8/12 of \$3,713,576) based upon Contractor's proposal.

1345
1346
1347
1348
1349
1350
1351
1352
1353
1354
1355
1356
1357
1358
1359
1360
1361
1362
1363
1364
1365
1366
1367
1368
1369
1370
1371
1372
1373
1374
1375
1376
1377
1378
1379
1380
1381
1382
1383
1384
1385
1386
1387
1388
1389

6.03 Subsequent Rates for Rate Years Two through Four, Rate Years Six through Thirteen.

- A. General.** For each Rate Year beginning with Rate Year Two (i.e., from January 1, 2008 to December 31, 2008), rates shall be adjusted as described below. For purposes of this calculation, rates shall be composed of three (3) components: a Collection Rate, a Disposal Rate, and a Franchise Fee.
- B. Collection Rate Adjustment.** The monthly Solid Waste Collection Rate, monthly Recycling Collection Rate, monthly Yard Waste Collection Rate, roll-off haul charge, and other miscellaneous charges shall be adjusted upward or downward to reflect seventy-five percent (75%) of the change in the "California Statewide, Consumer Price Index, All Items, 1982-84 = 100 for All Urban Consumers (CPI-U);" for the most recent twelve (12) month period ending December 31, as published by the U.S. Department of Labor, Bureau of Labor Statistics. No monthly Collection Rate increase shall exceed five percent (5%) per annum.
- C. Disposal Rate Adjustment.** The Disposal Rate shall be adjusted based upon the percentage change in the gate rate at the Designated Disposal Site.
- D. Franchise and Other Fee Adjustment.** The Franchise Fee component shall be calculated by adding the Collection Rate and the Disposal Rate (as calculated in Section 6.03.C above) and multiplying the resulting total by 0.0753. The Other Fee component is composed of charges for the Vehicle Impact Fee and other miscellaneous fees, as determined by the Town.
- E. Contractor's Application.** By September 1, of each year, the Contractor shall submit a Request for Adjustment to Rates for the Solid Waste Collection Rate Schedule. This request shall be prepared in accordance with the procedures and submitted in a form as described in Exhibit E.
- F. Determination of Adjustment to Rates.** The Town, or their representative, will review the Contractor's Request for Adjustment to Rates for compliance with this Agreement, accuracy, and reasonableness. The Town shall use its best efforts to make the adjustment effective by January 1st of each Rate Year. However, the Town shall not make any retroactive adjustments to compensate for any delay in calculating the adjustment to rates which results from the failure of the Contractor to submit its request by September 1, of each year and/or respond promptly and completely to requests of the Town for information related to any of the calculations required by this Section or from appeals of the determination to the Town which extends the process of determination. The revenue from such rates properly charged shall be the complete compensation due Contractor for the services performed by the Contractor in accordance with this Agreement.

1390

1391 **6.04 Rates for Rate Year Five.**

1392

1393

1394

1395

1396

1397

1398

1399

1400

1401

1402

1403

1404

1405

1406

1407

1408

1409

1410

1411

1412

1413

1414

1415

1416

1417

1418

1419

1420

1421

1422

1423

1424

1425

1426

1427

A. Contractor's Application. Contractor shall submit an application on June 1 of Rate Year Four requesting the amount of Contractor's Compensation for Rate Year Five. The application shall be based on the Contractor's actual revenues and expenses for Rate Year Three (its supplementary information contained in Contractor's cost proposal, which is contained in Contractor's Proposal); audited financial statements for Rate Year Three; and actual and forecasted costs of Contractor's operations for Rate Years Four and Five; and such application shall be prepared in accordance with this Section. Audited financial statements shall be submitted in accordance with requirements of Section 8.02.B.4. Contractor's application shall also include supplemental schedules, which include the data requested in Section 8.02.C, for the most recent audited Rate Year and for the most recently completed 12 months. The Town may request additional information as part of their review.

The application shall be submitted in the format and shall calculate Contractor's Compensation in the manner described in Section 6.04.B below. Contractor shall assemble, provide, and submit such information that is necessary to support the assumptions made by Contractor with regard to the assumptions underlying the forecasted Contractor's Compensation for Rate Year Five.

Contractor shall provide all information requested by the Town during its review of the application, including, but not limited to, all information from related parties requested by the Town regarding any transactions between Contractor and any Related-Party Entity pertaining to Contractor's performance under this Agreement.

B. Determination of Contractor's Compensation. The Town, or its representative, shall review Contractor's application for compliance with this Agreement, accuracy, and reasonableness. The application shall clearly document Contractor's calculation of Contractor's Compensation based on the methodology described in this Section 6.04.B.

Contractor's Compensation shall equal the sum of forecasted annual cost of operations, profit, and forecasted Pass-Through Costs, each of which shall be calculated in accordance with procedures set forth below.

1. Forecasted Annual Cost of Operations. The forecasted annual cost of operations consists of the sum of:

a. Forecasted labor-related costs

b. Forecasted vehicle-related costs

1430

1431

- 1432 c. Forecasted Recyclable Materials Processing costs
- 1433 d. Forecasted other costs
- 1434 e. Forecasted depreciation expense.

1435 **2. Methodology for Forecasting Annual Cost of Operations**

- 1436 a. Determine Actual Costs. Contractor's audited financial statement
- 1437 shall be reviewed to determine Contractor's actual costs necessary to
- 1438 perform all the services in the manner required by this Agreement
- 1439 for each of the forgoing categories during Rate Year Three. The
- 1440 Contractor's auditor shall determine that costs have actually been
- 1441 incurred and have been assigned to the appropriate cost category.

- 1442 b. Calculate Adjusted Costs. Contractor shall adjust actual costs for
- 1443 Rate Year Three (determined in Section 6.04.B.2.a) above to ensure
- 1444 that non-allowable costs are not included in actual costs. Non-
- 1445 allowable costs include the following:
 - 1446 i. Labor and equipment costs for personnel and vehicles that
 - 1447 are not specified in Exhibit H.

 - 1448 ii. Payments to directors and/or owners of Contractor unless
 - 1449 paid as reasonable compensation for services actually
 - 1450 rendered.

 - 1451 iii. Promotional advertising, entertainment, and travel expenses
 - 1452 (above \$5,000 annually in total) unless authorized in advance
 - 1453 by the Town.

 - 1454 iv. Payments to repair damage to property of third parties or the
 - 1455 Town for which Contractor is legally liable.

 - 1456 v. Fines for penalties of any nature.

 - 1457 vi. Liquidated Damages assessed under this Agreement.

 - 1458 vii. Federal or State income taxes.

 - 1459 viii. Charitable or political donations.

- 1460
1461
1462
- ix. Depreciation or interest expense for Collection vehicles, Containers, other equipment, offices and other facilities if such items are leased as specified in Exhibit E.
- 1463
1464
1465
1466
- x. Attorney's fees and other expenses incurred by Contractor in any court proceeding in which the Town and Contractor are adverse Parties, unless Contractor is the prevailing Party in such proceeding.
- 1467
1468
1469
- xi. Attorney's fees and other expenses incurred by Contractor arising from any act or omission in violation of this Agreement.
- 1470
1471
1472
1473
1474
1475
1476
1477
1478
1479
1480
1481
- xii. Attorneys' fees and other expenses incurred by Contractor in any court proceeding in which Contractor's own negligence, violation of law or regulation, or wrong doing are in issue and occasion, in whole or in part, the attorneys' fees and expenses claimed; and attorneys' fees and expenses incurred by Contractor in a court proceeding in which the legal theory or statute providing a basis of liability against Contractor also provides for separate potential liability for the Authority derived from the action of its citizens or rate payers (such as in a CERCLA lawsuit) unless the Contractor is found not liable in such claims and such claims arise from acts or occurrences within the Term of the Agreement.
- 1482
1483
1484
1485
- xiii. Payments to Related-Party Entities for products or services, in excess of the cost to the Related-Party Entities for those products or services, except for Recyclable Materials processing.
- 1486
- xiv. Goodwill.
- 1487
- xv. Unreasonable profit sharing distributions.
- 1488
1489
1490
- xvi. Replacement costs for Carts, Bins, or Drop Boxes that need to be replaced because the useful life of such Container was less than the Term.

- 1491 **xvii.** Administrative costs greater than the administrative costs
1492 proposed for Rate Year One adjusted using the consumer
1493 price index described in Section 6.03.B.
- 1494 **xviii.** Bad debt write-offs in excess of .5% of annual rate
1495 revenues.
- 1496 **c.** Adjust Costs to Reflect Change to Customer Base and Program
1497 Changes. The Contractor may propose adjustments to the actual
1498 costs for Rate Year Three for the following reasons:
- 1499 **i.** To adjust costs that Contractor has demonstrated to the Town
1500 to be necessary in order to provide service to Customers due
1501 to growth or decline in the Customer base (based on the
1502 number of Customers and subscription level).
- 1503 **ii.** To adjust for changes in costs due to the Town approved
1504 interim compensation adjustment as described in Section 6.07
1505 that will carry forward into the following Rate Year.
- 1506 **d.** Summarize Allowed Costs. The adjusted costs for Rate Year Three
1507 determined in accordance with Section 6.04.B.2.c shall be considered
1508 "Allowed Costs" for the purposes of forecasting costs for Rate Year
1509 Five following procedures described in Section 6.04.B.2.e and shall
1510 be presented in cost categories which are consistent with Rate Year
1511 Three cost categories as follows:
- 1512 **i.** Allowed labor-related costs
- 1513 **ii.** Allowed vehicle-related costs
- 1514 **iii.** Allowed recycling materials processing costs
- 1515 **iv.** Allowed other costs
- 1516 **e.** Forecast Annual Cost of Operations. Forecasted annual cost of
1517 operations for Rate Year Five shall be calculated using allowed costs
1518 of operations for Rate Year Three determined in Sections 6.04.B.2.a
1519 through 6.04.B.2.d above, adjusted to reflect the impact of consumer
1520 price indices, , and forecasted depreciation expenses. The forecasts
1521 shall be performed in the following manner:

- 1522
1523
1524
1525
1526
1527
1528
1529
1530
1531
1532
- i. Forecasted labor-related costs shall be calculated for Rate Year Five by multiplying (i) the Allowed labor-related costs for Rate Year Three by one plus 75% of the percentage change in the "California Statewide, Consumer Price Index (All Urban Consumers; 1982-84=100)," which is compiled and published by the U. S. Department of Labor, Bureau of Labor Statistics or its successor agency, between the most-recently-published monthly index at the time of the application and the corresponding monthly index published 12 months earlier, and (ii) multiplying the result of step one by the same percentage change used in step one.
- 1533
1534
1535
1536
1537
1538
1539
1540
1541
1542
1543
- ii. Forecasted vehicle-related costs shall be calculated for the Rate Year Five by (i) multiplying the Allowed vehicle-related costs for Rate Year Three by one plus the percentage change in the "California Statewide, Consumer Price Index (All Urban Consumers; 1982-84=100)," which is compiled and published by the U. S. Department of Labor, Bureau of Labor Statistics or its successor agency, between the most-recently-published monthly index at the time of the application and the corresponding monthly index published 12 months earlier, and (ii) multiplying the result of step one by the same percentage change used in step one.
- 1544
1545
1546
1547
1548
1549
1550
1551
1552
1553
1554
1555
1556
1557
- iii. Forecasted Recyclable Materials Processing costs shall be calculated for Rate Year Five by (i) multiplying Allowed recycle materials processing cost for Rate Year Three divided by actual recycled tons for Rate Year Three multiplied by one plus 75% of the percentage change in the "California Statewide, Consumer Price Index (All Urban Consumers; 1982-84=100)," which is compiled and published by the U. S. Department of Labor, Bureau of Labor Statistics or its successor agency, between the most-recently-published monthly index at the time of the application and the corresponding monthly index published 12 months earlier, (ii) multiplying the result of step one by the same multiplier used in step one, and (iii) multiplying the result of step two times the total Tons of Recyclable Materials Collected for the

1558 most-recently reported twelve month Year adjusted to reflect
1559 change to customer base and program changes).

1560 iv. Forecasted other costs shall be calculated for the Rate Year
1561 Five by (i) multiplying the allowed other-related costs for
1562 Rate Year Three by 1 one plus 75% of the percentage change
1563 in the "California Statewide, Consumer Price Index (All
1564 Urban Consumers; 1982-84=100)," which is compiled and
1565 published by the U. S. Department of Labor, Bureau of Labor
1566 Statistics or its successor agency between the most-recently-
1567 published monthly index at the time of application and the
1568 corresponding monthly index published 12 months earlier,
1569 and (ii) multiplying the result of step one by the same
1570 percentage change used in step one.

1571 v. Forecasted depreciation expense shall be the amount
1572 specified in Exhibit H for vehicles, Containers, and facilities.

1573 vi. Forecasted annual cost of operations for Rate Year Five shall
1574 equal the sum of the following costs, which shall have been
1575 calculated in accordance with procedures in this Section

1576 6.04.B.2.e:

- 1577 (1) Forecasted labor-related costs
- 1578 (2) Forecasted vehicle-related costs
- 1579 (3) Forecasted Recyclable Materials Processing costs
- 1580 (4) Forecasted other costs
- 1581 (5) Forecasted depreciation expense

1582 3. **Calculate profit.** Contractor shall be entitled to profit on forecasted annual
1583 costs of operations. Profit shall be calculated by dividing the forecasted
1584 annual cost of operations, which shall be determined in accordance with
1585 procedures described in Section 6.04.B.2.e.vi above, by 90.5% and
1586 subtracting the forecasted annual costs of operations from the dividend.

1587 4. **Forecast Pass-Through Costs.** Contractor's Compensation shall include
1588 Pass-Through Costs as calculated below:

1589 a. Forecasted Disposal cost. Annual forecasted Disposal cost =
1590 (Disposal fee at Designated Landfill) x (total Tons of Solid Waste
1591 Collected for the most-recently reported twelve-month Year).

- 1592 b. Forecasted interest expense. Forecasted interest expense shall be
1593 amount specified in accordance with Exhibit H.
- 1594 c. Forecasted lease cost. Forecasted lease cost shall be the amount
1595 specified in Exhibit H for vehicles, equipment, Containers, and
1596 facilities.
- 1597 d. Forecasted regulatory fees. The forecasted regulatory fees shall be
1598 calculated in accordance with the appropriate methodology for the
1599 relevant fees using forecasted Rate Year Five values.
- 1600 e. Forecasted Franchise Fees, Vehicle Impact Fees, and other fees. The
1601 forecasted Franchise Fees, Vehicle Impact Fees, and other fees
1602 specified in Exhibit D shall be calculated using forecasted Rate Year
1603 Five values.
- 1604 f. Compensation Review Fee. An amount agreed-upon by the Town
1605 and Contractor to reimburse the Contractor payment of the Town's
1606 costs, including consulting and legal fees, associated with
1607 determination of the Contractor's Compensation under this Article.
- 1608 5. Determine Contractor's Compensation for Rate Year Five. Contractor's
1609 Compensation necessary to perform all the services in the manner required
1610 by this Agreement for Rate Year Five shall be equal to the sum of the
1611 following:
- 1612 a. Forecasted annual cost of operations (determined in accordance
1613 with Section 6.04.B.2e above)
- 1614 b. Profit (determined in accordance with Section 6.04.B.3 above)
- 1615 c. Forecasted Pass-Through Costs (determined in accordance with
1616 Section 6.04.B.4 above).

1617 The Contractor's Compensation for Rate Year Five shall be the only compensation
1618 due to Contractor for such Rate Year. No adjustments for actual costs shall be made
1619 at the conclusion of Rate Year Five or at any other time during the Agreement.

1620

1621 **6.05 Variances from Projections**

1622 The Contractor assumes all risk of variations from the revenue projection such that
1623 the Contractor shall retain any revenue from actual revenue being greater than
1624 projected but shall not be compensated for actual revenue being less than projected.

1625 In addition, calculations of the rates shall not be adjusted for past variances of actual
1626 revenues from those projected.

1627

1628 **6.06 Schedule**

1629 The Contractor shall submit its annual Calculation of Rate Adjustment on or before
1630 September 1 of each year for the following Rate Year and on or before June 1 for Rate
1631 Year Five. The Town shall use their best efforts to make the adjustment effective by
1632 January 1 of the following year. However, the Town shall not make any retroactive
1633 adjustments to compensate for any delay in calculating the rates which results in
1634 whole or in part from the failure of the Contractor to submit its request by September
1635 1 (June 1 for Rate Year Five) and/or respond promptly and completely to requests of
1636 the Town for information related to any of the calculations required by this Section.
1637 The Town shall make retroactive CPI adjustments calculated in accordance with
1638 Section 6.03 and Section 6.04 to compensate for any delay in processing and
1639 approving the calculation of the Rate Adjustment that is the sole responsibility of the
1640 Town.

1641

1642 **6.07 Interim Rate Adjustment.**

1643 In the event the Town directs the Contractor to change its operations in accordance
1644 with Section 2.07 of this Agreement or in the event of an extraordinary or
1645 unanticipated event including a change in law and such adjustment materially affects
1646 the Contractor's cost of operations, then the Contractor or the Town may submit a
1647 request for an interim rate adjustment. In such case, the Contractor shall provide the
1648 Town with its calculations of the impact of the change in a format approved by the
1649 Town. Any proposed change in the approved Rates shall be subject to the Town's
1650 review and approval. Nothing in this Section 6.07 shall be construed to require the
1651 Town to accept the Contractor's calculations as correct. Adjustments to fees
1652 associated with the processing or marketing of Recyclable Materials or Yard Waste
1653 are not subject to an interim compensation adjustment. The Contractor assumes all
1654 risk associated with any changes to the cost of processing or marketing of Recyclable
1655 Materials or Yard Waste.

ARTICLE 7
REVIEW OF SERVICES AND PERFORMANCE

1656
1657
1658
1659
1660
1661
1662
1663
1664
1665
1666
1667
1668
1669
1670
1671
1672
1673
1674
1675
1676
1677
1678
1679
1680
1681
1682
1683
1684
1685
1686
1687
1688
1689
1690
1691
1692
1693
1694
1695
1696
1697
1698
1699
1700

7.01 Performance Hearing.

The Town may hold a public hearing on or about the first anniversary date of this Agreement and on or about each subsequent anniversary, at which time Contractor shall be present and shall participate, to review its services and overall performance. The purpose of the hearing is to provide for a discussion and review of technological, economic, and regulatory changes in Collection, waste reduction, Recycling, Yard Waste diversion, processing and Disposal to achieve a continuing, advanced Solid Waste Collection, waste reduction and diversion system; and to ensure services are being provided with adequate quality, effectiveness and economy.

Within forty-five (45) days after receiving notice from the Town of a Solid Waste performance review hearing, Contractor shall, at a minimum, submit a report to the Town indicating changes recommended and/or new services to improve the Town's ability to meet the Town's waste reduction and recycling obligations and goals and to contain costs and minimize impacts on rates.

The reports required by this Agreement regarding service recipient Complaints shall be used as one basis for review. Contractor may submit other relevant performance information and reports for consideration. The Town may request Contractor to submit specific information for the hearing. In addition, any service recipient may submit comments or Complaints during or before the hearing, either orally or in writing, and these shall be considered.

Topics for discussion and review at the Solid Waste performance hearing shall include, but shall not be limited to, services provided, feasibility of providing new services, application of new technologies, service recipient Complaints, amendments to this Agreement, developments in the applicable laws and regulations, new initiatives for meeting or exceeding waste reduction and recycling goals, regulatory constraints and Contractor performance. The Town and Contractor may each select additional topics for discussion at any performance review hearing.

Not later than sixty (60) days after the conclusion of each performance hearing, the Town may issue a report. As a result of the review, the Town may require Contractor to provide expanded or new services within a reasonable time and for reasonable rates and compensation and the Town may direct Contractor to take corrective actions for any performance inadequacies.

7.02 Annual Diversion Program Review.

Beginning on the Effective Date of the Agreement, and then on an annual basis thereafter, Contractor shall meet with the Town to describe the progress of each active diversion program. Contractor should document the results of the programs on a monthly basis, including at a minimum the tonnage diverted by material type,

1701 the end use or processor of the diverted materials and the cost per ton for
1702 transporting and processing each type of material and other such information
1703 requested by the Town or any other government entity as may be necessary to
1704 evaluate the performance of each program.

1705
1706 At each annual meeting, the Town and Contractor shall have the opportunity to
1707 revise a program based on mutually agreed upon terms. The Town shall have the
1708 right to terminate a program if in its sole discretion, the Contractor is not cost
1709 effectively achieving the program's goals and objectives. Prior to such termination,
1710 the Town shall meet and confer with the Contractor for a period of up to 90 days to
1711 resolve the Town's concerns. Thereafter, the Town may utilize a third party to
1712 perform these services if the Town reasonably believes the third party can improve
1713 on Contractor's performance and/or cost. Notwithstanding these changes,
1714 Contractor shall continue the program during the meet and confer period and,
1715 thereafter, until the third party takes over the program.
1716

1717
1718
1719
1720
1721
1722
1723
1724
1725
1726
1727
1728
1729
1730
1731
1732
1733
1734
1735
1736
1737
1738
1739
1740
1741
1742
1743
1744
1745
1746
1747
1748
1749
1750
1751
1752
1753
1754
1755
1756
1757
1758
1759

ARTICLE 8
RECORDS, REPORTS AND INFORMATION REQUIREMENTS

8.01 General.

Contractor shall conduct data collection, information and record keeping, and reporting activities needed to comply with and to meet the reporting and Solid Waste program management needs of the Town (including AB939) and other Federal and State and local laws and regulations and the requirements of this Agreement. To this extent, such requirements set out in this and other Articles of this Agreement shall not be considered limiting or necessarily complete. In particular, this Article is intended to only highlight the general nature of records and reports and their minimum content and is not meant to comprehensively define what the records and reports are to be and their content. Further, with the written direction or approval of Town, the records and reports to be maintained and provided by Contractor in accordance with this and other Articles of the Agreement shall be adjusted in number, format, or frequency. Records and reporting may be revised to reflect current record keeping and reporting.

8.02 Records.

A. General. In order to administer this Agreement it is necessary for Contractor to maintain accurate, detailed financial and operational information in a consistent format and to make such information available to the Town in a timely fashion. Contractor shall maintain records required to conduct its operations, to support requests it may make to the Town, and to respond to requests from the Town in the conduct of Town's business. Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft and earthquake. Electronically maintained data/records shall be protected and backed up. All records shall be maintained for five (5) years after the expiration of this Agreement.

Contractor agrees that the records of any and all companies conducting operations addressed in the Agreement shall be provided or made available to the Town and its official representatives during normal business hours.

B. Inspection and Retention of Records.

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

1760 2. **Inspection of Records.** The Town, and/or agents selected by the Town,
1761 shall have the right, during regular business hours, to conduct
1762 unannounced on-site inspections of the records and accounting systems of
1763 Contractor and to make copies of any documents relevant to this
1764 Agreement.

1765 3. **Retention of Records.** Unless otherwise herein required, Contractor shall
1766 retain all records and data required to be maintained by this Agreement for
1767 at least five (5) years.

1768
1769 Records and data required to be maintained that are specifically directed to
1770 be retained shall be retrieved by Contractor and made available to the
1771 Town.

1772
1773 Records and data required to be maintained that are not specifically
1774 directed to be retained that are, in the sole opinion of the Town, material to
1775 establishing rates or to a determination of the Contractor's performance
1776 under this Agreement, shall be retrieved by Contractor and made available
1777 to the Town.

1778
1779 Records and data required to be maintained that are not specifically
1780 directed to be retained and that are not material to establishing rates
1781 and/or not required for the determination of the Contractor's performance
1782 do not need to be retrieved by Contractor. In such a case, however, the
1783 Town may make reasonable assumptions regarding what information is
1784 contained in such records and data, and such assumption shall be
1785 conclusive in whatever action the Town takes.
1786

1787 4. **Delivery of Financial Statements, Auditors' Reports.** Financial statements
1788 shall show Contractor's results of operations on a combined basis for the
1789 Town, including the specific revenues and expenses in connection with the
1790 operations provided for in this Agreement and others included in such
1791 financials statements. The financial statements shall be prepared in
1792 accordance with Generally Accepted Accounting Principles (GAAP). The
1793 financial statements shall be prepared by the Contractor and marked
1794 "unaudited" except for Rate Years Three, Eight and Eleven, if applicable.
1795 Such statements should include a certification by the Contractor's Chief
1796 Financial Officer. The financial statements for Rate Years Three, Eight and
1797 Eleven, if applicable, shall have been examined by and shall be
1798 accompanied by the report of an independent certified public accountant

1799 (CPA) licensed (in good standing) to practice public accounting in the State
1800 of California as determined by the State of California Consumer Affairs
1801 Board of Accountancy. Such accountant's representation shall include that
1802 it has examined the Contractor's financial statements in accordance with
1803 Generally Accepted Auditing Standards (GAAS) and the accountant's
1804 opinion that such statements have been prepared in accordance with
1805 Generally Accepted Accounting Principles (GAAP) consistently applied
1806 and fairly reflect the results of operations and Contractor's financial
1807 condition.

1808
1809 C. **Solid Waste Records.** Records shall be maintained and made available to the
1810 Town within 24 hours of written request relating to:

- 1811 1. Service recipient services and billing;
- 1812 2. Character, weight and volume of Solid Waste by type (e.g., Solid Waste,
1813 Recyclable Materials, and Yard Waste) and line of business (can/cart
1814 service, bin service, roll-off service, compactor service) especially as related
1815 to reducing and diverting Solid Waste.
- 1816 3. Routes;
- 1817 4. Facilities, equipment and personnel used;
- 1818 5. Facilities and equipment operations, maintenance and repair;
- 1819 6. Processing and Disposal of Solid Waste;
- 1820 7. Types and quantities of Hazardous Waste inadvertently Collected but
1821 diverted from landfilling;
- 1822 8. Complaints; and,
- 1823 9. Missed Pick-ups.

1824 Contractor shall maintain records of all Solid Waste Collected in the Town's
1825 Service Area for the period of this Agreement and all extensions to this
1826 Agreement or successor Agreements. In the event the Town requests certain
1827 records or Contractor discontinues providing services to the Town, Contractor
1828 shall provide all records of all Solid Waste requested to the Town within thirty
1829

1830 (30) days of discontinuing service. Records shall be in chronological and
1831 organized form and readily and easily interpreted.
1832

1833 **D. CERCLA Defense Records.** The Town views the ability to defend against
1834 CERCLA and related litigation as a matter of great importance. For this reason,
1835 the Town regards the ability to prove where Solid Waste Collected in the Service
1836 Area was taken for Transfer or Disposal, as well as where it was not taken, to be
1837 matters of concern. Contractor shall maintain data retention and preservation
1838 systems which can establish where Solid Waste Collected in the Service Area was
1839 disposed of (and therefore establish where it was not landfilled). This provision
1840 shall survive the expiration of the period during which Collection services are to
1841 be provided under this Agreement. Contractor shall maintain these records for a
1842 minimum of ten (10) years. Contractor shall provide these records to the Town in
1843 an organized and indexed manner rather than destroying or disposing of them.
1844

1845 **E. Recyclable Materials and Yard Waste Records.** Records shall be maintained
1846 for the Town that relate to:

- 1847 1. Records described in Section 8.02.C, above;
- 1848 2. Recyclable Materials, and Yard Waste Collection weekly and /or bi-weekly
1849 participation rates.
- 1850 3. Recyclable Materials sales value;
- 1851 4. Weight of material by type; and,
- 1852 5. End use and markets.

1853 **F. Other Programs' Records.** Records for other programs shall be tailored to
1854 specific needs. In general, they shall include:
1855

- 1856 1. Plans, tasks, and milestones; and,
- 1857 2. Accomplishments in terms such as dates, activities conducted, quantities of
1858 products used, produced or distributed, and numbers of participants and
1859 responses.

1860
1861 **8.03 Reports.**

1862 **A. Report Formats and Schedule.** Records shall be maintained in forms and by
1863 methods that facilitate flexible use of data contained in them to structure reports,
1864

1865 as needed. Reports are intended to compile recorded data into useful forms of
1866 information that can be used to, among other things:
1867

- 1868 1. Determine the number of subscribers to each service by service level, and
1869 the total revenues generated.
- 1870 2. Determine the total quantity of material Collected, transferred, Recycled
1871 processed and / or disposed through each program and service, by
1872 material type.
- 1873 3. Evaluate past and expected progress towards achieving the Town's
1874 diversion goals and objectives;
- 1875 4. Determine needs for adjustment to programs; and, evaluate service
1876 recipient service and Complaints.
- 1877 5. Prepare AB 939 Annual Reports and any and all other State required
1878 reports.

1879 Contractor may propose report formats that are responsive to the objectives and
1880 audiences for each report. The format of each report shall be approved by the
1881 Town. Contractor agrees to submit all reports on computer discs or by modem in
1882 a format compatible with Town's software/computers at no additional charge, if
1883 requested by the Town. Contractor will provide a certification statement, under
1884 penalty or perjury, by the responsible Contractor official, that the report being
1885 submitted is true and correct to the best knowledge of such official after their
1886 reasonable inquiry.
1887
1888

1889 Annual Reports shall be submitted not later than April 1st following the calendar
1890 year.
1891

1892 All reports shall be submitted to:

1893
1894 Town of Paradise
1895 Town Hall
1896 5555 Skyway
1897 Paradise, CA 95969
1898 Attn: Al McGreehan, Community Development Director
1899

1900 **B. Annual Reports.** Annual Reports are to include the following information, at
1901 a minimum, compiled and reported for each month of the year, and as an annual
1902 total. Annual totals are also to be provided for all previous years of the

1903
1904
1905
1906
1907
1908
1909

Agreement for purposes of comparison. The information listed below shall be the minimum reported for each service. To the extent that the requested information is not tracked directly by the Contractor or can not be specifically established due to the nature of the Contractor's operations, the Contractor shall present to the Town a proposed method for estimating the required information, the reasonableness of which shall be subject to the approval of the Town.

1910
1911
1912
1913
1914
1915
1916
1917
1918
1919
1920
1921
1922
1923
1924
1925
1926
1927
1928
1929
1930
1931
1932
1933
1934
1935
1936
1937
1938
1939
1940
1941
1942
1943
1944
1945
1946

1. Solid Waste Collection Services.

- a. Solid Waste tons Collected by Contractor, allocated between Residential cart service, Commercial cart and bin service, roll-off and compactor service.
- b. Number of subscribers by service level
- c. Subscriber data including name, address, and service level
- d. Total Gross Revenues by service level, including revenues generated by each type of "Extra Services".
- e. Number of Disabled Accounts.
- f. Number of compactor accounts, size of compactors and number and size of compactors provided by the Contractor.
- g. Number of debris-box pulls by bin size.
- h. Tons processed and recovered through each processing operation including Construction Demolition Debris Recovery Program, Material Recovery Facility and any other processing operations
- i. Complaint summary, for month and cumulative for report year, as above. Data shall be summarized by nature of Complaints on a compatible computer disc.
- j. Narrative summary of problems encountered (including scavenging) and actions taken with recommendations for the Town, as appropriate.
- k. Description of promotional and public education materials created or distributed.
- l. A summary or copy of the Hazardous Waste records required under Sections 8.02.C and 8.02.D.

1947
1948 m. Other information or reports that the Town may reasonably request
1949 or require.

1950 2. **Recyclable Materials and Yard Waste Services.** Contractor shall provide
1951 the same information as Solid Waste service, but for Recyclable Materials
1952 and Yard Waste services, Contractor shall provide:

1953 a. Total tons diverted by each program/service (e.g., Residential
1954 Curbside Recycling, Residential Yard Waste, Commercial
1955 Recycling), by material type and end use.

1956 b. Number of accounts for each program/service, number and size of
1957 Containers and total tons Recycled by material type.

1958 c. Participation and set-out rates in same format as number of
1959 accounts.

1960 d. Recyclable Materials sales revenue by material type.

1961 3. **Other Programs.** For each program, provide activity related and narrative
1962 reports on goals and milestones and accomplishments. Describe problems
1963 encountered, actions taken and any recommendations to facilitate
1964 progress. Describe vehicles, personnel, and equipment utilized for each
1965 program.

1966 4. **Summary Assessment.** Provide a summary assessment of the overall
1967 Franchised Services from Contractor's perspective relative to financial and
1968 physical status of program. The physical status summary is to report:
1969 operating efficiency, economy and effectiveness of the program relative to
1970 the goals and objectives of this Agreement including particularly the
1971 Town's diversion goals; provide recommendations and plans to improve;
1972 highlight significant accomplishments and problems.

1973 C. **AB 939 Reports.** As part of the requirements of this Agreement the Contractor
1974 shall prepare and submit all required AB 939 reports to the Town or the Butte
1975 County Regional Waste Management Authority for their submission to the
1976 California Integrated Waste Management Board, including Annual Reports,
1977 reports and other required information related to the existing Compliance Order
1978 (Tracking No: IWMA BR99-04) and any other State required reports. Reports are
1979 to comply with specified formats and are to be submitted according to the
1980 specified schedules. It is the intent of the Town for the Contractor to be

1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030

responsible for all such reporting to the Authority on behalf of the Town, unless otherwise directed by the Town.

D. Resource Recovery Plan. As part of its Annual Report to the Town described in Section 8.03.B, Contractor shall submit to the Town an annual proposal describing proposed resource recovery programs, their diversion potential and associated detailed costs for programs that Contractor believes can significantly increase diversion. Within sixty days, the Town shall respond to the Plan in writing. If the Parties reach agreement on implementation of additional programs, Contractor shall be obligated to implement those programs on a schedule and for a cost agreed to by the Parties.

E. Quarterly Reports. The Town reserves the right to require more frequent reporting by the Contractor (e.g., quarterly reports) of information for purposes of documenting progress toward meeting its AB 939 reporting requirements or other purpose deemed necessary by the Town.

8.04 Adverse Information.

A. Reporting Adverse Information. Contractor shall provide the Town two (2) copies (one to the Town Administrator, one to the Town’s Attorney) of all reports, pleadings, applications, notifications, Notices of Violation, communications or other material relating specifically to Contractor’s performance of services pursuant to this Agreement, submitted by Contractor to, or received by Contractor from, the United States or California Environmental Protection Agency, the California Integrated Waste Management Board, the Securities and Exchange Commission or any other Federal, State or local agencies, including any Federal or State court. Copies shall be submitted to the Town simultaneously with Contractor’s filing or submission of such matters with said agencies. Contractor’s routine correspondence to said agencies need not be routinely submitted to the Town, but shall be made available to the Town promptly upon the Town’s written request.

B. Failure to Report. The refusal or failure of Contractor to file any required reports, or to provide required information to the Town, or the inclusion of any materially false or misleading statement or representation by Contractor in such report shall be deemed a material breach of the Agreement as described in Section 11.01 and shall subject Contractor to all remedies which are available to the Town under the Agreement or otherwise.

8.05 Right to Inspect Records.

The Town shall have the right to inspect or review the payroll tax reports, specific documents or records required expressly or by inference pursuant to this Agreement, or any other similar records or reports of Contractor or its Related Party Entities that the Town shall deem, in its sole discretion, necessary to evaluate annual reports,

2031
2032

compensation applications provided for in this Agreement and Contractor's performance provided for in this Agreement.

ARTICLE 9
INDEMNIFICATION, INSURANCE AND BOND

2033
2034
2035
2036 **9.01 Indemnification.**

2037
2038 **A. General Indemnification.** Contractor shall indemnify, defend and hold
2039 harmless, at Contractor's sole cost and expense, the Town, its officers, employees
2040 and agents, from and against any and all loss, liability, penalty, forfeiture, claim,
2041 demand, action, proceeding or suit, of any and every kind and description,
2042 whether judicial, quasi-judicial or administrative in nature including, but not
2043 limit to, injury to and death of any Person and/or damage to property or for
2044 contribution or indemnity claimed by third parties (collectively, the "Claims"),
2045 arising out of or occasioned in any way by, directly or indirectly, Contractor's
2046 performance of, or its failure to perform, its obligations under the Agreement, but
2047 not limited to, Contractor's failure to comply with applicable laws or the
2048 Contractor's breach of its representation and warranties in this Agreement. The
2049 foregoing shall also apply if the Claim is caused by the joint negligence of the
2050 Town and Contractor, but only to the extent to Contractor's negligence. This
2051 indemnification will not extend to Claims to the extent they are caused by the sole
2052 negligence or intentional misconduct or omission of the Town. This general
2053 indemnification provision shall survive the termination of this Agreement.

2054
2055 **B. Hazardous Substance Indemnification.** Contractor shall indemnify, defend
2056 with counsel selected by the Town, protect and hold harmless the Town and their
2057 officers, directors, employees, volunteers, and agents, and member agencies, their
2058 officers, directors, employees, volunteers, and agents, (collectively, indemnitee)
2059 from and against all claims, damages (including but not limited to special,
2060 consequential, natural resources and punitive damages), injuries, costs, (including
2061 without limit any and all response, remediation and removal costs), losses,
2062 demands, debts, liens, liabilities, causes of action, suits, legal or administrative
2063 proceedings, interest, fines, charges, penalties, and expenses (including without
2064 limit attorneys' expert witness fees and costs incurred in connection with
2065 defending against any of the foregoing or in enforcing this indemnity),
2066 (Collectively, "Damages") or any kind whatsoever paid, incurred or suffered by,
2067 or asserted against, indemnitee arising from or attributable to the acts or
2068 omissions of Contractor, its officers, directors, employees, companies or agents,
2069 whether or not negligent or otherwise culpable, in connection with or related to
2070 the performance of this Agreement, including without limit damages arising from
2071 or attributable to any operations, repair, clean-up or detoxification, or preparation
2072 and implementation of any removal, remedial, response, closure, post-closure or
2073 other plan (regardless of whether undertaken due to governmental action)
2074 concerning any Hazardous Substance, Hazardous Waste, and/or construction
2075 and street debris, or other waste Collected under this Agreement. This indemnity
2076 afforded indemnitee, shall be limited only to exclude coverage for intentional
2077 wrongful acts and active negligence of indemnitee, indemnitee delivery of

2078 material to Contractor which does not conform to the descriptions of Solid Waste
2079 under this Agreement and as provided below. The forgoing indemnity is
2080 intended to operate as an agreement in recognition of §107(e) of the
2081 Comprehensive Environmental Response, Compensation and Liability Act,
2082 CERCLA, 42 USC. §9607(e) and California Health and Safety Code §25364, to
2083 defend, protect, hold harmless, and indemnify the Town from liability. This
2084 provision is in addition to all other provisions in this Agreement and is intended
2085 to survive the end of the Term of this Agreement. Nothing in this paragraph shall
2086 prevent Contractor from seeking indemnification or contribution from Persons or
2087 entities other than indemnitee, for any liabilities incurred by Contractor, or the
2088 indemnitee. As appropriate, Contractor's parent company should provide the
2089 guarantees necessary to meet this provision.
2090

2091 Should the Town contract for or direct the Disposal of Solid Waste to a Transfer
2092 Station or landfill not owned or solely operated by Contractor or an Affiliate, then in
2093 that event, Contractor's Hazardous Substances indemnification and other indemnitee
2094 shall not apply to claims, damages, legal proceedings or other liabilities arising from
2095 or relating to such non-Contractor owned or operated Transfer Station or Disposal
2096 Facility.

2097 **9.02 AB 939 Indemnification.**

2098 In addition to all other relief provided to the Town under this Agreement, Contractor
2099 agrees to indemnify and hold harmless the Town, their officers, directors, Councils,
2100 employees, and agents from and against all fines and/or penalties imposed by the
2101 California Integrated Waste Management Board in the event the source reduction
2102 and Recycling goals or any other requirement of the Act are not met by the Town
2103 with respect to the waste stream Collected under this Agreement and such failure is
2104 due to the failure of Contractor to meet its obligations under this Agreement and/or
2105 for delays in providing information that prevents the Town from submitting reports
2106 required by AB 939 in a timely manner.
2107

2108 **9.03 Insurance.**

2109
2110 **A. Minimum Scope of Insurance.** Coverage shall be at least as broad as:
2111

- 2112 1. The most recent editions of Insurance Services Office form number GL
2113 0002 covering Comprehensive or Commercial General Liability and
2114 Insurance Services Office form number GL 0404 covering Broad Form
2115 Comprehensive or Commercial General Liability; or Insurance Services
2116 Office Commercial General Liability coverage ("occurrence" form CG
2117 0001).

2118 2. The most recent editions of Insurance Services Office form number CA
2119 0001 covering Automobile Liability, code 1 "any auto" and endorsement
2120 CA 0025.

2121 3. Workers' Compensation insurance as required by the Labor Code of the
2122 State of California and Employers Liability insurance.

2123
2124 **B. Minimum Limits of Insurance.** Contractor shall maintain limits no less than:
2125

2126 1. Comprehensive General Liability: Five Million Dollars (\$5,000,000)
2127 combined single limit per occurrence for bodily injury, Personal injury and
2128 property damage.

2129 2. Automobile Liability: Five Million Dollars (\$5,000,000) combined single
2130 limit per accident for bodily injury and property damage.

2131 3. Workers' Compensation and Employers Liability: Workers' compensation
2132 limits as required by the Labor Code of the State of California and
2133 Employers Liability limits of \$1,000,000 per accident.

2134
2135 **C. Deductibles and Self-Insured Retentions.** Any deductibles or self-insured
2136 retentions are the responsibility of Contractor and shall be declared to the Town.
2137 At the option of the Town, either: the insurer shall reduce or eliminate such
2138 deductibles or self-insured retentions as respects the Town, its officials and
2139 employees, directors, agents and volunteers; or Contractor shall procure a bond
2140 guaranteeing payment of losses and related investigations, claim administration
2141 and defense expenses.

2142
2143 **D. Other Insurance Provisions.** The policies are to contain, or be endorsed to
2144 contain, the following provisions:

2145 1. General Liability and Automobile Liability Coverage

2146 a. The Town, their officials, employees, directors, agents and
2147 volunteers are to be covered as additional insured as respects:
2148 liability arising out of activities performed by or on behalf of
2149 Contractor; products and completed operations of Contractor;
2150 Premises owned, leased or used by Contractor; or automobiles
2151 owned, leased, hired or borrowed by Contractor. The coverage
2152 shall contain no special limitations on the scope of protection
2153 afforded to the Town, its officials, employees or volunteers.
2154

- 2155
2156
2157
2158
2159
2160
2161
2162
2163
2164
2165
2166
2167
2168
- b. Contractor's insurance coverage shall be primary insurance as respects the Town, its officials, directors, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officials, employees, directors, agents or volunteers shall be excess of Contractor's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officials, employees, directors, agents or volunteers.
 - d. Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 2169
2170
2171
2172
2. **Workers' Compensation and Employers Liability Coverage.** The insurer shall agree to waive all rights of subrogation against the Town, its officials, employees, directors, agents and volunteers for losses arising from work performed by Contractor for the Town.
- 2173
2174
2175
2176
2177
3. **All Coverage.** Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Town.
- 2178
2179
2180
2181
2182
2183
2184
2185
- E. **Acceptability of Insurers.** The insurance policies required by this Section shall be issued by an insurance company or companies admitted or approved non-admitted to do business in the State of California subject to the Authority of the California Insurance Commissioner and with a rating in the most recent edition of Best's Insurance Reports of size category VII or larger and a rating classification of A or better.
- 2186
2187
2188
2189
2190
2191
2192
2193
2194
- F. **Verification of Coverage.** Contractor shall furnish the Town with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy shall be signed by a Person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms provided by or acceptable to the Town and are to be received and approved by the Town before work commences. The Town reserves the right to require complete, certified copies of all required insurance policies, at any time.

2195 G. **Subcontractor.** Contractor shall include all subcontractors as insured under
2196 its policies or shall furnish separate certificates and endorsements for each
2197 subcontractor. All coverages for subcontractors shall be subject to all of the
2198 requirements stated herein.

2199
2200 H. **Required Endorsements.**
2201

2202 1. The Workers' Compensation policy shall contain an endorsement in
2203 substantially the following form:

2204
2205 "Thirty (30) days prior written notice shall be given to the Town in the event of
2206 cancellation, reduction in coverage, or non-renewal of this policy. Such notice
2207 shall be sent to:

2208 Town of Paradise
2209 Town Hall
2210 5555 Skyway
2211 Paradise, CA 95969
2212 Attn: Al McGreehan, Community Development Director
2213

2214 2. The Public Liability policy shall contain endorsements in substantially the
2215 following form:

2216
2217 a. "Thirty (30) days prior written notice shall be given to the Town in
2218 the event of cancellation, reduction in coverage, or non-renewal of
2219 this policy. Such notice shall be sent to:

2220
2221 Town of Paradise
2222 Town Hall
2223 5555 Skyway
2224 Paradise, CA 95969
2225 Attn: Al McGreehan, Community Development Director
2226

2227 b. "The Town, its officers, employees, directors, agents and volunteers
2228 are additional insured on this policy."
2229

2230 c. "This policy shall be considered primary insurance as respects any
2231 other valid and collectible insurance maintained by the Town,
2232 including any self-insured retention or program of self-insurance,
2233 and any other such insurance shall be considered excess insurance
2234 only."
2235

2236 d. "Inclusion of the Town as an insured shall not affect the Town's
2237 rights as respects any claim, demand, suit or judgment brought or
2238 recovered against Contractor. This policy shall protect the
2239 Contractor and the Town in the same manner as though a separate
2240 policy had been issued to each, but this shall not operate to increase
2241 Contractor's liability as set forth in the policy beyond the amount
2242 shown or to which Contractor would have been liable if only one
2243 party had been named as an insured."
2244

2245 I. **Delivery of Proof of Coverage.** On or before the Effective Date, Contractor
2246 shall furnish the Town with certificates of each policy of insurance required
2247 hereunder. Such certificates shall show the type and amount of coverage,
2248 effective dates, and dates of expiration of policies and shall note all required
2249 endorsements. The certificates for each policy are to be signed by a Person
2250 authorized at the insurer to bind coverage on its behalf. If at any time the Towns
2251 so requests, complete certified copies of each policy, together with all
2252 endorsements, shall also be promptly delivered to the Town. Contractor shall
2253 periodically furnish renewal certificates to the Town to demonstrate maintenance
2254 of the required coverage throughout the Term.
2255

2256 J. **Other Insurance Requirements.**
2257

2258 1. In the event any services are delegated to a subcontractor, Contractor shall
2259 require such subcontractor to provide statutory workers' compensation
2260 insurance and employer's liability insurance for all of the subcontractor's
2261 employees engaged in the work. The liability insurance required by this
2262 Section 9.03.J.1 shall cover all subcontractors or the subcontractor must
2263 furnish evidence of insurance provided it meets all of the requirements of
2264 this Section 9.03.J.1.

2265 2. Contractor shall comply with all requirements of the insurer's policies. The
2266 carrying of insurance shall not relieve Contractor from any obligation
2267 under this Agreement. If any claim is made by any third party against
2268 Contractor or a subcontractor on account of any occurrence related to this
2269 Agreement, Contractor shall promptly report the facts in writing to the
2270 insurance carrier and to the Town.

2271 3. If Contractor fails to procure and maintain any insurance by this
2272 Agreement, the Town may take out and maintain, at Contractor's expense,
2273 such insurance as the Town may reasonably deem proper in accordance
2274 with the limits set forth herein and Contractor shall reimburse the Town

2275 for the cost of such insurance within thirty days of being invoiced by the
2276 Town for such costs.

2277

2278 4. The Comprehensive General Liability insurance required by the Section
2279 shall be written on an occurrence (not accident) rather than a "claims
2280 made" basis, if such coverage is obtainable. If its is not obtainable,
2281 Contractor shall notify the Town and arrange for "tail coverage" to protect
2282 the Town from claims filed during the three years immediately following
2283 the expiration or termination of this Agreement relating to incidents which
2284 occurred prior to such expiration or termination.

2285

2286 **9.04 Letter of Credit.**

2287 Simultaneously with the execution of this Agreement, Contractor shall file with the
2288 Town an irrevocable letter of credit in a form approved by the Town Attorney
2289 securing Contractor's performance of its obligations under this Agreement and shall
2290 maintain such letter of credit on an annual basis and shall be annually renewed
2291 thereafter throughout the Term of this Agreement. The Town shall have the right to
2292 make draws from the letter of credit if Contractor breaches this Agreement. The
2293 principal sum of the letter of credit shall be \$100,000.00.

2294

2295

ARTICLE 10
TOWN'S RIGHT TO PERFORM SERVICE

2296
2297
2298
2299 **10.01 General.**

2300 In the event that Contractor, for any reason whatsoever, fails, refuses or is unable to
2301 Collect or transport any or all Solid Waste, Recyclable Materials, and Yard Waste
2302 which it is required by this Agreement, at the time and in the manner provided in
2303 this Agreement, for a period of more than forty-eight (48) hours, and if, as a result
2304 thereof, Solid Waste, Recyclable Materials, and Yard Waste should accumulate in the
2305 Service Area to such an extent, in such a manner, or for such a time that the Town
2306 should find that such accumulation endangers or menaces the public health, safety or
2307 welfare, then the Town shall have the right, but not the obligation, upon twenty-four
2308 (24) hour prior written notice to Contractor during the period of such emergency as
2309 determined by the Town, (1) to perform, or cause to be performed, such services
2310 itself with its own or other personnel without liability to Contractor; and/or (2) to
2311 take temporary possession of any or all of Contractor's land, equipment and other
2312 property used or useful in the Collection and transportation of Solid Waste,
2313 Recyclable Materials, and Yard Waste, and to use such property to Collect and
2314 transport any Solid Waste, Recyclable Materials, and Yard Waste generated within
2315 the Service Area which Contractor would otherwise be obligated to Collect and
2316 transport pursuant to this Agreement.
2317

2318 If Solid Waste, Recyclable Materials, and Yard Waste accumulates in the Service Area
2319 to such an extent, in such a manner or for such a time that the Town finds that such
2320 accumulation represents an immediate danger or menace to the public health safety
2321 or welfare, the Town shall not be required to provide the twenty-four (24) hour prior
2322 written notice set forth above in order to take the above actions.
2323

2324 Notice of Contractor's failure, refusal or neglect to Collect and transport Solid Waste,
2325 Recyclable Materials, and Yard Waste may be given orally by telephone to
2326 Contractor at its principal office and shall be effective immediately. Written
2327 confirmation of such oral notification shall be sent to Contractor within twenty-four
2328 (24) hours of the oral notification.
2329

2330 Contractor further agrees that in such event:

- 2331
- 2332 A. It will take direction from the Town to affect the transfer of possession of
2333 equipment and property to the Town for its use.
 - 2334
 - 2335 B. It will, if the Town so requests, keep in good repair and condition all of such
2336 equipment and property, provide all motor vehicles with fuel, oil and other
2337 service, and provide such other service as may be necessary to maintain said
2338 property in operational condition.
2339

2340 C. The Town may immediately engage all or any personnel necessary or useful
2341 for the Collection and transportation of Solid Waste, Recyclable Materials, and
2342 Yard Waste, including, if the Town so desires, employees previously or then
2343 employed by Contractor. Contractor further agrees, if the Town so requests, to
2344 furnish the Town the services of any or all management or office personnel
2345 employed by Contractor whose services are necessary or useful for Solid Waste,
2346 Recyclable Materials, and Yard Waste Collection, transportation, processing and
2347 disposal operations and for the billing and Collection of fees for these services.
2348

2349 The Town agrees that it assumes complete responsibility for the proper and
2350 normal use of such equipment and facilities while in its possession.
2351

2352 If the interruption or discontinuance in service is caused by any of the reasons
2353 listed in Section 11.04, the Town shall pay to Contractor the reasonable rental
2354 value of the equipment and facilities, possession of which is taken by the Town,
2355 for the period of the Town's possession, if any, which extends beyond the period
2356 of time for which Contractor has rendered bills in advance of service, for the class
2357 of service involved.
2358

2359 Except as otherwise expressly provided in the previous paragraph, the Town's
2360 exercise of its rights under this Article 10 (1) does not constitute a taking of
2361 private property for which compensation must be paid; (2) will not create any
2362 liability on the part of the Town to Contractor; and (3) does not exempt
2363 Contractor from any of the indemnity or insurance provisions of this Agreement,
2364 which are meant to extend to circumstances arising under this Section, provided
2365 that Contractor is not required to indemnify the Town against claims and
2366 damages arising from the negligence or willful misconduct of the Town, its
2367 elective and appointive boards, commissions, officers, employees and agents in
2368 the operation of Collection vehicles during the time the Town has taken
2369 possession of such vehicles.
2370

2371 **10.02 Temporary Possession of Contractor's Property.**

2372 If the Town suffers an interruption or discontinuance of service (including
2373 interruptions and discontinuance due to events described in Section 11.04), the Town
2374 may take possession of and use all of Contractor's property described above until
2375 other suitable arrangements can be made for the provision of the Franchised
2376 Services.
2377

2378 **10.03 Billing and Compensation to the Town during Town's Possession.**

2379 During such time that the Town is providing Solid Waste services, as above
2380 provided, Contractor shall bill and Collect payment from all users of the above-
2381 mentioned services as described in Section 5.02. Contractor further agrees that, in
2382 such event, it shall reimburse the Town for any and all costs and expenses incurred
2383 by the Town beyond that billed and received by Contractor in taking over possession

2384 of the above-mentioned equipment and property for Franchised Services in such
2385 manner and to an extent as would otherwise be required of Contractor under the
2386 Terms of this Agreement. Such reimbursement shall be made from time to time after
2387 submission by the Town to Contractor of each statement listing such costs and
2388 expenses, but in no event later than five (5) working days from and after each such
2389 submission.
2390

2391 **10.04 Town's Right to Relinquish Possession.**

2392 It is further mutually agreed that the Town may at any time at their discretion
2393 relinquish possession of any or all of the above-mentioned property to Contractor
2394 and thereupon demand that Contractor resume the Franchised Services as provided
2395 in this Agreement, whereupon Contractor shall be bound to resume the same.
2396

2397 **10.05 Duration of Town's Possession.**

2398 Town's right pursuant to this Article to retain temporary possession of Contractor's
2399 facilities and equipment, and to render Collection services, shall terminate when the
2400 event which caused the taking possession under Section 10.01 is cured and the
2401 performance bond is fully restored. In any case, the Town has no obligation to
2402 maintain possession of Contractor's property or equipment and/or continue its use
2403 for any period of time and may at any time, in its sole discretion, relinquish
2404 possession to Contractor.
2405

2406
2407
2408
2409
2410
2411
2412
2413
2414
2415
2416
2417
2418
2419
2420
2421
2422
2423
2424
2425
2426
2427
2428
2429
2430
2431
2432
2433
2434
2435
2436
2437
2438
2439
2440
2441
2442
2443
2444
2445
2446
2447
2448
2449
2450

ARTICLE 11
DEFAULT, REMEDIES AND LIQUIDATED DAMAGES

11.01 Events of Default.

All provisions of the Agreement and this Agreement to be performed by Contractor are considered material. Each of the following shall constitute an event of default.

- A. Fraud or Deceit.** If Contractor practices, or attempts to practice, any fraud or deceit upon the Town.
- B. Insolvency or Bankruptcy.** If Contractor becomes insolvent, unable, or unwilling to pay its debts, or upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.
- C. Failure to Maintain Coverage.** If Contractor fails to provide or maintain in full force and effect the Workers' Compensation, liability, or indemnification coverage as required by this Agreement.
- D. Violations of Regulation.** If Contractor violates any orders or filings of any regulatory body having authority over Contractor relative to this Agreement, provided that Contractor may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach of this Agreement shall be deemed to have occurred.
- E. Failure to Perform.** If Contractor ceases to provide Collection, processing, or Recycling services as required under this Agreement for a period of two (2) consecutive days or more, for any reason within the control of Contractor, including labor disputes.
- F. Failure to Pay.** If Contractor fails to make any payments required under this Agreement and/or refuses to provide the Town with required information, reports, and/or records in a timely manner as provided for in the Agreement.
- G. Acts or Omissions.** Any other act or omission by Contractor which violates the terms, conditions, or requirements of this Agreement, the Act of 1989, as it may be amended from time to time, or any law, statute, ordinance, order, directive, rule, or regulation issued there under and which is not corrected or remedied within the time set in the written notice of the violation or, if Contractor cannot reasonably correct or remedy the breach within the time set forth in such notice, if Contractor should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.
- H. False or Misleading Statements.** Any representation or disclosure made to the Town by Contractor in connection with or as an inducement to entering into

2451 this Agreement, or any future amendment to this Agreement, which proves to be
2452 false or misleading in any material respect as of the time such representation or
2453 disclosure is made, whether or not any such representation or disclosure appears
2454 as part of this Agreement.

2455
2456 I. **Attachment.** There is a seizure of, attachment of, or levy on, the operating
2457 equipment of Contractor, including without limits its equipment,
2458 maintenance or office facilities, or any part thereof.

2459
2460 J. **Suspension or Termination of Service.** There is any termination or
2461 suspension of the transaction of business by Contractor related to this Agreement,
2462 including without limit, due to labor unrest including strike, work stoppage or
2463 slowdown, sick-out, picketing, or other concerted job action lasting more than
2464 two (2) consecutive days.

2465
2466 K. **Failure to Provide Assurance of Performance.** It Contractor fails to provide
2467 reasonable assurances of performance as required under Section 11.06.

2468
2469 Contractor shall be given ten (10) business days from written notification by the
2470 Town to cure any default arising under subsections C, E, F, I, J and K provided,
2471 however, that the Town shall not be obligated to provide Contractor with a notice
2472 and cure opportunity if the Contractor has committed the same or similar breach
2473 within a twenty-four (24) month period.

2474
2475 **11.02 Right to Terminate Upon Default.**

2476 In the event that Contractor should default and subject to the right of the Contractor
2477 to cure, in the performance of any provisions of this contract, and the default is not
2478 cured for any default arising under Section 11.01 C, E, F, I, J or K, within ten (10)
2479 days' notice if the public health or safety is threatened, or otherwise thirty (30) days
2480 after receipt of written notice of default from the Town, then the Town may, at its
2481 option, terminate this Agreement and/or hold a hearing at its next Town Council
2482 meeting to determine whether this contract should be terminated. In the event the
2483 Town decides to terminate this contract, the Town shall serve twenty (20) days'
2484 written notice of its intention to terminate upon Contractor. In the event the Town
2485 exercises its right to terminate this contract, the Town may, at its option, upon such
2486 termination, either directly undertake performance of the services or arrange with
2487 other Persons to perform the services with or without a written agreement. This
2488 right of termination is in addition to any other rights of the Town upon a failure of
2489 Contractor to perform its obligations under this Agreement.

2490
2491 The Town's rights to terminate this Agreement and to take possession of Contractor's
2492 Facility are not exclusive, and the Town's termination of this Agreement shall not
2493 constitute an election of remedies. Instead, they shall be in addition to any and all
2494 other legal and equitable rights and remedies which the Town may have. By virtue
2495 of the nature of this Agreement, the urgency of timely continuous and high-quality

2496 service, the time required to effect alternative service, and the rights granted by the
2497 Town to Contractor, the remedy of damages for a breach hereof by Contractor may
2498 be inadequate and the Town may seek injunctive relief.
2499

2500 **11.03 Liquidated Damages.**

2501
2502 **A. General.** The Town finds, and Contractor agrees, that as of the time of the
2503 execution of this Agreement, it is impractical, if not impossible, to reasonably
2504 ascertain the extent of damages which shall be incurred by the Town as a result of
2505 a breach by Contractor of its obligations under this Agreement. The factors
2506 relating to the impracticability of ascertaining damages include, but are not
2507 limited to, the fact that: (i) substantial damage results to members of the public
2508 who are denied services or denied quality or reliable service; (ii) such breaches
2509 cause inconvenience, anxiety, frustration, and deprivation of the benefits of the
2510 Agreement to individual members of the general public for whose benefit this
2511 Agreement exists, in subjective ways and in varying degrees of intensity which
2512 are incapable of measurement in precise monetary terms; (iii) that Franchised
2513 Services might be available at substantially lower costs than alternative services
2514 and the monetary loss resulting from denial of services or denial of quality or
2515 reliable services is impossible to calculate in precise monetary terms; and (iv) the
2516 termination of this Agreement for such breaches, and other remedies are, at best,
2517 a means of future correction and not remedies which make the public whole for
2518 past breaches.
2519

2520 **B. Service Performance Standards; Liquidated Damages for Failure to Meet**
2521 **Standards.** The parties further acknowledge that consistent, reliable Solid Waste,
2522 Recyclable Materials, and Yard Waste Collection is of utmost importance to the
2523 Town and that the Town has considered and relied on Contractor's
2524 representations as to its quality of service commitment in awarding the
2525 Agreement to it. The parties further recognize that some quantified standards of
2526 performance are necessary and appropriate to ensure consistent and reliable
2527 service and performance. The parties further recognize that if Contractor fails to
2528 achieve the performance standards, or fails to submit required documents in a
2529 timely manner, the Service Area and its residents will suffer damages and that it
2530 is and will be impractical and extremely difficult to ascertain and determine the
2531 exact amount of damages which the Town will suffer. Therefore, without
2532 prejudice to the Town's right to treat such non-performance as an event of default
2533 under this Article 11, the parties agree that the following liquidated damage
2534 amounts represent a reasonable estimate of the amount of such damages
2535 considering all of the circumstances existing on the date of this Agreement,
2536 including the relationship of the sums to the range of harm to the Town that
2537 reasonably could be anticipated and the anticipation that proof of actual damages
2538 would be costly or impractical. In placing their initials at the places provided,
2539 each party specifically confirms the accuracy of the statements made above and
2540 the fact that each party has had ample opportunity to consult with legal counsel

2541
2542
2543
2544
2545
2546
2547
2548

and obtain an explanation of the liquidated damage provisions at the time that the Agreement was made.

Contractor
Initial Here LL

Town
Initial Here OK

Contractor agrees to pay (as liquidated damages and not as a penalty) the amounts set forth below:

2549
2550
2551
2552
2553
2554
2555
2556
2557
2558
2559
2560
2561
2562
2563
2564

1. Collection Reliability.

- a. For each failure to commence service to a new service recipient account within seven (7) days after order, which exceed five (5) such failures annually: \$150.00
- b. For each failure to Collect Solid Waste, Recyclable Materials, and Yard Waste, which has been properly set out for Collection, from an established service recipient account on the scheduled Collection day and not Collected within the period described in this Agreement which exceeds forty-five (45) such failures quarterly: \$150.00
- c. For each failure to Collect Solid Waste, Recyclable Materials, and Yard Waste, which has been properly set out for Collection, from the same service recipient on two (2) consecutive scheduled pickup days: \$150.00
- d. For each failure to perform and submit billing reviews: \$250.00

2565
2566
2567
2568
2569
2570
2571
2572
2573
2574
2575
2576
2577
2578
2579
2580
2581

2. Collection Quality.

- a. For each occurrence of damage to private property which exceeds seven (7) such occurrences annually: \$250.00
- b. For each occurrence of failure to properly return empty Containers to avoid pedestrian or vehicular traffic impediments or to place cans upright with lids secured (in areas where service recipients own their containers, if applicable) which exceeds ten (10) such occurrences annually: \$150.00
- c. For each occurrence of excessive noise or discourteous behavior: \$250.00
- d. For each failure to clean up Solid Waste, Recyclable Materials, and Yard Waste spilled by Contractor from Containers which exceeds fifteen (15) such failures annually: \$150.00
- e. For each occurrence of Collecting Solid Waste, Recyclable Materials and Yard Waste during unauthorized hours which exceeds ten (10) such occurrences annually: \$250.00

2582

3. Service Recipient Responsiveness.

- 2583 a. For each failure to initially respond to a service recipient Complaint
2584 within one (1) business day: \$100.00
2585 b. For each failure to process service recipient Complaints to the Town
2586 as required by Article 5: \$500.00
2587

2588 **4. Timeliness of Submissions to Town/State Agencies.** Reports shall be
2589 considered late, after the seventh late day, until such time as a correct and
2590 complete report is received by the Town. For each calendar day a report is
2591 late, the daily liquidated damage amount shall be:

- 2592 a. Annual reports to the Town: \$100 per day
2593
2594 b. Required reports to State agencies per Section 8.03.C of this
2595 Agreement: \$100 per day
2596

2597 Liquidated damages will only be assessed after Contractor has been given the
2598 opportunity but failed to rectify, in a timely manner, the breach as described in this
2599 Agreement. The Town may determine the occurrence of events giving rise to
2600 liquidated damages through the observation of its own employees or representative
2601 or investigation of service recipient Complaints.
2602

2603 Prior to assessing liquidated damages, the Town shall give Contractor notice of its
2604 intention to do so. The notice will include a brief description of the incident(s)/non-
2605 performance. Contractor may review (and make copies at its own expense) all
2606 information in the possession of the Town relating to incident(s)/non-performance.
2607 Contractor may, within ten (10) days after receiving the notice, request a meeting
2608 with the Town. Contractor may present evidence in writing and through testimony
2609 of its employees and others relevant to the incident(s)/non-performance. The Town
2610 will provide Contractor with a written explanation of his or her determination on
2611 each incident(s)/non-performance prior to authorizing the assessment of liquidated
2612 damages. The decision of the Town shall be final.
2613

2614 **C. Amount.** The Town may assess liquidated damages for each calendar day or
2615 event, as appropriate, that Contractor is determined to be liable in accordance
2616 with this Agreement.
2617

2618 **D. Timing of Payment.** Contractor shall pay any liquidated damages assessed
2619 by the Town within ten (10) days after they are assessed. If they are not paid
2620 within the ten (10) day period, the Town may proceed against the performance
2621 bond required by the Agreement or order the termination of the Agreement
2622 granted by this Agreement, or both.
2623

2624 **11.04 Excuse from Performance.**

2625 The parties shall be excused from performing their respective obligations hereunder
2626 in the event they are prevented from so performing by reason of floods, earthquakes,
2627 other natural disasters, war, civil insurrection, terrorist attacks, riots, acts of any
2628 government (including judicial action), and other similar catastrophic events which
2629 are beyond the control of and not the fault of the party claiming excuse from
2630 performance hereunder. Labor unrest, including, but not limited to, strike, work
2631 stoppage or slowdown, sick-out, picketing, or other concerted job action conducted
2632 by Contractor's employees or directed at Contractor is not an excuse from
2633 performance and Contractor shall be obligated to continue to provide service
2634 notwithstanding the occurrence of any or all of such events.

2635
2636 The party claiming excuse from performance shall, within two (2) days after such
2637 party has notice of such cause, give the other party notice of the facts constituting
2638 such cause and asserting its claim to excuse under this Section 11.04.

2639
2640 The interruption or discontinuance of Contractor's services caused by one or more of
2641 the events excused shall not constitute a default by Contractor under this Agreement.
2642 Notwithstanding the foregoing, however, if Contractor is excused from performing
2643 its obligations to Collect; transfer, transport, process and Dispose of Solid Waste
2644 hereunder for any of the causes listed in this Section for a period of ten (10) days or
2645 more, the Town shall nevertheless have the right, in its sole discretion, to terminate
2646 this Agreement by giving ten (10) days' notice, in which case the provisions relative
2647 to taking possession of Contractor's land, equipment and other property and
2648 engaging Contractor's personnel in Article 10 and this Article 11 will apply.

2649
2650 **11.05 Notice, Hearing and Appeal of Town/ Breach.**

2651 Should Contractor contend that the Town is in breach of this Agreement, it shall file
2652 with the Town Administrator a written request with the Town's Solid Waste
2653 Committee for an administrative hearing. Said request shall be made within ninety
2654 (90) days of the event or incident which allegedly gave rise to the breach. The Town
2655 Administrator shall notify Contractor of the time and date said hearing shall be held
2656 within thirty (30) days of receipt of Contractor's request. Contractor shall present its
2657 position and all relevant facts first and then the Town Administrator shall make his
2658 or her presentation. Contractor shall be notified of the Town's Solid Waste
2659 Committee's ruling in writing within fourteen (14) days of the administrative
2660 hearing.

2661
2662 If Contractor is not in agreement with the ruling issued by the Committee at the
2663 administrative hearing, it shall have the right to appeal this ruling to Town Council.
2664 This appeal shall be made in writing to the Town Administrator no later than
2665 fourteen (14) days after receipt of the administrative hearing ruling. The Town
2666 Administrator shall notify Contractor of the time and date the Town Council will
2667 review Contractor's allegation. Contractor shall present its position and all relevant
2668 facts. Contractor shall be notified in writing within thirty (30) days of the Town

2669 Council's ruling. The Town Council's ruling shall be final, and Contractor shall have
2670 no further rights of administrative appeal.
2671

2672 **11.06 Assurance of Performance.**

2673 Each party may, at its option and in addition to all other remedies it may have,
2674 demand from the other Party reasonable assurances of timely and proper
2675 performance of this Agreement, in such form and substance as the Party may require.
2676 If the other Party fails or refuses to provide satisfactory assurances of timely and
2677 proper performance in the form and by the date required by the Party, such failure or
2678 refusal shall be an event of default.
2679

2680 **11.07 Damage to Property.**

2681 Contractor shall endeavor to resolve all claims as soon as reasonably practicable
2682 following receipt thereof, made by Owners or occupants of property served by
2683 Contractor, for damages to property including, but not limited to, Containers. In the
2684 event such damage shall have been caused by the negligence or intentional acts of
2685 Contractor, its officers, agents, or employees, Contractor shall promptly repair or
2686 replace such damaged property. The provisions of this Section 11.07 shall not be
2687 deemed a limitation upon any other provisions of this Agreement, or any rights or
2688 remedies which may accrue to the Town by reason of Contractor's acts or omissions
2689 to act hereunder.
2690

2691 **11.08 Town Remedies Cumulative; Specific Performance.**

2692 The Town's rights to suspend or terminate this Agreement or to perform under
2693 Article 10 are not mutually exclusive, and the Town's exercise of one such right shall
2694 not constitute a selection of remedies. Instead, they shall be in addition to any and all
2695 other legal and equitable rights and remedies which the Town may have.
2696
2697

ARTICLE 12
OTHER AGREEMENTS OF THE PARTIES

2698
2699
2700
2701
2702
2703
2704
2705
2706
2707
2708
2709
2710
2711
2712
2713
2714
2715
2716
2717
2718
2719
2720
2721
2722
2723
2724
2725
2726
2727
2728
2729
2730
2731
2732
2733
2734
2735
2736
2737
2738

12.01 Relationship of Parties.

The Parties intend that Contractor shall perform the services required by this Agreement as an independent Contractor engaged by the Town and neither as an officer or employee of the Town nor as a partner of or joint venture with the Town. No employee or agent or Contractor shall be or shall be deemed to be an employee or agent of the Town. Except as expressly provided herein, Contractor shall have the exclusive control over the manner and means of conducting the services performed under this Agreement, and all Persons performing such services. Contractor shall be solely responsible for the acts and omissions of its officers, employees, subcontractors and agents. Neither Contractor nor its officers, employees, subcontractors and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to the Town's employees by virtue of their employment with the Town.

12.02 Compliance with Law.

In providing the services required under this Agreement, Contractor shall at all times comply with all applicable laws (including but not limited to the "Environmental Laws") of the United States, the State of California, the County of Butte, the Service Area and with all applicable regulations promulgated by Federal, State, regional, or local administrative and regulatory agencies, now in force and as they may be enacted, issued, or amended during the Term, collectively, the "Laws"). In the event of any conflict between this Agreement and Laws, the requirements of the Laws shall govern, and Contractor shall not be in breach of this Agreement if Contractor complies with the Laws in contravention of this Agreement, provided that nothing in this Section 12.02 is intended to limit or enlarge Contractor's obligations or diminish its right to satisfy its obligation to provide Solid Waste, Recyclable Materials, Yard Waste Collection, Processing, and/or Disposal.

12.03 Governing Law.

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

12.04 Jurisdiction.

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

2739 **12.05 Assignment by Contractor.**

2740
2741
2742
2743
2744
2745
2746
2747
2748
2749
2750
2751
2752
2753
2754
2755
2756
2757
2758

A. **General.** Contractor acknowledges that this Agreement involves rendering a vital service to the Town's residents and businesses, and that the Town has selected Contractor to perform the services specified herein based on (1) Contractor's experience, skill and reputation for conducting its operations in a safe, effective and responsible fashion, at all times in keeping with applicable Environmental Laws, regulations, and best management practices, and (2) Contractor's obligations to the Town under this Agreement. The Town has relied on each of these factors, among others, in choosing Contractor to perform the services to be rendered by Contractor under this Agreement.

B. **Assignments.** Contractor shall not assign its rights nor delegate or otherwise transfer its obligations under this Agreement to any other Person.

If Contractor requests the Town's consideration of and consent to an assignment, the Town may deny or approve such request using its sole discretion. No request by Contractor for consent to any assignment need be considered by the Town unless and until Contractor has met the following requirements:

2759
2760
2761
2762
2763

2764
2765
2766

2767
2768
2769
2770
2771
2772
2773
2774
2775
2776

1. Contractor shall undertake to pay the Town its reasonable expenses for attorney's fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment;
2. Contractor shall furnish the Town with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years;
3. Contractor shall furnish the Town with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste, Recyclable Materials, and Yard Waste management experience on a scale equal to or exceeding the scale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any significant citations or other censure from any Federal, State or local agencies having jurisdiction over its Solid Waste, Recyclable Materials, and Yard Waste management operations due to any significant failure to comply with State, Federal or local Environmental Laws and that the assignee has provided the Town with a complete list of such citations

2777 and censures; (iii) that the proposed assignee has at all times conducted its
2778 operations in an environmentally safe and conscientious fashion; (iv) that
2779 the proposed assignee conducts its Solid Waste, Recyclable Materials, and
2780 Yard Waste management practices in accordance with sound Solid Waste,
2781 Recyclable Materials, and Yard Waste management practices in full
2782 compliance with all Federal, State and local laws regulating the Franchised
2783 Services including Hazardous Substances; (v) that the proposed assignee
2784 can meet the guaranty and performance bond requirements met by
2785 Contractor; and , (vi) of any other information required by the Town to
2786 ensure the proposed assignee can fulfill the terms of this Agreement in a
2787 timely, safe and effective manner.

2788
2789 Under no circumstances shall the Town be obligated to consider any proposed
2790 assignment by Contractor.
2791

2792 **C. Assignment Defined.** For the purpose of this Section 12.05.C, when used in
2793 reference to Contractor, "assignment" shall include, but not be limited to (1) a
2794 sale, exchange or other transfer of substantially all of Contractor's assets
2795 dedicated to service under this Agreement to a third party; (ii) a sale, exchange or
2796 other transfer of outstanding common stock of Contractor to a third party
2797 regardless of whether said sale, exchange or transfer may result in a change of
2798 control of Contractor; (iii) any dissolution, organization, consolidation, merger,
2799 re-capitalization, stock issuance or re-issuance, voting trust, pooling agreement,
2800 escrow arrangement, liquidation or other transaction to which results in a change
2801 of Ownership or control of Contractor; (iv) any assignment by operation of law,
2802 including insolvency or bankruptcy, making assignment for the benefit of
2803 creditors, writ of attachment for an execution being levied against this
2804 Agreement, appointment of a receiver taking possession of Contractor's property,
2805 or transfer occurring in the event of a probate proceeding; and (v) any
2806 combination of the foregoing (whether or not in related or contemporaneous
2807 transactions) which has the effect of any such transfer or change of Ownership, or
2808 change of control of Contractor.
2809

2810 **12.06 Binding on Assigns.**

2811 The provisions of this Agreement shall inure to the benefit to and be binding on the
2812 permitted assigns of the parties.
2813

2814 **12.07 Affiliated Companies.**

2815 Contractor shall maintain accounting records and financial statements on a basis
2816 showing the results of Contractor's operations under this Agreement separately from
2817 operations in other locations, as if Contractor were an independent entity providing
2818 service only to the Town. For purposes of this Agreement, the costs and revenues

2819 associated with providing service to the Town shall not be combined, consolidated or
2820 in any other way incorporated with those of other operations conducted by
2821 Contractor in other locations, or with those of an Affiliate.
2822

2823 If Contractor enters into any financial transactions with a Related Party Entity or
2824 Affiliate for the provision of labor, equipment, supplies, services, capital, etc., related
2825 to the furnishing of service under this Agreement, that relationship shall be disclosed
2826 to the Town, and in the financial reports submitted to the Town. In such event, the
2827 Town's rights to inspect records, and obtain financial data shall extend to such
2828 Related Party Entity or entities.
2829

2830 **12.08 Subcontracting.**

2831 Contractor shall not engage any subcontractors for Collection, Processing or Disposal
2832 of Solid Waste, Recyclable Materials, and Yard Waste without the prior written
2833 consent of the Town.
2834

2835 **12.09 Transition to Next Contractor.**

2836 If the transition of services to another Contractor occurs through expiration of term,
2837 subsequent Contractor(s) to assist in an orderly transition which will include
2838 Contractor providing route lists and billing information. Contractor will not be
2839 obliged to sell Collection vehicles, bins and Containers to the next Contractor.
2840 Depending on Contractor's circumstances at the point of transition, Contractor at its
2841 option may enter into negotiations with the next Contractor to sell (in part or all)
2842 Collection vehicles, bins and Containers.
2843

2844 **12.10 Parties in Interest.**

2845 Nothing in this Agreement, whether express or implied, is intended to confer any
2846 rights on any Persons other than the parties to it and their representatives, successors
2847 and permitted assigns.
2848

2849 **12.11 Waiver.**

2850 The waiver by either party of any breach or violation of any provisions of this
2851 Agreement shall not be deemed to be a waiver of any breach or violation of any other
2852 provision nor of any subsequent breach or violation of the same or any other
2853 provision. The subsequent acceptance by either party of any monies which become
2854 due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent
2855 breach or violation by the other party of any provision of this Agreement.
2856

2857 **12.12 Contractor's Investigation.**

2858 Contractor has made an independent investigation (satisfactory to it) of the
2859 conditions and circumstances surrounding the Agreement and the work to be
2860 performed by it.
2861

2862 **12.13 Notice.**

2863 All notices, demands, requests, proposals, approvals, consents and other
2864 communications which this Agreement requires, authorizes or contemplates shall be
2865 in writing and shall either be personally delivered to a representative of the parties at
2866 the address below or be deposited in the United States mail, first class postage
2867 prepaid, addressed as follows:
2868

2869 If to the Town:

2870 Town of Paradise
2871 Town Hall
2872 5555 Skyway
2873 Paradise, CA 95969
2874 Attn: Al McGreehan, Community Development Director
2875
2876

2877 If to the Contractor: _

2878 Northern Recycling & Waste Services
2879 P.O Box 239
2880 Napa, CA 94558
2881 Attn: Greg Kelley
2882
2883

2884 The address to which communications may be delivered may be changed from time
2885 to time by a notice given in accordance with this Section 12.13.
2886

2887 Notice shall be deemed given on the day it is personally delivered or, if mailed, three
2888 days from the date it is deposited in the mail.
2889

2890 **12.14 Representatives of the Parties.**

2891
2892 **A. Representatives of the Town.** References in this Agreement to the "Town"
2893 shall mean the Town Administrator and all actions to be taken by the Town shall
2894 be taken by the Town Administrator who may delegate his/her authority in
2895 writing to another Town employee, Contractor may rely upon actions taken by
2896 such delegates if they are within the scope of the Town and properly delegated to
2897 him/her.
2898

2899 **B. Contractor Representatives.** Contractor shall, by the Effective Date, designate
2900 in writing a responsible officer who shall serve as the representative of Contractor
2901 in all matters related to the Agreement and shall inform The Town Administrator
2902 in writing of such designation and of any limitations upon his or her authority to
2903 bind Contractor. The Town Administrator may rely upon action taken by such
2904 designated representative as actions of Contractor if they are within the scope of
2905 the Contractor and properly delegated to him/her by Contractor.
2906

2907 **12.15 Town Free to Negotiate with Third Parties.**

2908 The Town may investigate all options for the Collection and processing of Solid
2909 Waste after the expiration of the Term. Without limiting the generality of the
2910 foregoing, the Town may solicit proposals from Contractor and from third parties for
2911 the provision of services, and any combination thereof, and may negotiate and
2912 execute agreements for such services which will take effect upon the expiration or
2913 earlier termination under Section 11.01 of this Agreement.
2914

2915 **12.16 Compliance with the Town's Codes.**

2916 Contractor shall comply with those provisions of the ordinances and municipal codes
2917 of the Town which are applicable, and with any and all amendments to such
2918 applicable provisions during the term of this Agreement provided, however, that if a
2919 change in any such municipal code materially affects Contractor's annual cost of
2920 operations, the Contractor shall be entitled to an interim compensation adjustment as
2921 provided for in Section 6.04. Moreover, no such change may revoke or override the
2922 grant to Contractor of the exclusive franchise in Section 2.01 of this Agreement or
2923 override the Contractor's designations of a Material Recovery Facility and Disposal
2924 Site pursuant to this Agreement.
2925

2926 **12.17 Privacy.**

2927 Contractor shall strictly observe and protect the rights of privacy of service
2928 recipients. Information identifying individual service recipients or the composition
2929 or contents of a service recipient's waste stream shall not be revealed to any Person,
2930 governmental unit, private agency, or Contractor, unless upon the authority of a
2931 court of law, by statute, or upon valid authorization of the service recipient. This
2932 provision shall not be construed to preclude Contractor from preparing, participating
2933 in, or assisting in the preparation of waste characterization studies or waste stream
2934 analyses which may be required by AB 939.
2935

2936 **12.18 Integrated Contract.**

2937 This Agreement represents the full and complete understanding of every kind or
2938 nature whatsoever between the parties hereto, and all preliminary negotiations and
2939 agreements of whatsoever kind or nature are merged herein. No verbal agreement or
2940 implied covenant shall be held to vary the provisions hereof. Any modification of
2941 this Agreement will be effective only by written agreement signed by both the Town
2942 and Contractor.
2943

2944 **12.19 Inserted Provisions.**

2945 Each provision and clause required by law to be inserted into the Agreement shall be
2946 deemed to be enacted herein, and the Agreement shall be read and enforced as
2947 though each were included herein. If through mistake or otherwise, any such
2948 provision is not inserted or is not correctly inserted, the Agreement shall be amended
2949 to make such insertion on application by either party.
2950

2951 **12.20 Execution.**

2952 This Agreement shall be executed in duplicate original counterparts by the parties.
2953 Irrespective of the date this Agreement is so executed, the Effective Date hereof shall
2954 be, and is January 18, 2007.
2955

2956 **12.21 Non-Discrimination.**

2957 Consistent with Town's policy that harassment and discrimination are unacceptable
2958 employer-employee conduct, Contractor agrees that harassment or discrimination
2959 directed toward a job applicant, a Town employee, or a citizen by Contractor or
2960 Contractor's employee on the basis of race, religious creed, color, national origin,
2961 ancestry, handicap, mental or physical disability, Acquired Immune Deficiency
2962 Syndrome (AIDS), AIDS-Related Complex (ARC), cancer-related medical condition,
2963 refusal of family care leave, marital status, denial of pregnancy disability leave,
2964 veteran status, age, sex, sexual orientation or sexual preference will not be tolerated.
2965 Contractor agrees that any and all violations of this provision shall constitute a
2966 material breach of this Agreement.
2967

2968 **12.22 Dispute Resolution.**

2969 Prior to initiation of litigation under this Agreement, the parties shall attempt to
2970 resolve their disputes by means of mediation. If the parties cannot agree on a
2971 mediator, the Superior Court of Butte County shall appoint a mediator. Each party
2972 shall bear their costs and attorney fees arising out of the mediation and shall share
2973 equally the cost of the mediator, provided, however, that if the matter is not resolved
2974 by way of mediation, the prevailing party in any subsequent litigation shall be
2975 entitled to collect their costs of mediation as an element of their costs of suit,
2976 including reasonable attorney fees (incurred both in the mediation process as well as
2977 the subsequent court proceedings).
2978
2979

ARTICLE 13
REPRESENTATIONS AND WARRANTIES OF CONTRACTOR

Contractor represents and warrants as follows:

13.01 Company Status.

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

13.02 Company Authorization.

Contractor has the authority to enter into and perform its obligations under this Agreement. The Managers and Members of the Company have taken all actions required by law, its operating agreement, or otherwise, to authorize the execution of this Agreement. The Person signing this Agreement on behalf of Contractor has authority to do so.

13.03 Agreement Will Not Cause Breach.

To the best of Contractor's knowledge, after reasonable investigation, neither the execution or delivery of this Agreement nor the performance of this Agreement by Contractor: (i) conflicts with, violates, or results in a breach of any applicable law; or (ii) conflicts with, violates or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agencies or other governmental authority, or any agreement or instrument to which Contractor is a party or by which Contractor or any of its properties or assets are bound, or constitutes a default there under.

13.04 No Litigation.

To the best of Contractor's knowledge, after reasonable investigation, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agencies or instrumentality decided, pending or threatened against Contractor wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by Contractor of its obligations hereunder or which, in any way, would adversely affect the validity or enforceability of this Agreement or which would have a material adverse effect on the financial condition of Contractor or any surety guaranteeing Contractor's performance under this Agreement, which has not been waived by the Town in writing.

13.05 No Adverse Judicial Decisions.

To the best of Contractor's knowledge, after reasonable investigation, there is no judicial decision that affects the validity of this Agreement and may subject this Agreement to legal challenge.

3024

3025 **13.06 Ability to Perform.**

3026 Contractor possesses the business, professional, and technical expertise to manage,
3027 handle, treat, store and Dispose of the Solid Waste, and possesses the equipment,
3028 plant, and employee resources required to perform this Agreement.
3029

ARTICLE 14
MISCELLANEOUS PROVISIONS

3030
3031
3032
3033
3034
3035
3036
3037
3038
3039
3040
3041
3042
3043
3044
3045
3046
3047
3048
3049
3050
3051
3052
3053
3054
3055
3056
3057
3058
3059
3060
3061
3062
3063
3064
3065
3066
3067
3068
3069
3070
3071
3072

14.01 Entire Agreement.

This Agreement, including the Exhibits, represents the full and entire Agreement between the parties with respect to the matters covered herein.

14.02 Section Headings.

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

14.03 References to Laws and Other Agreements.

All references in this Agreement to laws shall be understood to include such laws as they may be subsequently amended or recodified, unless otherwise specifically provided. This Agreement supersedes any and all agreements heretofore entered into by the parties.

14.04 Interpretation.

This Agreement, including the Exhibits attached hereto, shall be interpreted and construed reasonably and neither for nor against either party, regardless of the degree to which either party participated in its drafting.

14.05 Agreement.

This Agreement may not be modified or amended in any respect except by a writing signed by the parties. Any conflict between the body of the Agreement and the Exhibits shall be resolved in favor of the Agreement.

14.06 Severability.

If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement which shall be enforced as if such invalid or unenforceable provision had not been contained herein.

14.07 Exhibits.

Each of Exhibits identified as Exhibit "A" through "J" is attached hereto and incorporated herein and made a part hereof by this reference.

14.08 Attorneys' Fees.

The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with such an action from the other party.

3073 **14.09 Compilation of Information for State Law Purposes.**

3074 Contractor shall compile information on amounts of Solid Waste delivered to the
3075 Facilities and other information, which the Town may reasonably request.
3076

3077 **14.10 Definitions.**

3078 Capitalized terms used in this Agreement without definition have the meanings
3079 specified in Exhibit A, unless the context clearly requires otherwise.
3080

3081 **14.11 Counterparts.**

3082 This Agreement may be executed in counterparts, each of which shall be deemed to
3083 be an original.
3084

EXHIBITS

1
2
3
4
5
6
7
8
9
10
11
12

Definitions	Exhibit A
Town's Facilities/Special Events	Exhibit B
Contractor Public Education Plan.....	Exhibit C
Payments to Town.....	Exhibit D
Rate Adjustment Methodology	Exhibit E
Solid Waste Collection Rate Schedule.....	Exhibit F
Notary Certification	Exhibit G
Contractor's Proposal	Exhibit H

1
2
3
4
5
6
7
8
9
10
11

EXHIBIT A

Definitions

1 **Exhibit A**
2 **DEFINITIONS**

3
4 This Agreement will be construed in accordance with the following definitions.

5 **Act**

6 "Act" means the Act of 1989 (AB939) Public Resources Code, Section 40000 et seq., as it
7 may be amended from time to time.

8 **Affiliate**

9 "Affiliate" means all businesses (including corporations, limited and general partnerships
10 and sole proprietorships) which are directly or indirectly related to Contractor by virtue of
11 direct or indirect ownership interest or common management shall be deemed to be
12 "Affiliated with" Contractor and included within the term "Affiliates" as used herein. An
13 Affiliate shall include a business in which Contractor owns a direct or indirect ownership
14 interest, a business which has a direct or indirect ownership interest in Contractor and/or
15 a business which is also owned, controlled or managed by any business or individual
16 which has a direct or indirect ownership interest in Contractor. For purposes of
17 determining whether an indirect ownership interest exists, the constructive ownership
18 provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date
19 of this Agreement, shall apply; provided, however, that (i) "ten percent (10%)" shall be
20 substituted for "fifty percent (50%)" in Section 318(a)(2)(C) and in Section 318(a)(3)(C)
21 thereof; and (ii) Section 318(a)(5)(C) shall be disregarded. For purposes of determining
22 ownership under this paragraph and constructive or indirect ownership under Section
23 318(a), ownership interest of less than ten percent (10%) shall be disregarded and
24 percentage interests shall be determined on the basis of the percentage of voting interest or
25 value which the ownership interest represents, whichever is greater.

26 **Agreement**

27 "Agreement" means this Agreement, including any amendments, between the Town and
28 Contractor.

29 **Billings**

30 "Billings" means any and all statements of charges for services rendered, howsoever
31 made, described or designated by Contractor, or made by others for Town or Contractor,
32 to Owners or occupants of property, including Residential Property and commercial,
33 industrial and institutional Property, served by Contractor for the Collection of Solid
34 Waste, Recyclable Materials, and Yard Waste.

35 **Collect/Collection**

36 "Collect" or "Collection" means to take physical possession, transport, and remove Solid
37 Waste, Recyclable Materials, and Yard Waste within and from the Service Area.

1 **Commencement Date**

2 "Commencement Date" means the date specified when Collection, Processing, and
3 Disposal services required by this Agreement shall be provided.

4 **Commercial, Industrial and Institutional Service Recipient**

5 "Commercial, Industrial and Institutional Service Recipient" means Waste Generators
6 whose business activity includes but is not limited to retail sales, services, wholesale sales,
7 research and development, government, non-profit, hospital, manufacturing and
8 industrial operations, but excluding businesses conducted upon Residential Property
9 which are permitted under applicable zoning regulations and are not the primary use of
10 the property.

11 **Complaint**

12 "Complaint" means the written statement (prepared by the Town Administrator, if based
13 on oral statements made by members of the public or Owners or occupants of property)
14 made by members of the public, Owners or occupants of properties served by Contractor,
15 or officers, employees or agents of the Town alleging non-performance or deficiencies in
16 performance of Contractor's duties and obligations under this Agreement, or otherwise
17 alleging a violation by Contractor of the provisions of this Agreement.

18 **Composting (Compost)**

19 "Composting" means a controlled biological decomposition of organic materials yielding a
20 safe and nuisance free compost product.

21 **Construction Debris**

22 "Construction Debris" means used or discarded construction materials generated during
23 the construction or renovation of a structure.

24 **Containers**

25 "Containers" means any and all types of Solid Waste, Recyclable Materials, and Yard
26 Waste receptacles including but not limited to metal or plastic cans, carts, bins, tubs,
27 bins/dumpsters, roll-off boxes, or debris boxes.

28 **Contractor**

29 "Contractor" means Northern Recycling & Waste Services, a limited liability company
30 organized and operating under the laws of the State of California and its managers,
31 members, directors, employees, agents, companies and subcontractors. The members of
32 the limited liability company are: Recovery Products & Services, Inc., a California
33 corporation, Garbarino Waste Industries, LLC, Pestoni Paradise City, LLC and Garaventa
34 Enterprises, Inc., a California corporation.

35 **Contractor Compensation**

36 "Contractor Compensation" means the revenue received by the Contractor from Billings
37 for providing services in accordance with this Agreement.

38

1 **Contractor's Proposal**

2 "Contractor's Proposal" means the proposal submitted by the Contractor and received on
3 April 7, 2006 by the Town in response to the Town's February 2006 Request for Proposals
4 for the Solid Waste, Recyclable Material, and Yard Waste Collection, Processing and
5 Disposal Services and certain supplemental written materials, which are included as
6 Exhibit H to this Agreement and are incorporated by reference.

7 **Curbside**

8 "Curbside" means the location of a Container for pick-up, not more than fifteen (15) feet
9 from the street curb. Where no street curb exists, the location shall be within five (5) feet
10 from the outside edge of the street nearest the property's entrance.

11 **Demolition Debris**

12 "Demolition Debris" means used or discarded construction materials generated during the
13 razing or renovation of a structure.

14 **Designated Waste**

15 "Designated Waste" means non-hazardous waste which may pose special disposal
16 problems because of its potential to contaminate the environment and which may be
17 disposed of only in Class II disposal sites, or Class III disposal sites pursuant to a variance
18 issued by the California Department of Health Services. Designated Waste consists of those
19 substances classified as designated waste by the State of California, in 23 California Code
20 of Regulations Section 2522.

21 **Dispose/Disposal**

22 "Dispose" or "Disposal" means the ultimate disposition of Solid Waste collected by
23 Contractor at a Disposal Site in Full Regulatory Compliance.

24 **Disposal Site(s)**

25 "Disposal Site(s)" means the Solid Waste facility or facilities utilized for the ultimate
26 landfill Disposal of Solid Waste Collected by Contractor. The Neal Road Landfill owned
27 by the County of Butte, shall be the initial designated Disposal Site of Contractor as of the
28 effective date of this Agreement.

29 **Effective Date**

30 "Effective Date" means the date on which the latter of the two Parties signs the Agreement
31 and the date on which Contractor may begin to take actions and incur costs in preparation
32 to provide Collection, Processing, and Disposal services required by this Agreement.

33 **Electronic Waste**

34 "Electronic Waste" (E-Waste) means discarded electronic equipment such as, but not
35 limited to, television sets, computer monitors, central processing units (CPU's), laptop
36 computers, external computer hard drives, computer keyboards, computer mice, computer
37 printers, DVD and VCR players.

1 **Environmental Laws**

2 "Environmental Laws" means all federal and state statutes, County, local and Town
3 ordinances concerning public health, safety and the environment including, by way of
4 example and not limitation, the Act, the Comprehensive Environmental Response,
5 Compensation and Liability Act of 1980, 42 USC §9601 et seq.; the Resource Conservation
6 and Recovery Act, 42 USC §6902 et seq.; the Federal Clean Water Act, 33 USC §1251 et seq.;
7 the Toxic Substances Control Act, 15 USC §1601 et seq.; the Occupational Safety and
8 Health Act, 29 USC §651 et seq.; the California Hazardous Waste Control Act, California
9 Health and Safety Code §25100 et seq.; the California Toxic Substances Control Act,
10 California Health and Safety Code §25300 et seq.; the Porter-Cologne Water Quality
11 Control Act, California Water Code §13000 et seq.; the Safe Drinking Water and Toxic
12 Enforcement Act, California Health and Safety Code §25249.5 et seq.; as currently in force
13 or as hereafter amended, and all rules and regulations promulgated there under.

14 **Extra Services**

15 "Extra Services" means services provided by Contractor beyond the standard subscribed
16 services to customers.

17 **Facility/Facilities**

18 "Facility/Facilities" means any plant or site, owned or leased and maintained, operated or
19 used by Contractor or the Town for purposes of performing Contractor's obligations
20 under this Agreement.

21 **Fiscal Year**

22 "Fiscal Year" means the same as calendar year (January 1 through December 31).

23 **Franchise**

24 "Franchise" means the special right granted by the Town for the Collection of Solid Waste,
25 Recyclable Materials, and Yard Waste within the Service Area, the transportation of such
26 material to appropriate places of processing, Recycling, Composting and/or Disposal, and
27 the Processing of Recyclable Materials.

28 **Franchise Fee**

29 "Franchise Fee" means the fee paid by Contractor to the Town for the right to hold the
30 franchise granted by this Agreement.

31 **Franchised Services**

32 "Franchised Services" means the Collection of Solid Waste, Recyclable Materials and Yard
33 Waste within the Service Area, the transportation of such material to appropriate places of
34 processing, Recycling, Composting, and/or Disposal and the Processing of Recyclable
35 Materials and Yard Waste.

1

2 **Full Regulatory Compliance**

3 "Full Regulatory Compliance" means compliance with all applicable permits for a Facility
4 such that the Contractor will at all time maintain the ability to fully comply with its
5 obligations under this Agreement.

6 **Garbage**

7 "Garbage" means putrescible animal, fish, food, fowl, fruit or vegetable matter, or any
8 form thereof, resulting from the preparation, storage, handling, or consumption of such
9 substances.

10 **Generator**

11 "Generator" means any person as defined by the Public Resources Code, whose act or
12 process produced Solid Waste, Recyclable Materials, or Yard Waste as defined in the
13 Public Resources Code, or whose act first causes Solid Waste to become subject to
14 regulation.

15 **Gross Revenues**

16 "Gross Revenues" means any and all revenue or compensation in any form to Contractor
17 or other Affiliates of Contractor, for services performed pursuant to this Agreement,
18 determined in accordance with Generally Accepted Accounting Principles, including, but
19 not limited to, service recipient fees for Collection of Solid Waste, Recyclable Materials and
20 Yard Waste within the Service Area, the transportation of such material to appropriate
21 places of processing, Recycling, Composting, and/or Disposal and the Processing of
22 Recyclable Materials and Yard Waste without subtracting Franchise Fees or any other cost
23 of doing business.

24 **Gross Revenues Collected**

25 "Gross Revenues Collected" shall mean cash receipts collected by the Contractor for the
26 Collection of Solid Waste, Recyclable Materials, and Yard Waste within the Service Area,
27 the transportation of such material to appropriate places of processing, Recycling,
28 Composting and/or Disposal, and the Processing of Recyclable Materials, without
29 subtracting Franchise Fees or any other cost of doing business, except for any Town
30 surcharges.

31 **Hazardous Substance**

32 "Hazardous Substance" shall mean any of the following: (a) any substances defined,
33 regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous
34 materials", "Hazardous Wastes", "toxic waste", "pollutant" or "toxic substances" or
35 similarly identified as hazardous to human health or the environment, in or pursuant to (i)
36 the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42
37 USC §9601 et seq.(CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC
38 §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv)
39 the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-

1 25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and (vii)
2 California Water Code §13050; (b) any amendments, rules or regulations promulgated
3 there under to such enumerated statutes or acts currently existing or hereafter enacted;
4 and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant
5 identified as hazardous or toxic or regulated under any other applicable federal, state or
6 local Environmental Laws currently existing or hereinafter enacted, including, without
7 limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas
8 and synthetic fuel products, and by-products.

9 **Hazardous Waste**

10 "Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous
11 Waste, or extremely Hazardous Waste by the State of California in Health and Safety Code
12 §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such
13 statutes or identified and listed as Hazardous Waste by the US Environmental Protection
14 (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et
15 seq.), all future amendments thereto, and all rules and regulations promulgated there
16 under.

17 **Household Hazardous Waste**

18 "Household Hazardous Waste" means Hazardous Waste generated at Residential
19 Premises within the Service Area.

20 **Materials Recovery Facility (MRF)**

21 "Materials Recovery Facility" means a permitted Facility where Solid Waste, Recyclable
22 Materials, or Yard Waste are sorted or separated for the purposes recovering reusable or
23 Recyclable Materials.

24 **Missed Pick-up**

25 "Missed Pick-up" means failure of Contractor to pick up Solid Waste, Recyclable
26 Materials, and/or Yard Waste that has been set out by the customer at the time, at the
27 weight, in the volume, in the proper container, with the lawful contents in accordance with
28 this Agreement, and at the prescribed level of service, as mutually agreed upon by the
29 customer and Contractor.

30 **Multi-Family Residential Complex**

31 "Multi-Family Residential Complex" means any residential Premises, other than a Single
32 Family Dwelling, used for residential purposes. Such Premises normally have centralized
33 Solid Waste and Recyclable Materials Collection service for all units in the building and
34 are billed as one address.

35 **Occupant**

36 "Occupant" means the Person who occupies a Premises.

37 **Other Fees**

38 "Other Fees" means fees paid by the Contractor at the direction of the Town, including but
39 not limited to, a Vehicle Impact Fee.

1 **Owner (Ownership)**

2 "Owner" means the Person holding the legal title to the real property constituting the
3 Premises to which Solid Waste, Recyclable Materials and Yard Waste Collection service is
4 to be provided under this Agreement.

5 **Party (Parties)**

6 "Party" refers to the Town and Contractor, individually or together (Parties).

7 **Pass-Through Costs**

8 "Pass-Through Costs" means a cost to which no element of overhead, administrative
9 expense, profit, or other cost is added nor with respect to which any other amount is
10 credited, such that the specific amount of such cost is included without modification in the
11 calculations or reports to which such costs pertain.

12 **Person**

13 "Person" means any individual, firm, association, organization, partnership, corporation,
14 business trust, joint venture, the United States, the State of California, the County of Butte,
15 towns, cities, or special purpose districts.

16 **Premises**

17 "Premises" means any land, or building in Service Area where Solid Waste, Recyclable
18 Materials or Yard Waste is generated or accumulated.

19 **Processing**

20 "Processing" means to prepare, treat, or convert through some special method.

21 **Processing Facility (site)**

22 "Processing Facility" means a permitted Facility where Yard Waste or Recyclable
23 Materials are processed for reuse, recycling, composting, mulching, transformation or
24 purpose other than Disposal.

25 **Rates**

26 "Rates" means the unit to be charged customers by Contractor for providing the Collection
27 of Solid Waste, Recyclable Materials, and Yard Waste within the Service Area, the
28 transportation of such material to appropriate places of processing, Recycling, Composting
29 and/or Disposal, and the Processing of Recyclable Materials. Rates may be adjusted time
30 to time in accordance to this Agreement.

31 **Rate Year**

32 "Rate Year" means the twelve month period, commencing January 1, of one year and
33 concluding December 31 of the same year, for which Contractor compensation is
34 calculated.

1 **Recyclable Materials**

2 "Recyclable Materials" means discarded materials that are re-used, remanufactured or
3 processed. Materials shall include, but not be limited to: Metal Items - Aluminum cans,
4 tin & steel cans, clean aluminum foil, empty aerosol cans, small scrap metal items, pots,
5 pans & utensils, loose lids from jars,; Plastic Bottles - narrow neck (#1-#7), CRV containers,
6 all colors - lids/caps removed, rinsed and empty; Glass - all beverage & food containers,
7 all colors - lids / caps removed, rinsed and empty; and Mixed Paper - newspaper,
8 magazines, catalogs & gloss paper, brown paper bags, paper packaging, egg cartons, milk
9 and juice cartons, carbonless paper, office paper (all colors), phone books & soft cover
10 books, envelopes, junk mail, shredded paper in clear bags, box board and cardboard.

11 **Recycling**

12 "Recycling" means the process of collecting, sorting, cleansing, treating and reconstituting
13 discarded materials which meet the quality standards necessary to be re-used,
14 remanufactured or processed. The Collection, transportation or Disposal of Solid Waste
15 not intended for, or capable of, reuse is not Recycling.

16 **Related Party Entity**

17 "Related Party Entity" means any Affiliate which has financial transactions with
18 Contractor pertaining to this Agreement.

19 **Residential**

20 "Residential" shall mean of, from, or pertaining to a Single-Family or Multi-Family
21 Dwellings and Premises including single-family homes, apartments, condominiums,
22 townhouse complexes, mobile home parks, cooperative apartments, and yacht harbors
23 and marinas where residents live aboard boats.

24 **Residential Property**

25 "Residential Property" means property used for residential purposes.

26 **Rubbish**

27 "Rubbish" means all waste wood, wood products, printed materials, paper, paste board,
28 rags, straw, used and discarded clothing, packaging materials, ashes, floor sweepings,
29 glass and other materials not included in the definition of Garbage, Hazardous Substance,
30 Yard Waste or Recyclable Materials, and such materials defined as "rubbish" by applicable
31 local ordinances in existence as of the Effective Date of this Agreement.

32 **Service Area**

33 "Service Area" means that territory within the Town of Paradise with respect to which the
34 Town exercises franchising authority for the Collection of Solid Waste, Recyclable
35 Materials and Yard, the transportation of such material to appropriate places of
36 processing, Recycling, Composting, and/or Disposal and the Processing of Recyclable
37 Materials and Yard Waste which territory is shown on a map on file in the office of the
38 Town Administrator, to which reference is hereby made for the description of said area.

1 **Service Suspension**

2 "Service Suspension" means an option for a residential customer to elect to stop service for
3 an extended period of time due to Premises being vacant. Absent period must be greater
4 than four (4) weeks and may only occur two times per year.

5 **Single Family Dwellings**

6 "Single Family Dwellings" means each Premises used for or designated as a single family
7 residential dwelling, including each unit of a duplex, triplex or townhouse condominium
8 in all cases in which there is separate or individual Solid Waste, Recyclable Materials, and
9 Yard Waste Collection are provided separately to each dwelling unit.

10 **Solid Waste**

11 "Solid Waste" means all putrescible and non-putrescible solid, semisolid, and liquid
12 wastes, as defined in California Public Resources Code §40191, as that section may be
13 amended from time to time. For the purposes of this Agreement, "Solid Waste" does not
14 include abandoned vehicles and parts thereof, Hazardous Waste or low-level radioactive
15 waste, medical waste, Recyclable Materials, or Yard Waste.

16 **Solid Waste Committee**

17 "Solid Waste Committee" means two Town council members and the Town Manager or his/her
18 designee.

19 **Source Separate**

20 "Source Separate" means to have the generator segregate from Solid Waste material which
21 otherwise would become Solid Waste, such as Recyclable Materials or Yard Waste, for the
22 sole purpose of reuse, Recycling, or composting, to be collected by Contractor or others.

23 **Term**

24 "Term" means the time period of this Agreement.

25 **Town**

26 "Town" means the Town of Paradise a municipal corporation of the State of California,
27 and all the territory lying within the municipal boundaries of the Town as presently
28 existing or as such boundaries may be modified, named a party to this Agreement.

29 **Town Administrator**

30 "Town Administrator" means the Town Manager or his or her designee.

31 **Transfer Station**

32 "Transfer Station" means a Facility primarily used for the purpose of transferring Solid
33 Waste from collection vehicles to transfer vehicles (but which may include recovery
34 attributes) to more efficiently transport said Solid Waste to its ultimate Disposal Site.

1 **Universal Waste**

2 "Universal Waste" means Universal Waste as defined in California Code of Regulations
3 Title 22, Division 4.5, Ch 11, Article 1, §66261.9. Included in the definition are, but are not
4 limited to, common household batteries, fluorescent tubes and bulbs and other mercury-
5 containing lamps, thermostats, electronic devises, electrical switches and relays, pilot light
6 sensors, mercury gauges, mercury-added novelties, mercury thermostats and non-empty
7 aerosol cans that contained hazardous materials.

8 **Vehicle Impact Fee**

9 "Vehicle Impact Fee" means the fee paid by the Contractor to reimburse the Town for
10 street maintenance costs incurred because of Collection vehicles traveling on Service Area
11 streets.

12 **Waste Generator**

13 "Waste Generator" means any Person, whose act or process produced Solid Waste, or
14 whose act first causes Solid Waste to become subject to regulation.

15 **Yard Waste**

16 "Yard Waste" means a subset of organic Recyclable Materials consisting of grass cuttings,
17 weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees (not
18 more than six (6) inches in diameter) and four (4) feet in length, and similar materials
19 generated at Premises within the Service Area, separated and set out for Collection,
20 processing, and Recycling. Yard Waste does not include materials not normally produced
21 from farms, gardens or landscapes, such as, but not limited to, brick, rock, gravel, large
22 quantities of dirt, concrete, sod, non-organic wastes, oil, and painted or treated wood or
23 wood products. Diseased plants and trees are also excluded from Yard Waste.
24

EXHIBIT B

**Town Facilities /
Special Events**

Exhibit B
TOWN FACILITIES / SPECIAL EVENTS

Town of Paradise Facilities/Locations and Service Levels		
Facility	Location	Service Level
Fire Station No. 1	767 Birch Street	2-yd Container & Recycling bin
Fire Station No. 2	5545 South Liberty Road	2-yd Container
Fire Station No. 3	1250 Wagstaff Road; or at CDF facility - Forest Service Road	2-yd Container
Police Station	5595 Black Olive Drive	2-yd Container & Recycling bin
Town Hall	5555 Skyway	2-yd Container & Recycling bin
Paradise Animal Shelter	925 American Way	2-yd Container
Town Public Works Yard	925 American Way	2-yd Container
Paradise Community Park	NE corner of Black Olive Drive & Pearson Road intersection	Roll Carts and/or Fixed Small Containers
Paradise Memorial Trailway	Locations (3 or 4) along trailway (near public road intersections)	Roll Carts and/or Fixed Small Containers
Bus Stop	Skyway in front of Town Hall building	Roll Carts and/or Fixed Small Containers
Bus Stop	Skyway in front of Terry Ashe Recreation Center, 6626 Skyway	Roll Carts and/or Fixed Small Containers
Bus Stop	Skyway in front of Les Schwab Tire Store	Roll Carts and/or Fixed Small Containers
Bus Stop	Clark Road in front of Paradise Plaza shopping center	Roll Carts and/or Fixed Small Containers
Bus Stop	Butte Community Bank near Clark Road & Wagstaff Road intersection	Roll Carts and/or Fixed Small Containers

Special Events

Johnny Appleseed Days
 Gold Nugget Days
 Chocolate Festival
 4th of July

EXHIBIT C

Contractor Public Education Plan
(Included in Exhibit H)

EXHIBIT D

Payments to Town

EXHIBIT D

PAYMENTS BY CONTRATOR

1. Franchise Fees

Contractor shall pay a monthly Franchise Fee using the following %'s:

Town of Paradise	7%
------------------	----

2. Vehicle Impact Fees

Contractor shall pay a monthly Vehicle Impact Fee as follows:

Town of Paradise	\$ 0
------------------	------

EXHIBIT E

**Rate Adjustment
Methodology**

Exhibit E

RATE ADJUSTMENT METHODOLOGY

General

The Solid Waste Collection Rate Schedule set forth in Section 6.02 shall be adjusted as of January 1, 2008 and annually thereafter to reflect changes in the California Statewide, Consumer Price Index, All Items, 1982-1984 = 100 for all Urban Consumers (CPI-U), compiled and published by the United States Department of Labor, Bureau of Labor Statistics.

The annual adjustment to the rates will be based on 75-percent of the percentage change in the CPI for July of the current year as compared to July of the prior year (the Rate Adjustment Factor), applied to the then current rates, net of any surcharges or other expenses not related to the Contractor's final negotiated revenue requirement. In addition, this adjustment shall not apply to Solid Waste Disposal fees (Landfill Tip Fees) which are not regulated by the Contractor or Affiliate of the Contractor but shall apply to any such fees which are regulated by the Contractor or Affiliate of the Contractor. Any Landfill Tip Fees that are not regulated by the Contractor or Affiliate of the Contractor shall be adjusted in proportion to any changes in said fees, if and when such changes occur. No other adjustment to this portion of the rates will occur.

Figure 1 documents that portion of the Residential, Commercial and Debris Box Collection Revenue requirements that shall be subject to a proportional adjustment (Proportionally Adjusted Revenue Requirements) and that portion which shall be subject to the CPI adjustment (CPI Adjusted Revenue Requirements).

Figure 2 provides an example of the CPI 75% Rate Adjustment Factor calculation. Figure 3 provides an example calculation of the Overall Rate Adjustment Factor for the Residential and Commercial Solid Waste Collection rates using the CPI 75% Rate Adjustment Factor calculated in Figure 2 and illustrates how this Overall Rate Adjustment Factor would be applied to the existing rates to generate the new adjusted rates. Figure 4 provides a similar example calculation for the Debris Box rates.

The "Revenue Requirements" and "Percent of Total Expenses" used to calculate the Overall Rate Adjustment Factor for the Residential, Commercial and Debris Box Collection rates shall be adjusted on an annual basis in proportion to the Overall Rate Adjustment Factor as shown in Figures 2 and 3. These adjusted Revenue Requirements and Percent of Total Expenses will form the basis for calculating the rate adjustment for the following year.

Request for Rate Adjustment Requirements

In submitting its Request for Rate Adjustment for the Solid Waste Collection Rate Schedule the Contractor is required to provide the following information no later than September 1 of the current year:

- Documentation of the CPI for the period ending July of the current year and beginning July of the prior year.
- The CPI 75% Rate Adjustment Factor calculation consistent with the example shown in Figure 2.
- The calculation used to determine the Overall Rate Adjustment Factor consistent with the examples in Figures 3 and 4.
- Copies of the current Residential, Commercial and Debris Box Collection Rate Schedule.

Figure 1
RESIDENTIAL AND COMMERCIAL SOLID WASTE COLLECTION REVENUE REQUIREMENTS

	Proposal Form	Solid Waste Disposal Fees	Total Proportionally Adjusted Revenue Requirement	All Other Fees	Total CPI Adjustment Revenue Requirement	Total Revenue Requirement
Residential Solid Waste Collection	5 Rev_Req	\$ 237,000	\$ 237,000	\$ 1,020,692	\$ 1,020,692	\$ 1,257,692
Residential Recycling Collection	5 Rev_Req		-	535,084	535,084	\$ 535,084
Residential Yard Waste Collection	5 Rev_Req		-	909,193	909,193	\$ 909,193
Commercial Solid Waste Collection	5 Rev_Req	124,800	124,800	380,233	380,233	\$ 505,033
Commercial Recycling Collection	5 Rev_Req		-	158,179	158,179	\$ 158,179
		<u>\$ 361,800</u>	<u>\$ 361,800</u>	<u>\$ 3,003,381</u>	<u>\$ 3,003,381</u>	<u>\$ 3,365,181</u>
	% of Total Revenue Requirement		10.8%		89.2%	100.0%

DEBRIS BOX REVENUE REQUIREMENT

	Proposal Form	Solid Waste Disposal Fees	Total Proportionally Adjusted Revenue Requirement	All Other Fees	Total CPI Adjustment Revenue Requirement	Total Revenue Requirement
Debris Box Solid Waste	5 Rev_Req	\$ 92,700	\$ 92,700	\$ 255,695	\$ 255,695	\$ 348,395
Construction/Demolition Debris Recovery Program	5 Rev_Req	-	-	-	-	-
		<u>\$ 92,700</u>	<u>\$ 92,700</u>	<u>\$ 255,695</u>	<u>\$ 255,695</u>	<u>\$ 348,395</u>
	% of Total Revenue Requirement		26.6%		73.4%	100.0%

Figure 2
EXAMPLE RATE ADJUSTMENT CALCULATION

Index Point Change

Current Year CPI (1)	188.4
Minus Prior Year CPI (2)	<u>- 182.4</u>
Equals Index Point Change	6.0

Percent Change

Index Point Change	6.0
Divided by Prior Year CPI	6.0 / 182.4
Equals	= 0.033
Multiplied by 75%	0.033 x .75
Equals "RATE ADJUSTMENT FACTOR"	= 0.025

Rate Adjustment

Current Monthly Rate	\$15.00
Times (1 + RATE ADJUSTMENT FACTOR)	\$15.00 x (1 + 0.025)
Equals New Rate	= \$15.37

- (1) CPI for July of the current year
- (2) CPI for July of prior year

Figure 3
EXAMPLE RESIDENTIAL AND COMMERCIAL SOLID WASTE COLLECTION RATE ADJUSTMENT CALCULATIONS

Example 1 - No Change in Disposal Fees

Calculation of Overall Rate Adjustment Factor

Assumptions:

Disposal Tip Fee per Ton	0%
CPI 75% Rate Adjustment Factor	2.5%

Rate Adjustment Percentage Calculation:

	Base Year Expense net of Franchise Fees	Franchise Fees	Base Year Expenses	Percent Adjustment	Adjusted Revenue Requirement for Next Year (1)
Disposal Fees	361,800	27,232	389,032	0.0%	389,032
CPI Adjusted Expenses	2,767,818	208,330	2,976,149	2.5%	3,050,552
Franchise and Other Franchisor Fees					
	3,129,618	235,563	3,365,181		3,439,585

OVERALL RATE ADJUSTMENT FACTOR 2.2%

Adjustment of Rates Using Overall Rate Adjustment Factor

	Total Existing Rate	Overall Rate Adjustment Factor	New Adjusted Rate
32 - Gallon Cart with Recycling and Yard Waste	\$ 20.00	2.2%	\$ 20.44

Notes:

- (1) Revenue Requirement and Percent of Total Expense to be adjusted each year in proportion to Rate Adjustment Factor
- (2) Franchise Fees adjustment reflects the additional fees due on the CPI Adjusted Expenses.

Figure 3 (continued)
EXAMPLE RESIDENTIAL AND COMMERCIAL SOLID WASTE COLLECTION RATE ADJUSTMENT CALCULATIONS

Example 1 - Change in Disposal Fees

Calculation of Overall Rate Adjustment Factor

Assumptions:

Disposal Tip Fee per Ton % Change	10%
CPI 75% Rate Adjustment Factor	2.5%

Rate Adjustment Percentage Calculation:

	Base Year Expense net of Franchise Fees	Franchise Fees	Base Year Expenses	Percent Adjustment	Adjusted Revenue Requirement for Next Year (1)
Disposal Fees	361,800	27,232	389,032	10.0%	427,935
CPI Adjusted Expenses	2,767,818	208,330	2,976,149	2.5%	3,050,552
Franchise and Other Franchisor Fees					
	3,129,618	235,563	3,365,181		3,478,488

OVERALL RATE ADJUSTMENT FACTOR 3.4%

Adjustment of Rates Using Overall Rate Adjustment Factor

	Total Existing Rate	Overall Rate Adjustment Factor	New Adjusted Rate
32 - Gallon Cart with Recycling and Yard Waste	\$ 20.00	3.4%	\$ 20.67

Notes:

(1) Revenue Requirement and Percent of Total Expense to be adjusted each year in proportion to Rate Adjustment Factor

Figure 4
EXAMPLE DEBRIS BOX RATE ADJUSTMENT CALCULATIONS

Example 1 - No Change in Disposal Fees

Calculation of Overall Rate Adjustment Factor

Assumptions:

Disposal Tip Fee per Ton	\$ 30.00	Rate used in proposal	\$ 30.00
CPI 75% Rate Adjustment Factor	2.5%		

Rate Adjustment Percentage Calculation:

	Base Year Expense net of Franchise Fees	Franchise Fees	Base Year Expenses	Percent Adjustment	Adjusted Revenue Requirement for Next Year (1)
Disposal Fees	92,700	6,977	99,677	0%	99,677
CPI Adjusted Expenses	231,307	17,410	248,718	2.5%	254,936
	324,007	24,388	348,395		354,613

Adjustment of Rates

	Existing Haul Charge including Franchise Fees	Percent Adjustment	New Adjusted Haul Charge	Existing Disposal Charge per Ton including Franchise Fees	Percent Adjustment	New Disposal Charge per Ton
20 Yard Box	\$ 175.82	2.5%	\$ 180.22	\$ 32.26	0%	\$ 32.26

Notes:

(1) Revenue Requirement and Percent of Total Expense to be adjusted each year in proportion to Rate Adjustment Factor

Figure 4 (continued)
EXAMPLE DEBRIS BOX RATE ADJUSTMENT CALCULATIONS

Example 1 - No Change in Disposal Fees

Calculation of Overall Rate Adjustment Factor

Assumptions:

Disposal Tip Fee per Ton at Neal Rd Landfill	\$	35.00		Rate used in proposal	\$	30.00
CPI 75% Rate Adjustment Factor		2.5%				

Rate Adjustment Percentage Calculation:

	Base Year Expense net of Franchise Fees	Franchise Fees	Base Year Expenses	Percent Adjustment	Adjusted Revenue Requirement for Next Year (1)
Disposal Fees	92,700	6,977	99,677	17%	116,290
CPI Adjusted Expenses	231,307	17,410	248,718	2.5%	254,936
	324,007	24,388	348,395		371,226
Estimated Tons	3,090				

Adjustment of Rates

	Existing Haul Charge including Franchise Fees	Percent Adjustment	New Adjusted Haul Charge	Existing Disposal Charge per Ton including Franchise Fees	Percent Adjustment	New Disposal Charge per Ton
20 Yard Box	\$ 175.82	2.5%	\$ 180.22	\$ 32.26	17%	\$ 37.63

Notes:

(1) Revenue Requirement and Percent of Total Expense to be adjusted each year in proportion to Rate Adjustment Factor

EXHIBIT F

**Solid Waste Collection
Rate Schedule**

Town of Paradise

Solid Waste Collection Rates

Effective May 1, 2007

Residential (includes solid waste, recycling and yard waste)

35-gallon – Senior*	\$ 17.50
35-gallon	\$ 20.00
65-gallon	\$ 26.00
95-gallon	\$ 29.00

* Available only to residents receiving a senior discount rate as of November 1, 2006.

Commercial carts

35-gallon	\$ 20.00
65-gallon	\$ 27.30
95-gallon	\$ 37.09

Commercial – 1 Yard

1 p/u per week	\$ 65.49
2 p/u per week	\$ 99.07
3 p/u per week	\$132.63
4 p/u per week	\$166.54
5 p/u per week	\$199.75
6 p/u per week	\$233.40

Commercial – 1.5 Yards

1 p/u per week	\$ 78.74
2 p/u per week	\$121.70
3 p/u per week	\$155.86
4 p/u per week	\$201.18
5 p/u per week	\$238.56
6 p/u per week	\$271.28

Commercial – 2 Yards

1 p/u per week	\$ 89.09
2 p/u per week	\$148.59
3 p/u per week	\$197.66
4 p/u per week	\$240.88
5 p/u per week	\$287.63
6 p/u per week	\$339.04

Commercial – 3 Yards

1 p/u per week	\$110.00
2 p/u per week	\$180.46
3 p/u per week	\$251.26
4 p/u per week	\$327.33
5 p/u per week	\$384.81
6 p/u per week	\$451.98

Town of Paradise

Solid Waste Collection Rates

Effective May 1, 2007

Commercial – 4 Yards

1 p/u per week	\$135.71
2 p/u per week	\$226.83
3 p/u per week	\$315.63
4 p/u per week	\$410.52
5 p/u per week	\$501.97
6 p/u per week	\$593.29

Commercial – 6 Yards

1 p/u per week	\$159.03
2 p/u per week	\$289.86
3 p/u per week	\$414.84
4 p/u per week	\$533.96
5 p/u per week	\$653.09
6 p/u per week	\$778.08

Insta-bins

4 yards	\$ 95.00
6 yards	\$120.00

All commercial customers will be charged an additional \$12.00 per month to support the Town's Vegetative Waste Facility.

Debris Box – Haul Charge Only. Disposal will be added based upon the current tip fee at Neal Road Landfill.

Loose:

10 cubic yards	\$178.08/per pull
20 cubic yards	\$178.08/per pull
30 cubic yards	\$178.08/per pull
40 cubic yards	\$178.08/per pull

Compactor:

10 cubic yards	\$210.00/per pull
20 cubic yards	\$210.00/per pull
30 cubic yards	\$210.00/per pull
40 cubic yards	\$210.00/per pull

Town of Paradise

Solid Waste Collection Rates

Effective May 1, 2007

Special Charges

Extra Pulls	\$ 20.00 /Cubic Yard/Pull
Lock Service	\$ 5.00 /lock/month
Pushout Charge	\$ 5.00 /25 feet/month
Container Cleaning	\$ 40.00 /cleaning
Weight Surcharge (Solid waste containers exceeding 300lbs per cubic yard)	\$ 33.00 /ton
Cart Replacement (in addition to one per year at no additional cost)	\$ 50.00 /replacement
Roll Off and Insta bin rental after 5th day	\$ 5.00 /day
Additional Yard Waste Cart(first 2 free)	\$ 5.00 /month
Footage Charge	
5 to 100 feet	\$ 14.00 /month
101 to 300 feet	\$ 18.00 /month
301 to 500 feet	\$ 22.00 /month
501 to 700 feet	\$ 26.00 /month
701 to 999 feet	\$ 28.00 /month
1000 to 1999 feet	\$ 30.00 /month
Over 2000	\$ 40.00 /month

EXHIBIT G

Notary Certification

NOTARY CERTIFICATION

STATE OF CALIFORNIA

COUNTY OF _____ ss:

On _____, _____, before me, the undersigned, a Notary Public in and for the State of California, Personally appeared _____, known to me to be the _____ of Contractor that executed the within instrument on behalf of the Contractor therein named, and acknowledged to me that such Contractor executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of _____ this _____ day of _____, _____.

Notary Public

My Commission Expires:

EXHIBIT H

Contractor's Proposal

Proposal to the Town of Paradise
and the County of Butte

for

Solid Waste, Recyclable Material, and
Yard Waste Collection, Processing, and
Disposal Services

Submitted by:

Northern Recycling & Waste Services, LLC

Prepared by:

Pacific Waste Consulting Group

April 7, 2006

“Our Families Serving Your Family”



Northern Recycling & Waste Services
P.O. Box 239
Napa, CA 94559
(707) 256-3500 Phone
(707) 256-3565 Fax

April 7, 2006

Ms. Marva Sheehan
Senior Associate
Hilton Farnkopf & Hobson, LLC
2175 N. California Blvd., Suite 990
Walnut Creek, CA 94596

Dear Ms. Sheehan:

Northern Recycling & Waste Services, LLC is pleased to submit our proposal, the proposal forms and the accompanying materials to provide the services identified in the *Request for Proposals for Solid Waste, Recyclable Material, and Yard Waste Collection, Processing, and Disposal Services* dated February 24, 2006 and issued by the Town of Paradise and the County of Butte (the Franchisors).

The name of the entity that would contract with the Town and the County is Northern Recycling & Waste Services, LLC (Northern Recycling).

The four partner companies that make up Northern Recycling are:

- **Napa Recycling & Waste Services, LLC**, providing recycling and waste collection for the City of Napa and Napa County Recycling & Waste Services, LLC, providing recycling and waste collection for the lower portion of the Napa Valley.
- **Upper Valley Disposal Service, Inc.**, providing recycling and waste collection for the communities and upper portion of the unincorporated area of the Napa Valley and parts of Lake County.
- **Marin Sanitary Service**, providing recycling and disposal service to most of Marin County. Marin Sanitary is one of the country's leading recycling and waste management companies.
- **Garaventa Enterprises, Inc.**, providing recycling and disposal service to the City of Concord and other incorporated and unincorporated communities in Contra Costa and Solano Counties.

Several features of our proposal illustrate the effort we will take to provide excellent service to the Franchisors.

TRANSITION

This transition has many important aspects. It is a transition to a new service provider who will specialize in recycling programs, instead of disposal. It is also a transition to a new level of service that includes automated recycling, yard waste, and solid waste collection programs for all residents and business. Accommodating a change this extensive is a challenge, but we have recently undergone a similar successful service transition in Napa. It is a challenge we have mastered. Mr. Jed Christensen, Finance Director for the City of Napa made the following comment about the Napa Recycling & Waste Service October 1, 2005 transition:

“We had very few problems during the transition of service. Our transition was two dimensional — we changed haulers and converted our residential recycling system from three-bin to single stream. We believe that the main reason for the smooth transition was the pre-planning that NRWS did well before initiation of service, so that their staff was very well trained from the first day on the job.”

In Napa, our company was actively involved from the start. We have proven, by doing so, that we can transition to an entirely new program with a new expectation of service.

Northern Recycling will provide the following for Paradise and Butte County:

- A thorough and tested transition plan that will be further refined through continued cooperation with the jurisdiction representatives. The transition plan is a living document; it is revised as the situation changes. Because of the details in the Plan, all parties know what to expect and when to expect it.
- Knowledgeable local management and staff, hired shortly after execution of the agreement so they can have an active role in the transition.
- Vehicles and containers ordered shortly after execution of the agreement so the vehicles are available for testing and pre-operations training, and the containers are ready for timely distribution.
- A public education plan that provides the residents with frequent opportunities to become acquainted with the new service and service provider, as well as the ability to select the service level that best fits their needs. Additionally, our staff will meet in person with every business to select their level of service.

Our transition will be smooth because we have the recent experience of completing a very similar transition and because we will work very closely with the Franchisors to provide frequent public outreach to acquaint the customers with the new service.

EXPERIENCE OF MANAGEMENT TEAM

Our management team is experienced in providing automated single stream recycling collection (the three cart system.) We have been operating the types of collection programs for recyclables, yard waste, and garbage in Napa for several months and for many years in the other jurisdictions served by the Partners. We established yard waste collection and processing programs, designed the recyclables processing facilities, and operated the collection and processing programs for many years.

We are currently using the equipment proposed for the Franchisors both in our Napa programs and in some of our Partners' programs. We understand how to provide the automated collection services described in the RFP as well as the other recycling programs requested by the Franchisors.

Our experience operating construction and demolition material separation facilities has been equally impressive. In just a short time we have gone from a start up operation to one that moves tons of material each year to alternate uses rather than to the landfill for disposal.

We bring another important aspect: we understand the local community. Our Partners were owners in Paradise Solid Waste Services, and we realize the need to have employees with local knowledge, the skills to operate state-of-the-art equipment, and the dedication to service our residential and business customers. Our management is local and decisions will be made in Paradise based on the needs of Paradise and Butte County.

Skilled local management, local jobs, and local decisions will bring a world class system to Paradise and Butte County.

PUBLIC EDUCATION

The management team, local employees, and new equipment are all important elements to our new services. But without an active, well planned, appropriately financed, and interesting outreach program, a smooth transition to successful service would be impossible. The goal of the public education is to engage the public, and get residents and businesses to look forward to the new programs and services.

The public education program is in three phases:

The transition period: The focus will be on thoroughly acquainting the resident and business owner with the new collection services and the other aspects of the program that will be beneficial to them. Return post cards will be distributed to make it easy for the resident to select a service level. The business owners will be contacted in person by our staff to select the level of service that best fits their needs and achieves the highest level of diversion from the landfill.

All the outreach materials will be specifically tailored to Paradise and Butte County. We will add to our successful outreach concepts from other service areas, and customize the materials for the Paradise and Butte County area. We will place general articles and ads in the local newspapers to acquaint people with the new service. Participation in community

events will be a cornerstone of our public education plan. Additionally, at least one open house event will give the public the opportunity to personally meet and speak with the local employees, learn about the improved services, and sign up for container sizes. In short, the transition period involves intensive outreach to establish the level of service and sign up those residents not on service.

The first year of service: We will make an extra effort to reach those residents that are still not customers, while providing comprehensive outreach to all customers. These efforts will include contacting customers in the Town and in the unincorporated county. While the unincorporated area will not become part of the franchise for several years, the customers can be recruited now. We intend to provide service in the same way as a company that must compete for the accounts. We will develop special outreach materials for the customers that have not yet subscribed for service.

In addition to mailings and print media, our outreach program pays special attention to working with the schools to increase awareness of the importance of diversion and reducing landfilling. We will participate in special school programs, make presentations to classes, and host tours of our facilities. One of the primary messages we will initially be communicating is the ease and convenience of the new automated programs and the importance of participating in recycling activities.

Ongoing outreach for the entire contract period: Outreach will include material relating to all new aspects of the service. Seasonal materials will be provided on a schedule that maximizes the effect of the education program. Our quarterly newsletters will include both time specific and general outreach information. We have developed a billing format that allows for more educational material to be delivered with the bill, making the bill an effective tool to disseminate information.

The education program is an integral part of our recycling efforts. One of the main messages that the program will deliver will be to encourage maximum participation in the recycling and yard waste programs and expand subscriptions to service.

We will have our own public education specialist to prepare many of the documents. We will also employ Rhonda Hoffman, a local public relations person that has worked with Paradise Solid Waste Services and understands both the local area and our business. Her services will enable us to more effectively focus our efforts.

PARTICIPATION IN THE COMMUNITY

With Northern Recycling, participation in the community starts with execution of the agreement and continues through the entire term. Our staff and financial resources will be put to use supporting and participating in local service clubs and community activities. Our company will participate in local events, such as Johnny Appleseed Days (we will have an education booth), Gold Nugget Days (we expect to have a float), the High School Career Faire (we will have representatives encouraging recycling and environmental studies), the farmers market (we will distribute educational information), the Boys and Girls Club (sponsorships), job shadowing for the schools, and internships (providing useful job

experiences for students and potential future employees for the company.)

The participation in these activities is possible because we will have an active and dedicated local public education staff.

WHY CHOOSE A LOCAL COMPANY RATHER THAN A LARGE NATIONAL FIRM?

We know the large national firms have significant financial resources. We also know they make decisions in places far from this area, for reasons that have more to do with the price of their stock on Wall Street than their stock in their community. They seem to adopt cost savings measures without regard to the local impact. For example, we understand one national firm decided to save salaries by centralizing customer services representatives and public education staff. The result was to have a customer service representative without an appreciation of a customer's specific situation. Without local public education specialists, the community gets outreach material prepared for a national market and does not reflect local conditions.

We have committed to having local customer service representatives and public education staff that are dedicated to providing local service.

We have also committed to having operating management with local experience. We intend to use as many of the staff from the existing service providers as needed for the service and as meet the job requirements. Our staff will bring the same attention to detail and local focus that the staff of Paradise Solid Waste Systems had when they were privately owned and operated before being acquired by Waste Management.

A LOCAL COMPANY DOING BUSINESS LOCALLY

Northern Recycling is a locally managed company. The Partners are also local owners of solid waste and recycling companies serving many Northern California communities — and we have worked in these communities for a very long time. We have served the large majority of our jurisdictions for periods ranging from 21 years to 72 years; the same firms providing the same quality of service over that extended term.

Once established in a local jurisdiction, we have competitive rates, provide quality services and actively participate in the community.

We buy locally. All our Partners' firms buy the goods and services they need from local vendors. Northern Recycling will do the same in Paradise and Butte County.

We hire locally. In Napa, we hired all of our drivers from those that were employed by our predecessor. Northern Recycling will do the same. Northern Recycling will hire our employees early in the process. The current employees and their families will know they have continued employment, an ongoing job and benefits, while we will know we have a well trained staff familiar with the area.

By providing superior service with local employees, we believe that the residents will see the wisdom of having a single company provide service. With one company responsible, there will be a large enough base to support the active programs described in the RFP.

COMMUNITY CLEAN UP EVENTS

According to the State Department of Finance, by 2010, 37 percent of the population of the Paradise area will be over 50 years of age. Our community clean up and bulky item events will serve the entire community and will become even more important as people will be less interested in hauling their own materials to the landfill and recycling facilities.

We have included a mix of events that will use drop boxes at various locations in the Town and County areas. The boxes will be designated for specific materials and the residents will be encouraged to recycle and donate the bulk of the materials. Community Clean Up events will be spread throughout the year and will target certain products each time. Doing so will enable more recycling. Many of the items that still have useful life will be donated to thrift stores, Habitat for Humanity, or other non-profit enterprises that can make good use of the items.

In addition to the drop off programs, coupons will be provided to each customer authorizing them to one collection per year at their home and one opportunity to drop materials at the landfill for no cost (our computerized system will track the coupon use.) These methods should provide the older residents of the area assistance to maintain their property, and convenient and practical community clean up services for all customers.

We also plan to hold an electronic and universal waste recycling event. These events allow the resident a convenient opportunity to properly dispose these materials (the electronic and universal wastes will be diverted by certified recyclers.) The event in the Paradise area can be organized to compliment the existing County services. There is a good opportunity for the hauler, Town of Paradise, and Butte County to cooperate in these events. Events will be changed from year to year to address the never ending changes to the products and laws that we live with.

FACILITIES IN PARADISE

We expect to have local facilities. We plan to locate our office in Paradise and will locate our yard and processing facilities in town or as close as possible, where properly zoned land is available. We will work with the Town and County to site the facility, perhaps near the Corporation Yard or the Neal Road landfill. Our goal is to keep the jobs in the Service Area and to make the yard waste compost we produce available for sale locally.

Our preference would be to further develop and permit the current Paradise Vegetative Waste Transfer facility. We recognize that the alternative sites (the Worm Farm, the Neal Road Landfill, and the Chico facility) are more distant from the Town and may not be as convenient. We also want to continue to provide the convenient and popular service with the yard waste drop off in Paradise.

We also intend to work with the County at the Neal Road landfill or an alternative site to process and produce a finished compost product that will be available for reuse. Northern Recycling's partner companies own and operate five mobile grinders in Northern California and also operate two full scale composting facilities that produce over 70,000 yards of finished compost annually.

Our facilities will be local so that the jobs created stay in the local area.

CONSTRUCTION AND DEMOLITION DEBRIS PROGRAM

Construction and demolition debris (C&D) is heavy material and an effective C&D recycling program will dramatically increase diversion numbers. At our Napa facility (experience we expect to replicate in Paradise and Butte County), we achieve a great amount of diversion from source separated collection and recycling of asphalt, dirt, concrete, metal, sheet rock, wood and yard waste. Northern Recycling will encourage customers to use source separated service through a reduced pricing structure that financially rewards diversion. Source separated collection and drop off sites are easier to manage and permit than a full scale mixed C&D sorting facility.

The C&D recycling will be an important source of diversion that will help the Franchisors achieve the AB 939 50 percent diversion mandate.

ENCOURAGING 100 PERCENT PARTICIPATION

Obtaining participation from all the customers in the area is important to encourage more recycling and reduce disposal. By targeting all residents, we will be able to communicate more effectively with all customers about recycling and correct diversion and disposal options. We plan to encourage additional participation by special mailers to those residents that are not customers encouraging them to join. To encourage participation, our public education staff will make presentations and provide information to all residents through the mail and at community events.

We recognize that we need to earn the right to service the 15% of residents that are not currently receiving service. Good service, active outreach activities, and time saving convenience should result in a significant increase in both the number of customers and diversion rates.

We trust that our proposal has responded to all the requirements of the RFP. If you have any questions, please contact me.

Ms. Marva Sheehan
Page 8
April 7, 2006

The contact for Northern Recycling is:

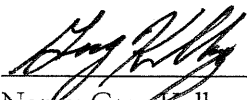
Mr. Greg Kelley
Managing Member
Northern Recycling & Waste Services, LLC
P O Box 239
Napa, California 94559
(707) 256-3500 ext. 1181 (Phone)
(707) ~~284~~-1961 (Cell) 289
(707) 224-2707 (Fax)

The person signing this Proposal on behalf of Northern Recycling is authorized to do so.

Sincerely,

Northern Recycling & Waste Services, LLC

By:



Name: Greg Kelley
Title: Managing Member

Table of Contents

- 1 General Proposer Information1
 - 1.1 Authorization to do Business.....1
 - 1.2 Legal Entity.....1
 - 1.3 Background of Legal Entity1
 - 1.4 Other Entities.....3
 - 1.5 Documents Reviewed3
- 2 Detailed Project Experience.....5
 - 2.1 Services Performed.....5
 - 2.1.1 Collection Services6
 - 2.1.1.1 Napa Recycling and Napa County Recycling.....6
 - 2.1.1.2 Upper Valley Disposal Service6
 - 2.1.1.3 Marin Sanitary Service7
 - 2.1.1.4 Garaventa Enterprises8
 - 2.1.2 Diversion Services8
 - 2.1.2.1 Napa Recycling and Napa County Recycling.....9
 - 2.1.2.2 Upper Valley Disposal Service10
 - 2.1.2.3 Marin Sanitary Service11
 - 2.1.2.4 Garaventa Enterprises12
 - 2.1.3 Processing Services.....13
 - 2.1.3.1 Napa Recycling and Napa County Recycling.....13
 - 2.1.3.2 Upper Valley Disposal Service13
 - 2.1.3.3 Marin Sanitary Service13
 - 2.1.3.4 Garaventa Enterprises14

2.1.4 Ancillary Services.....14

 2.1.4.1 Billing.....15

 2.1.4.2 Household Hazardous Waste.....16

2.2 Jurisdictions and Commencement Date.....16

2.3 Jurisdiction Contact Information18

2.4 Service Data.....20

2.5 Previous Transition Activities.....25

 2.5.1 Procurement of Vehicles and Containers25

 2.5.2 Hiring of Personnel.....25

 2.5.3 Training of Personnel26

 2.5.4 Routing.....26

 2.5.5 Operating Procedures26

 2.5.6 Delivery of Containers.....26

 2.5.7 Transition Procedures.....26

2.6 Common Transition Problems and Solutions.....26

 2.6.1 Inaccurate Customer Lists.....27

 2.6.2 Coordination of Removal Old Containers and Delivery of New Ones.....27

 2.6.3 Service Day Changes.....27

 2.6.4 Missed Collections.....28

 2.6.5 Large Number of Calls to Customer Service28

 2.6.6 New Service Recipients28

2.7 References for New Collection Services28

3 Structure of Project Team and Resumes32

 3.1 Key Transition Team Personnel.....32

- 3.2 Key Operating Team Personnel33
- 3.3 Northern Recycling Organization35
- 3.4 References35
- 3.5 Resumes and Job Descriptions35
- 4 Financial Statements36
- 5 Financing Plan38
- 6 Implementation Plan40
 - 6.1 Northern Recycling Background in Service Transition40
 - 6.2 Transition Plan41
 - 6.3 Public Education During Transition.....41
 - 6.4 Other Transition Considerations.....42
- 7 Public Education Plan44
 - 7.1 Public Education Programs.....44
 - 7.2 Presentations45
 - 7.3 Participation at Town/County Events45
 - 7.4 Recycling Outreach and Waste Audits46
 - 7.5 Schedule and Quantity of Information Distributed47
 - 7.6 Proposed Number of Employee Hours48
 - 7.7 Resumes48
- 8 Supporting Operational Information50
 - 8.1 Features Common to All Collection Activities50
 - 8.1.1 Equipment.....50
 - 8.1.2 Manufacturers Specifications.....51
 - 8.1.3 Location of Equipment and Personnel.....51

8.1.4 Maintenance Facility.....52

8.1.5 Office Location.....52

8.1.6 Personnel Training52

8.2 Solid Waste Collection52

8.2.1 Collection Methodology52

8.2.1.1 Single-Family Services52

8.2.1.2 Multi-Family Services.....53

8.2.1.3 Commercial Services.....54

8.2.1.4 Debris Box55

8.2.1.5 Compactor Services55

8.2.2 Crew Size, Equipment, and Tonnage55

8.2.3 Waste Collection Containers.....56

8.3 Recycling Collection58

8.3.1 Collection.....59

8.3.1.1 Collection Methodology.....59

8.3.1.2 Single-Family Service59

8.3.1.3 Multi-Family Services.....60

8.3.1.4 Commercial Services.....60

8.3.1.5 Excess Recyclables61

8.3.1.6 Crew Size, Equipment, and Tonnage.....61

8.3.2 Recycling Containers.....62

8.3.3 Processing.....63

8.3.3.1 Estimated Annual Tons.....63

8.3.3.2 Transfer and Processing Facilities.....64

8.3.3.3 Facility Permits65

8.3.3.4 Recyclable Tracking65

8.3.3.5 Letters of Commitment.....65

8.3.3.6 Acceptable Materials and Factors Affecting Marketability66

8.3.4 Marketing.....66

8.3.4.1 Marketing Methods and Approach.....66

8.3.4.2 Pricing Policy and Assumed Salvage Value.....68

8.3.4.3 Fluctuations in Material Quantity and Composition.....69

8.3.4.4 Response to Severe Market Fluctuations.....69

8.3.4.5 Assurance that no recyclable materials will be landfilled.....69

8.4 Yard Waste.....69

8.4.1.1 Collection Methodology.....69

8.4.1.2 Single-Family Service70

8.4.1.3 Multi-Family Services.....70

8.4.1.4 Commercial Services.....71

8.4.1.5 Holiday Tree Collection71

8.4.1.6 Crew Size, Equipment, and Tonnage.....72

8.4.2 Yard Waste Containers72

8.4.3 Processing.....73

8.4.3.1 Estimated Annual Tons.....73

8.4.3.2 Transfer and Processing Facilities.....74

8.4.3.3 Facility Permits74

8.4.3.4 Tracking Tonnage for the Jurisdiction.....74

8.4.3.5 Letters of Commitment.....74

8.4.3.6 Acceptable Materials and Factors Affecting Marketability74

8.5 Residential Mixed Organics.....75

8.6 Universal Waste Collection75

8.6.1 General Program75

8.6.2 Methods of Reporting.....75

8.6.3 Methods of Disposing of Items Received76

8.7 Annual Clean Up Programs76

8.8 Billing.....77

8.8.1 Customer Billings77

8.8.2 Jurisdictions Where Billing Services Are Provided.....77

8.8.3 Customer Service Relating to Billing Issues79

8.9 Customer Service79

8.9.1 Customer Service Representatives79

8.9.2 Customer Service Process80

8.9.3 How Calls Will Be Handled and Reported.....80

8.9.4 Changes to Current Customer Service Operations81

8.9.5 Customer Service Training Programs.....81

8.10 Collection Impacts.....81

8.10.1 Vehicle Impacts81

8.10.2 Hazardous Waste Management.....82

8.10.3 Environmental Compliance.....83

8.10.3.1 AB 939 Reporting83

8.11 Subcontractors83

8.12 Proposer-Recommended Programs.....84

9 Supporting Cost Data.....86

 9.1 Assumptions86

 9.2 Cost Proposal Forms.....86

10 Exceptions to Proposed Agreement..... 134

11 Litigation 136

 11.1 Litigation History..... 136

12 Instances of Breach of Contract/Assessment of Liquidated Damages 138

13 Identification of Surety 140

14 Anti-Collusion Affidavit 142

List of Attachments

Attachment 1 – Letters of Recommendation..... 144

Attachment 2 – Success Stories..... 148

Attachment 3 – Napa County Transition Plan 152

Attachment 4 – Resumes and Job Descriptions 156

Attachment 5 – Bank Letters of Commitment..... 161

Attachment 6 – Transition Plan for Paradise and Butte County..... 165

Attachment 7 – Public Education Materials..... 168

Attachment 8 – Manufacturer’s Equipment Brochures (Trucks and Containers)..... 171

Attachment 9 – Solid Waste Facilities Permits 174

Attachment 10 – Commitment Letters from BLT and Napa Recycling..... 177

Attachment 11 – Sample Customer Bills 181

Attachment 12 – Sample Monthly Reporting to Franchisors..... 186

Attachment 13 – Customer Service Call Report..... 193

List of Tables

Table 1, Jurisdictions and Number of Years of Service	2
Table 2, Early Residential Single-Stream Diversion Results	9
Table 3, Jurisdictions for which Billing Service is Provided	15
Table 4, Overview of Services Provided.....	17
Table 5, Jurisdiction Contact Information.....	19
Table 6, Account, Tonnage, and Diversion Data	21
Table 7, Service Data — Solid Waste.....	22
Table 8, Service Data — Recycling.....	23
Table 9, Service Data — Yard Waste	24
Table 10, References for Jurisdictions for which Transition Services Have Been Provided	30
Table 11, Percentage of Time to be Dedicated to Franchisors Agreement.....	34
Table 12, List of Equipment.....	51
Table 13, Waste Collection Details	56
Table 14, Number and Type of Waste Collection Containers.....	57
Table 15, Additional Waste Containers Needed After Five Years.....	58
Table 16, Recycling Collection Details.....	62
Table 17, Number and Type of Collection Containers	62
Table 18, Recycling Tonnage Expected by Source.....	63
Table 19, Interim Processing Facilities and Sources of Material.....	64
Table 20, Processing Facility Details	64
Table 21, Primary and Contingency Material Markets.....	67
Table 22, Market Pricing, Calendar Year 2005	68
Table 23, Yard Waste Collection Details	72

Table 24, Number and Type of Yard Waste Containers72

Table 25, Yard Waste Tonnage Expected by Source73

Table 26, Billing Experience78

Table 27, Vehicle Impact Data82

List of Figures

Figure 1, Residential Single-Stream Diversion Results10

Figure 2, Organization Chart During Transition32

Figure 4, Northern Recycling Organization35

1 General Proposer Information

This proposal is submitted in response to the Request for Proposals (RFP) from the Town of Paradise and County of Butte (the Franchisors or the Service Area) for solid waste, recyclable material, and yard waste collection, processing, and disposal services. Northern Recycling & Waste Services, LLC (Northern Recycling), a company comprised of four highly qualified entities (the Partners), is the Proposer.

This section provides the general information requested in the RFP.

1.1 Authorization to do Business

Northern Recycling is authorized to do business in California. The Partners are also authorized to do business in California.

1.2 Legal Entity

The Proposer is Northern Recycling, which would execute the Agreement.

Northern Recycling is a Limited Liability Company. The Partners in Northern Recycling have collaborated on two other service contracts similar to the one described in this RFP. Those contracts are with the City of Napa and Napa County.

1.3 Background of Legal Entity

Northern Recycling was recently organized. It is comprised of the owners of the following legal entities:

- Napa Recycling & Waste Services, LLC, which provides service similar to those described in the RFP to the City of Napa and Napa County Recycling & Waste Services, LLC, which provides services to the lower portion of Napa County.
- Upper Valley Disposal Service, Inc., which provides recycling and waste collection for the communities and unincorporated area of Upper Napa Valley and parts of Lake County.
- Marin Sanitary Service, which provides recycling and disposal service to most of Marin County.
- Garaventa Enterprises, Inc., which provides recycling and disposal service to the City of Concord and other incorporated and unincorporated communities in Contra Costa and Solano Counties.

Two of the owners of the two Napa companies also owned the predecessor companies that provided service to the Napa region, Napa Garbage Service and Napa Valley Disposal. We have provided information about those two companies because doing so more accurately illustrates the extent of service the owners of Northern Recycling previously provided.

Table 1, *Jurisdictions and Number of Years of Service* shows the number of years each of the Partners has provided service to each of the jurisdictions they serve.

Table 1, Jurisdictions and Number of Years of Service

Company	Jurisdiction Served	Years Services Provided
Napa Recycling & Waste Services	City of Napa	1
	Napa County	1
Napa Garbage Service	City of Napa	88
	Napa Valley Disposal	88
Upper Valley Disposal Service	Town of Yountville	43
	City of St. Helena	41
	City of Calistoga	40
	Lake County (portions)	26
Marin Sanitary Service	San Anselmo	4
	Town of Fairfax	2
	Las Gallinas Valley Sanitary District	40
	Ross Valley Sanitary District-North	4
	Ross Valley Sanitary District-South	46
	Town of Ross	46
	City of San Rafael	58
	City of Larkspur	58
County of Marin (portions)	58	
Garaventa Enterprises	City of Concord	72
	City of Rio Vista	32
	City of Pittsburg	26
	Ironhouse Sanitary District	30
	Byron Sanitary District	21
	Contra Costa County (portions)	21
	Solano County (portions)	32

Each of the Partners owns more than 10 percent of the stock in the Proposer.

The RFP requests information pertaining to creditors who are owed one or more debts comprising more than 10 percent of Northern Recycling' total assets. Northern Recycling is a new entity without significant creditors. The Partners do have creditors who are owed more than 10 percent of their assets. They are:

- Napa Recycling & Waste Services — California Pollution Control Finance Authority
- Napa County Recycling & Waste Services — California Pollution Control Finance Authority
- Marin Sanitary Service — California Pollution Control Finance Authority
- Upper Valley Disposal Service — California Pollution Control Finance Authority

1.4 Other Entities

There are no other entities with common ownership and/or management in addition to those listed as the Partners in Northern Recycling.

1.5 Documents Reviewed

Northern Recycling has reviewed the RFP, its enclosures, and all addenda as noted below:

- Request for Proposal – Dated February 27, 2006
- Attachment 1 – Draft Franchise Agreement, dated February 27, 2006
- Attachment 2 – Current Rate Schedules, dated February 27, 2006
- Attachment 3 – Town and County Facilities/Special Event Collection Services, dated February 27, 2006
- Attachment 4 – Cost Proposal Forms, dated February 27, 2006, revised March 3, 2006
- Attachment 5 – SB1066 Time Extension Update Detail Report, dated February 27, 2006
- Attachment 6 – Map of Service Area/List of County Streets, dated February 27, 2006
- Attachment 7 – Identification of Surety, dated March 3, 2006
- Attachment 8 – Anti-Collusion Agreement, dated March 3, 2006
- Format Clarification – Proposal Format Clarification, dated March 06, 2006
- Clarification No. 1 – RFP Clarification, dated March 20, 2006
- Regional Agency Documents – dated March, 20, 2006
- C&D Ordinance – Construction and Demolition Debris Ordinance, dated March 20, 2006
- Waste Characterization – Draft Neal Road Landfill Waste Characterization Study, dated March 20, 2006

2 Detailed Project Experience

This section describes the detailed project experience of the Proposer and the Partners. Included in this section is information about the Partners as they are an integral part of Northern Recycling providing resources that can be used to directly support and backup the services, including key personnel during and after the implementation period, for the Franchisors.

All of the firms are family owned and locally managed, and have a second generation of trained individuals who are ready to step into, or already assuming leadership roles. The current owners have been in the recycling and waste collection business for well over 40 years and bring that wealth of experience to the Franchisors.

Highly regarded by the jurisdictions they serve, the Partners also have the recognition to show for their efforts (see letters of recommendation – *Attachment 1 – Letters of Recommendation*). The Partners' management team has a combined 231 years of experience in collection and processing that will serve as a resource for information, problem solving, and support facilities for the newly formed Northern Recycling. Additionally, the Partners will pull from their recent experience establishing new service franchises with City of Napa and Napa County.

All of the Partners are well-established, respected members of their communities and go out of their way to provide good service. The following quote taken from a Letter to the Editor printed in the February 5, 2006 Napa Valley Register illustrates the level of community involvement the Partners have. The complete letter and two other articles from the paper are in *Attachment 2 – Success Stories*.

“The response I received from the folks at Napa Recycling and Waste Services was overwhelmingly supportive.... I am sure they have helped many others since the flood, and can only speak for myself, but I think Napa Recycling and Waste Services will long be remembered as some of the heroes of the massive cleanup efforts. I thank them from the bottom of my heart.”

2.1 Services Performed

This section describes, in detail, the types of services performed by the Partners. Since the collection environment in most jurisdictions served by the Partners presents similar challenges as collection in the Service Area, this section includes jurisdictions of all sizes, including those larger and smaller than the population range requested in the RFP. The Partners' extensive experience overcoming such challenges provides the Franchisors with an excellent base of support for the transition to new services. In addition, also provided in this section, are details about the Partner's experience transitioning from multi-bin collection to single-stream collection of recyclables.

2.1.1 Collection Services

This section discusses the collection services each of the Partners provides for their jurisdictions.

2.1.1.1 Napa Recycling and Napa County Recycling

Napa Recycling & Waste Services, LLC and Napa County Recycling & Waste Services, LLC (both referred to as Napa Recycling) are owned and managed by the same key personnel who performed services as Napa Garbage Service for the City of Napa and Napa Valley Disposal for Napa County for 90 years.

In 2005, Napa Recycling began providing fully automated weekly municipal solid waste (MSW), single-stream and yard waste curbside collection system for the City of Napa and Napa County. In addition, Northern Recycling provides single-stream and source separated recycling to all commercial, industrial, and institutional customers.

In 1916, the Bacigalupi family, co-owners of Napa Recycling, began collecting bottles, cans, wool clothing and rags, and disposing of trash in Napa. In 1920, the company began a food scrap recycling program utilizing the company's herd of pigs. This program was discontinued in 1950. In 1930, the company bought its first truck, a Model "A". In 1950, the company expanded its recycling to include cardboard and newsprint.

In 1967, the company began franchised collection of waste and recyclable material for the City of Napa.

In 1987, daily commercial recycling of glass and cardboard routes expanded into the County. In 1988, the company created a pilot curbside recycling program for the County in Monticello Park. In 1991, this program was expanded to include all residential customers. In 1997, the firm transitioned to an automated collection system.

In 1993, the City of Napa and the company recognized the need for a new facility. Soon after, the company acquired land on Tower Road, and designed and permitted the current City Material Diversion Facility (MDF).

In 1996, the company transitioned to an automated collection system, and in 1998, an automated residential yard waste collection began.

2.1.1.2 Upper Valley Disposal Service

Upper Valley Disposal Service, Inc. (UVDS) has 43 years experience in providing collection services for residential, commercial and industrial waste including recyclable, yard waste and used oil collection. UVDS has been providing recycling and waste related services in the Upper Valley area since 1950. The organization also operates the Clover Flat Landfill, which serves the Upper Valley area.



In 1950, UVDS began collecting and recycling cardboard and wood.

In 1963, UVDS began franchised collection of waste in parts of the unincorporated area of Napa County, and became the franchised collector for the Town of Yountville. In the upper end of Napa County, UVDS provides residential, commercial, and industrial waste including recyclable, yard waste and used oil collection. In the Town of Yountville, UVDS currently provides the following services— residential, commercial and industrial waste and recyclable, yard waste and oil collection.

In 1965, UVDS began franchised waste collection services for St. Helena. UVDS currently provides residential, commercial and industrial waste including recyclable, yard waste and used oil collection.

In 1966, UVDS became the franchised hauler for the City of Calistoga. After implementing increased services, UVDS currently provides residential, commercial, industrial waste, single-stream and source separated recyclables, yard waste and used oil collection, and several special services including the collection of City cans and a special leaf collection program each fall.

In the early 1970s, UVDS initiated glass and metal recycling, and started source separation programs with local wineries. The separate wine bottles would be collected from the wineries, and processed at the UVDS site for reuse by the wineries.

In 1980, UVDS began franchised services for a portion of the unincorporated area of Lake County. UVDS currently provides residential, commercial and industrial waste including recyclable, yard waste and used oil collection. In the southern portions of Lake County, South Lake Refuse – Recycling, Inc., an affiliated entity, collects recyclables and refuse from residential and commercial customers. UVDS recently permitted a mixed C&D waste recovery facility to service the Lake County area.

2.1.1.3 Marin Sanitary Service

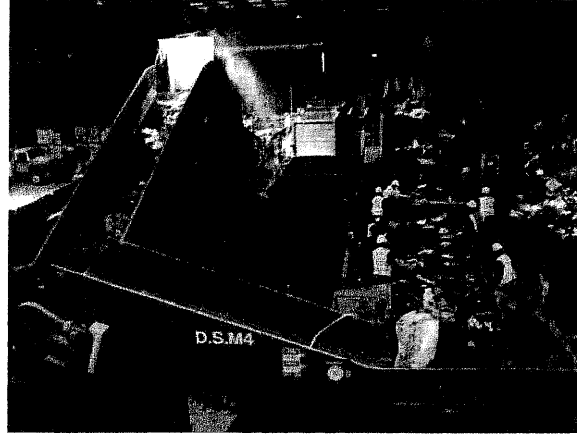
Marin Sanitary Services (MSS) is one of the very few organizations in California to achieve a 71 percent diversion rate for the regional agency they service. This milestone was achieved through personal commitment to recycling and working closely with the customers.

Comprised of three separate companies – Marin Sanitary Service, Marin Resource Recovery Center, and Marin Recycling Center – MSS began providing services in Marin County over 56 years ago. In the early years, the business focused exclusively on garbage pickup. Even then, recycling was an integral part of our business. The re-use of materials such as rags, paper, bottles, and eyeglasses represented the beginnings of modern recycling. Today, the firm provides solid waste, recyclable and yard waste collection, and landfill diversion services.

In 1981, MSS implemented residential curbside recycling. At the time, it was the first countywide curbside recycling program in the country. Over the years, the curbside recycling program has

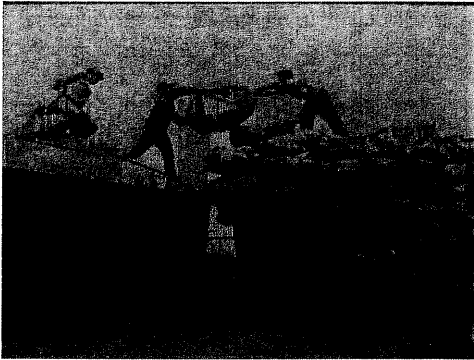
been improved with the inclusion of additional recyclables (for example, junk mail and additional plastics) and more efficient collection vehicles. In conjunction with the curbside recycling program, MSS implemented commercial recycling.

In the late 80's and early 90's, Marin Sanitary continued to lead the way in providing innovative programs to enhance the services provided to its customers like implementing a yard waste collection program.



2.1.1.4 Garaventa Enterprises

Garaventa Enterprises (Garaventa) family roots go back to the 1930s when Andrea Moresco was operating the one horse and buggy rubbish pick up for the country town of Concord. Over the years, Moresco's son-in-law, Silvio Garaventa, Sr., took the small town operation and built an enterprise that included multiple municipal franchises.



In 1934, Garaventa (Concord Disposal) began providing service to the City of Concord. From the City of Concord's infancy of a population of 3,500 to today, Garaventa serves over 250,000 people in Contra Costa and Solano Counties.

Today, Garaventa operates hauling franchises in the Cities of Concord, Pittsburg and Rio Vista, provides recycling and collection service in the Sanitary Districts of Ironhouse (Oakley area), Byron, in the Counties of Contra Costa and Solano. Services include residential and commercial refuse removal, residential curbside recycling and yard waste, commercial recycling, construction and demolition, industrial waste, and debris box services. The operations are performed in conjunction with a recycling processing and buy-back center and the Recycling Center and Transfer Station (RCTS).

Garaventa takes pride in the quality of service they provide to their customers. In fact, for the past several years, the City of Concord surveyed the residents on the quality and satisfaction levels for services provided by the City like police, parks, garbage, etc. The results of those surveys ranked Garaventa services as the best of all services provided within the City of Concord.

2.1.2 Diversion Services

This section discusses the diversion programs each of the Partners provides relating to residential, commercial, debris box, and construction and demolition (C&D) material recycling.

2.1.2.1 Napa Recycling and Napa County Recycling

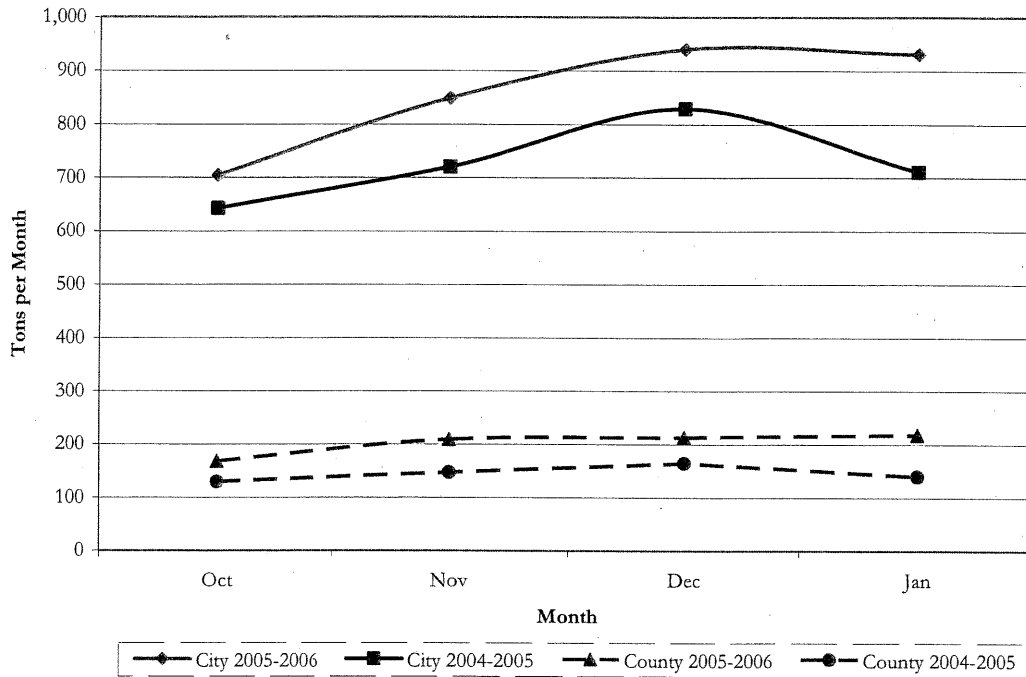
Napa Recycling provides fully automated weekly single-stream and yard waste curbside collection system for the City of Napa and Napa County. In addition, Napa Recycling provides single-stream recycling to all commercial, industrial, and institutional customers. The company provides all of its customers with new collection containers and operates 31 new collection vehicles on a daily basis. The company operates a MRF (termed a material diversion facility) and a composting facility.

The company has been operating new collection and diversion services since October 1, 2005. The City of Napa reported to its City Council that the residential curbside diversion increased by 21 percent in the fourth quarter of 2005 compared to the same quarter in 2004. *Table 2, Early Residential Single-Stream Diversion Results*, shows the residential single-stream tonnage in the City of Napa and Napa County comparing the period October to January in 2004/2005 to the same period in 2005/2006. Two major changes occurred in the fourth quarter of 2005 — the jurisdictions transitioned to new collection services and a new residential single-stream system was implemented. *Figure 1, Residential Single-Stream Diversion Results*, illustrates the same data.

Table 2, Early Residential Single-Stream Diversion Results

Jurisdiction & Period	Oct	Nov	Dec	Jan	Total
City 2004-2005	643	720	829	711	2,904
City 2005-2006	705	849	940	931	3,425
County 2004-2005	130	148	164	140	581
County 2005-2006	168	209	213	218	809
Total 2004-2005	773	868	994	851	3,485
Total 2005-2006	873	1,058	1,153	1,149	4,234

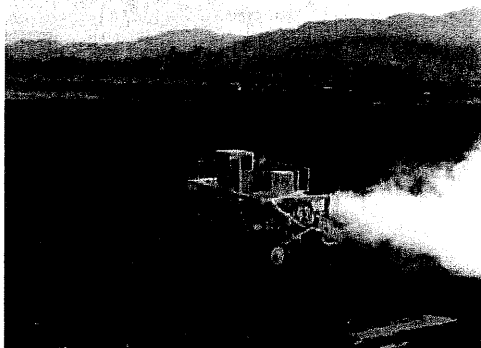
Figure 1, Residential Single-Stream Diversion Results



The diversion rate experience for Napa County is expected to be more consistent with what would be expected in the Service Area. The Napa County area has much less commercial activity than the City. The impact of single-stream is more apparent in the Napa County diversion, with a total quarter average of 67 percent. The change is expected to be as dramatic in the Service Area, although it may not be as high a rate, initially, as we have experienced in Napa County.

2.1.2.2 Upper Valley Disposal Service

UVDS has been operating composting and recoverable material processing facilities for more than 30 years. UVDS holds the franchise for collection and processing of recyclables for the Upper Valley Waste Management Agency. A leader in recycling programs, UVDS implemented the first single-stream collection program in Napa County and the first permitted composting facility in California. With the addition of yard waste, UVDS expanded the materials available to compost customers.



In the 1970's, UVDS opened composting facilities at the UVDS site to handle grape pomace waste. For the last 20 years, the compost produced at this facility has sold out each year, and many of those customers are the operators of the vineyards that produce the pomace.

In 1995, UVDS built a materials recovery facility (MRF) to serve the Upper Valley customers.

In 1998, UVDS' Clover Flat Landfill began processing clean yard waste, and UVDS used this ground material at the composting site along with the grape pomace.

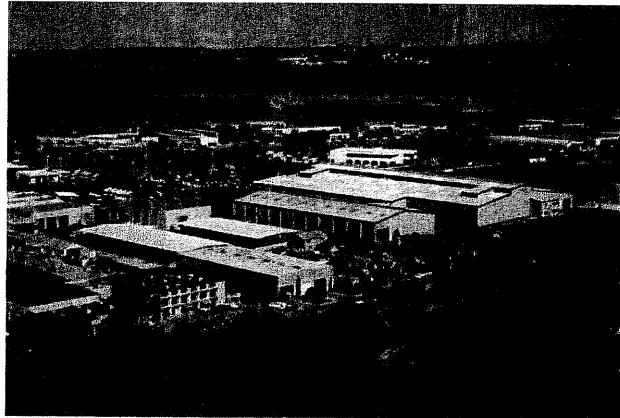
Before the AB 939 50 percent diversion mandate in 2000, UVDS became the first service provider in the Napa Valley to reach the goal. Today, the UVDS service area continues to achieve greater than 50 percent diversion in every year.

In 2002, the MRF was redesigned with new equipment, and UVDS instituted one of the first residential single-stream recycling programs in Northern California. The conversion and installation of the single-stream processing equipment was accomplished without any interruption to services or inconveniences to customers. The residual rate of the single-stream MRF averages 3 to 5 percent, a rate well below the 30 percent that many other facilities achieve.

2.1.2.3 Marin Sanitary Service

MSS has been on the cutting edge of all aspects of solid waste management, particularly recycling, since its inception. Through personal commitment and working closely with our customers, MSS achieved a diversion rate of 71 percent, well above the State's mandate of 50 percent and the highest per capita recycling rate in the country.

In 1981, MSS created the first countywide curbside recycling program in the United States, and built the Marin Recycling Center (MRC) to process residential recyclables collected at curbside. The program allowed residents to set out cardboard, newspaper, cans, plastic, and glass for collection by a dedicated recycling truck. Five-gallon plastic containers were delivered to homes along with educational materials to explain the new program. In the first year of operation, the MRC recycled 2 million pounds of material, diverting it from the landfill.



In 1983, MSS expanded the single-family residential curbside recycling program to multi-family units.

In 1987, MSS remodeled the MRC creating one of the most sophisticated facilities in the country that sorts and recycles items separated by residential customers. Paper, cardboard, glass, plastic, ferrous metals, and aluminum are sorted, crushed, and/or baled and sold back to manufacturers to be recycled and reused. The glass crusher and a video-scanning device are two of the state-of-the-art pieces of equipment, which allows the MRC to maximize its recycling capabilities. The MRC also established a State-certified public buyback and drop-off operation, which is heavily used by the residents of Marin County. Today, more than 550 tons per day are recovered, reused, or recycled.

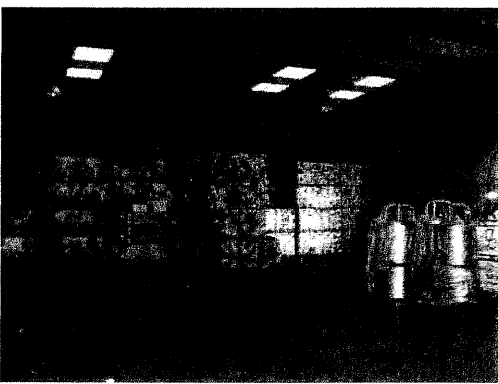
In 1987, MSS built the Marin Resource Recovery Center (MRRC), a 128,000 square foot facility, designed to process mixed C&D, commercial, wood and yard waste, and self-haul loads. This warehouse-like structure the size of three football fields was the first facility of its kind in the nation. While not a “program” in the traditional sense, the construction of this facility was truly a break-through in the goal of diverting waste from the landfill. The MRRC uses a customized system of screens, conveyors, blowers, magnets, and hand sorting to separate the collected materials. With the operation of the MRRC, mixed C&D processing was provided long before the need was realized, and 15 years before the state was directed to develop an ordinance to encourage C&D processing. Today, over 580 tons per day are recovered, reused, or recycled by these two facilities resulting in a 71 percent diversion rate.

In conjunction with the opening of the Marin Resource Recovery Center, MSS introduced a yard waste recycling program to its residential customers. MSS successfully delivered 19,000 64-gallon carts, and provided customers with an extensive education program designed to ensure a successful program. Today over 13,000 tons of yard waste are collected annually through this program.

2.1.2.4 Garaventa Enterprises

Garaventa Enterprises (Garaventa) has a long history of serving our communities. Today, all of the jurisdictions serviced are under long-term contracts, and those long-term agreements reflect a high degree of satisfaction with Garaventa’s service.

In the 1960’s, Garaventa began providing numerous charitable “drop-off” locations, beginning with the Boy Scout Paper drives.



In 1962, Mt. Diablo Paper Stock was founded specifically to handle the processing and remarketing of recyclable materials. For over 40 years, Mt. Diablo Paper Stock remarketed recyclables and operated a public buy back facility long before recycling was a household word. Newspaper and cardboard collection, baling, and marketing have been the mainstay since the inception; however, today the company processes and markets newsprint, high-grade papers, cardboard, tin, glass, aluminum, and plastics.

In the 1970s, Garaventa began providing a buy-back facility for paper, cardboard, and high-grade paper.

In 1984, Garaventa opened the Recycling Center and Transfer Station (RCTS) to sort and separate the different grades of recyclables. These products are baled and delivered to a variety of markets within and outside the state. Today, the RCTS is the largest recycling facility in Contra Costa County and markets thousands of tons per month of reusable products. In 1997, the RCTS

was remodeled to accommodate an extensive floor sort program.

In 1988, Garaventa established a curbside recycling program, and in the 1990's, Garaventa created a CRV buy-back center.

In 2000, the operation at RCTS was expanded to include a floor sort for commercial waste and self haul materials. That floor sort has grown in tonnage each year so that it is now one of the primary means of processing mixed C&D material in the jurisdictions Garaventa services.

2.1.3 Processing Services

2.1.3.1 Napa Recycling and Napa County Recycling

Napa Recycling operates a MRF owned by the City of Napa. The facilities provide single-stream residential curbside recycling, residential yard waste, multi-family dwelling recycling and yard waste, and commercial recycling and yard waste services for the City of Napa and Napa County. In addition, the facility also processes materials dropped off at the site. The facility sorts and processes 40,000 tons of recyclables per year through the MRF and composts 50,000 tons of yard waste annually.

The facility has a permanent universal waste drop-off facility.

2.1.3.2 Upper Valley Disposal Service

UVDS owns and operates a material recovery facility (MRF). Developed in 1995, the MRF at our Upper Valley facility processes the curbside materials collected. This facility was upgraded in 2002 to process materials collected in a single-stream program. The UVDS staff prepared the conceptual design of the MRF, both when the facility was first built and later when it was upgraded to become a single-stream facility that has one of the lowest residual rates (four percent) of single-stream MRFs in the nation.

Clover Flat Landfill, an affiliate of UVDS, owns and operates the landfill near Calistoga. The diversion facility at the landfill processes clean yard material that is later composted with the grape pomace at the MRF.

2.1.3.3 Marin Sanitary Service

Our processing facility history started with the two distinct and separate processing facilities at MSS. The Marin Recycling Center (MRC) is a "clean" MRF that processes the curbside recycling volume delivered by MSS residential recycling trucks. This facility also processes cans, bottles, and newspapers collected by MSS



commercial recycling trucks, and operates a State-certified public buy-back and drop-off operation that is heavily used by the residents of Marin County.

In 1987, MSS remodeled the MRC creating one of the most sophisticated facilities in the country that sorts and recycles items separated by residential customers. Paper, cardboard, glass, plastic, ferrous metals, and aluminum are sorted, crushed, and/or baled and sold back to manufacturers to be recycled and reused. The glass crusher and a video-scanning device are two of the state-of-the-art pieces of equipment, which allows the MRC to maximize its recycling capabilities.

The other processing facility is the Marin Resource Recovery Center (MRRC). This facility is a “dirty” MRF and is referred to as the “indoor dump.” MRRC processes a wide variety of materials from various incoming sources. These sources include the public (both self-haul and commercial), other debris box haulers and garbage companies, MSS yard waste, MSS debris box loads, and MSS commercial refuse loads. A 128,000 square foot facility, designed to process mixed C&D, commercial, wood and yard waste, and self-haul loads, this warehouse-like structure the size of three football fields was the first facility of its kind in the nation. The MRRC uses a customized system of screens, conveyors, blowers, magnets, and hand sorting to separate the collected materials.

2.1.3.4 Garaventa Enterprises

Mt. Diablo Paper Stock was founded to handle the processing and remarketing of recyclable materials. Mt. Diablo has been remarketing recyclables for more than 40 years. Newsprint, high-grade papers, cardboard, tin, glass, aluminum, and plastics are all handled by Mt. Diablo Recycling.

In 1984, we opened a new facility at RCTS to sort and separate the different grades of recyclables. We bale and deliver these products to a variety of different markets within and outside the State of California. We are currently the largest recycling company in Contra Costa County, marketing thousands of tons per month of reusable products.



In 2000, the operation at RCTS was expanded to include a floor sort for commercial waste and self haul materials. That floor sort has grown in tonnage each year so that it is now one of the primary means of processing mixed C&D material in the jurisdictions Garaventa services.

2.1.4 Ancillary Services

The services included in this discussion are those related to billing and Household Hazardous Waste. Public Education is discussed in Section 7, and Customer Service is discussed in Section 8.9 of this proposal.

2.1.4.1 Billing

We have combined the discussion of our billing services into one because the services provided by each Partner are similar. All four companies use the same billing software so support for the billing staff at Northern Recycling will be available from any of the Partners. The experience we have with billing is shown in *Table 3, Jurisdictions for which Billing Service is Provided*, which lists all the jurisdictions and the number of accounts for which we provide billing services.

Table 3, Jurisdictions for which Billing Service is Provided

Company	Jurisdiction	# of Accounts Billed
Napa Recycling	Napa County (portion)	4,651
	City of Napa	22,798
	Town of Yountville	836
UVDS	Napa County (portion)	2,203
	City of St. Helena	1,915
	City of Calistoga	1,297
	Lake County (portions)	5,159
MSS	San Anselmo	4,579
	Town of Fairfax	2,600
	Las Gallinas Valley Sanitary District	7,999
	Ross Valley Sanitary District-North	1,229
	Ross Valley Sanitary District-South	2,277
	Town of Ross	816
	City of San Rafael	9,890
	City of Larkspur	2,834
MSS	County of Marin (portions)	660
	San Anselmo	4,579
Garaventa Enterprises	City of Concord	30,730
	City of Rio Vista	5,164
	City of Pittsburg	14,322
	Ironhouse Sanitary District	8,826
	Byron Sanitary District	141
	Contra Costa County (portions)	8,154
	Solano County (portions)	96

2.1.4.2 Household Hazardous Waste

2.1.4.2.1 Upper Valley Disposal Service

UVDS has a permanent HHW facility at its Clover Flat Landfill. The facility allows customers to safely dispose of all types of household hazardous wastes.

2.1.4.2.2 Marin Sanitary Service



The Household Hazardous Waste Facility (HHWF) is Marin Sanitary Service's latest step to maximize recycling in Marin County. The HHWF opened in 1998; it is a public/private partnership between our company and the San Rafael Fire Department. This facility allows customers to safely dispose of paints, adhesives, auto fuel, oil, batteries, and a myriad of other hazardous wastes. Approximately 21,400 customers used this facility during the 2003 – 2004 Fiscal Year to properly dispose of almost 1,500,000 pounds of material.

2.2 Jurisdictions and Commencement Date

Table 4, Overview of Services Provided, lists the jurisdiction name, type of services, and date of commencement of services for each of the Partners. The information shown for Napa Recycling & Waste Services includes the time that two of the current Partners in that firm provided service to the City of Napa and to Napa County. The company that provided those services, Napa Garbage Service (for the City of Napa) and Napa Valley Disposal (for Napa County) was sold and later the franchises were awarded to Napa Recycling & Waste Services, LLC (for the city contract) and Napa County Recycling & Waste Services, LLC (for the county contract). As such, the owners and/or managers of the original firm that provided service to the City of Napa and to Napa County are now the same as the current service provider.

Table 4, Overview of Services Provided

Company	Jurisdiction	Service Performed	Date of Commencement
Napa Recycling	Napa County (portion)	MSW, recycling, yard waste & used oil	2005
	City of Napa	MSW, recycling, yard waste & used oil	2005
UVDS	Town of Yountville	MSW, recycling, yard waste & used oil	1963
	Napa County (portion)	MSW, recycling, yard waste & used oil	1963
	City of St. Helena	MSW, recycling, yard waste, used oil and street sweeping	1965
	City of Calistoga	MSW, recycling, yard waste & used oil	1966
	Lake County (portions)	MSW, recycling, yard waste & used oil	1980
MSS	San Anselmo	MSW, recycling, yard waste & C&D	2002
	Town of Fairfax	MSW, recycling, yard waste & C&D	2004
	Las Gallinas Valley Sanitary District	MSW, recycling, yard waste & C&D	1966
	Ross Valley Sanitary District-North	MSW, recycling, yard waste & C&D	2002
	Ross Valley Sanitary District-South	MSW, recycling, yard waste & C&D	1960
	Town of Ross	MSW, recycling, yard waste & C&D	1960
	City of San Rafael	MSW, recycling, yard waste & C&D	1948
	City of Larkspur	MSW, recycling, yard waste & C&D	1948
	County of Marin (portions)	MSW, recycling, yard waste & C&D	1948
Garaventa Enterprises	City of Concord	MSW, recycling, yard waste & C&D	1934
	City of Rio Vista	MSW, recycling, yard waste & C&D	1974
	City of Pittsburg	MSW, recycling, yard waste & C&D	1980
	Ironhouse Sanitary District	MSW, recycling, yard waste & C&D	1976
	Byron Sanitary District	MSW, recycling, yard waste & C&D	1985
	Contra Costa County (portions)	MSW, recycling, yard waste & C&D	1985
	Solano County (portions)	MSW, recycling, yard waste & C&D	1974

2.3 Jurisdiction Contact Information

Table 5, Jurisdiction Contact Information, lists the contact information including the jurisdiction names, and the name, address and telephone number for the jurisdiction representative who is responsible for administering the agreement.

Table 5, Jurisdiction Contact Information

Company	Jurisdiction	Name	Address	Phone Number
Napa Recycling	Napa County (portion)	Greg Pirie, County Administrative Officer	1195 Third Street, Suite 310, Napa, CA 94559	(707)253-4144
	City of Napa	Kevin Miller, Material Diversion Facility Administrator	P.O. Box #660, Napa, CA 94559-0660	(707)257-9514
UVDS	Town of Yountville	Bill Dutton, City Manager	6550 Yount Street, Yountville, California 94599	(707)944-8851
	Napa County (portion)	Mark Luce, – Napa County Board of Supervisors	1195 Third Street, Napa, CA 94558	(707)253-4471
	City of St. Helena	Diane Dillon – County Supervisor		(707)944-8280
	City of Calistoga	Dell Britton, Mayor	1480 Main Street, St. Helena, CA 94574	(707)967-2792
	Lake County (portions)	Karen Slausser	1232 Washington Street, Calistoga, CA 94515	(707)942-2754
	Town of San Anselmo	Kim Clymire, Director of Solid Waste	333 2nd Street, Lakeport, CA 95453	(707) 262-1618
	Town of Fairfax	Debra Stutsman, Town Administrator	525 San Anselmo Avenue, San Anselmo, CA 94960	(415)258-4600
	Las Gallinas Valley Sanitary District	Alan Benygal, Town Administrator	142 Bolinas Road, Fairfax, CA 94930	(415)458-2345
		Al Petrie, District Manager	300 Smith Ranch Road, San Rafael, CA 94903	(415)472-1734
		Ross Valley Sanitary District-North	Barry Hogue, District Manager	2000 Larkspur Landing Circle, Larkspur, CA 94939
MSS	Ross Valley Sanitary District-South	Barry Hogue, District Manager	2000 Larkspur Landing Circle, Larkspur, CA 94939	(415)461-1122
	Town of Ross	Gary Broad, Town Administrator	P O Box 320, Ross, CA 94957	(415)453-1453
	City of San Rafael	Rod Gould, City Manager	1400 Fifth Avenue, San Rafael, CA 94915-1560	(415)485-3075
	City of Larkspur	Jean Bonander, City Manager	400 Magnolia Avenue, Larkspur, CA 94939	(415)927-5110
	County of Marin (portions)	Jeff Rawles, Program Manager	65 Mitchell Boulevard, San Rafael, CA 94903	(415)499-6548
	City of Concord	Peter Dragovich, Director of City Management	1950 Parkside Drive, Concord, CA 94519	(925)671-3000
	City of Rio Vista	Brad Baxter, City Manager	One Main Street, Rio Vista, CA 94571	(707)374-6451
	City of Pittsburg	Laura Wright, Recycling Coordinator	65 Civic Avenue, Pittsburg, CA 94565	(925)252-4850
	Ironhouse Sanitary District	Denise Nunn	450 Walnut Meadows Drive, Oakley, CA 94561	(925)625-2279
	Byron Sanitary District	Bob Byers, Board Member	P.O. Box 309, Byron, Ca. 94514	(925)634-3147
Garaventa Enterprises	Contra Costa County (portions)	Mark DeSaulnier, Supervisor District IV	2425 Bisso Lane, Suite 110, Concord, CA 94520	(925)646-5763
	Contra Costa County (portions)	Federal Glover, Supervisor District V	315 E. Leland Avenue, Pittsburg, CA 94565	(925)427-8138
	Solano County (portions)	Narcisa Untal, Senior Planner Waste Management	675 Texas Street, Suite 5500, Fairfield, CA 94533	(707)421-6765

Letters of recommendations from several of the jurisdictions we serve are in *Attachment 1 – Letters of Recommendation*.

2.4 Service Data

This section details the number of residential and commercial customers served, tons collected, tons diverted, State-approved diversion level for the most recent year, and the type and number of vehicles dispatched per day for solid waste, recyclable materials and yard waste services. *Table 6, Account, Tonnage, and Diversion Data*, lists the number of residential and commercial customers served, tons collected, tons diverted, State-approved diversion level.

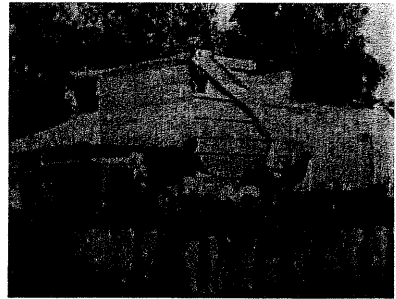


Table 6, Account, Tonnage, and Diversion Data

Company	Jurisdiction	Res Accounts	Com Accounts	Tons Collected (2005) ⁶	Tons Diverted (2005) ⁶	Diversion Rate ¹ (2002) ⁵
Napa Recycling	Napa County (portion)	4,020	180	11,737	6,804	69%
	City of Napa	21,400	1,600	64,277	37,260	56%
UVDS	Town of Yountville ²	840	56	2,504	1,452	56%
	Napa County (portion) ²	1,953	306	6,313	3,660	56%
	City of St. Helena ²	1,814	287	5,872	3,404	56%
	City of Calistoga ²	1,407	167	4,399	2,550	56%
	Lake County (portions)	5,248	261	15,396	8,925	42%
MSS	San Anselmo ³	4,159	358	14,974	9,458	71%
	Town of Fairfax ³	2,427	144	7,185	4,165	71%
	Las Gallinas Valley Sanitary District ³	3,577	59	18,603	9,181	71%
	Ross Valley Sanitary District-North ³	1,193	22	6,216	3,068	71%
	Ross Valley Sanitary District-South ³	2,192	90	11,675	5,762	71%
	County of Marin (portions) ³	647	14	3,382	1,669	71%
	Town of Ross ³	776	24	3,341	1,875	71%
	City of San Rafael ³	12,151	2,113	72,978	36,017	71%
City of Larkspur ³	2,454	356	15,431	7,493	71%	
Garaventa Enterprises	City of Concord ⁷	27,601	2,536	117,780	32,674	48%
	City of Pittsburg ⁷	13,448	705	49,311	28,796	59%
	City of Rio Vista ⁷	2,767	152	5,762	623	68%
	Ironhouse Sanitary District ^{4,7}	8,690	234	22,135	6,846	49%
	Contra Costa County (portions) ^{4,7}	8,021	195	14,271	4,235	49%
	Byron Sanitary District ^{4,7}	48	9			49%
	Solano County (portions) ⁷	67	40	621	97	52%

Notes:

1. Diversion rates are for the entire area being discussed, even when only a portion of said area is being serviced by the companies represented.
2. These cities are members of the Upper Valley Waste Management Agency (UVWMA), diversion rates listed for these cities are actually for the UVWMA.
3. These cities are members of the Marin County Hazardous and Solid Waste Management Authority (MCHSWMA), diversion rates listed for these cities are actually for the MCHSWMA.
4. These cities are members of the Contra Costa/Ironhouse/Oakley Regional Agency, diversion rates listed for these cities are actually for the Agency.
5. 1999 was the last State approved diversion rate for Lake County and Solano County
6. NRWS collection information is for the period in which NRWS began collection services, from October 2005 through December 2005.
7. Diversion numbers are only those derived from transfer station operations, and do not include residential curbside recycling, commercial recycling, and other community sponsored recycling events.

Table 7, Service Data — Solid Waste, shows the number and type of vehicles used to service waste disposal accounts.

Table 7, Service Data — Solid Waste

Company	Jurisdiction	Rear Loader	Front End Loader	Automatic Side Loader	Dual Automatic	Roll-Off	Small Vehicles
Napa Recycling	Napa County (portion)		0.5	1	1	1.5	-
	City of Napa		3.5	5	-	3	-
UVDS	Town of Yountville	0.3	0.7	0.7	-	1	0.7
	Napa County (portion)	0.3	0.7	0.7	-	1	0.7
	City of St. Helena	0.3	0.7	0.7	-	1	0.7
	City of Calistoga	-	1	1	-	1	1.5
	Lake County (portions)	-	1	1	-	1	1.5
MSS	San Anselmo	3		-	-	-	-
	Town of Fairfax	2		-	-	-	-
	Las Gallinas Valley Sanitary District	2		-	-	-	-
	Ross Valley Sanitary District-North	1		-	-	-	-
	Ross Valley Sanitary District-South	2		-	-	-	-
	County of Marin (portions)	1		-	-	-	-
	Town of Ross	1		-	-	-	-
	City of San Rafael	11		-	-	-	-
	City of Larkspur	4		-	-	-	-
Garaventa Enterprises	City of Concord		27		-	-	-
	City of Pittsburg		9		-	-	-
	City of Rio Vista	3		-	-	-	-
	Ironhouse Sanitary District	5		-	-	-	-
	Contra Costa County (portions)	6		-	-	-	-
	Byron Sanitary District	1		-	-	-	-
	Solano County (portions)		1		-	-	-

Table 8, Service Data — Recycling, shows similar data for recycling accounts.

Table 8, Service Data — Recycling

Company	Jurisdiction	Front End Loader	Automatic Side Loader	Split-Body Automated	Manual Side Loader	Rear Loader	Roll-Off	Small Vehicles
Napa Recycling	Napa County (portion)	0.5	1	0.5	-	-	0.5	-
	City of Napa	2	4	-	-	-	1	-
UVDS	Town of Yountville	0.7	0.7	-	-	-	-	0.3
	Napa County (portion)	0.7	0.7	-	-	-	-	0.3
	City of St. Helena	0.7	0.7	-	-	-	-	0.3
	City of Calistoga	1	1	-	-	-	-	-
	Lake County (portions)	1	1	-	-	-	-	-
MSS	San Anselmo	-	-	-	2	-	-	-
	Town of Fairfax	-	-	-	1	-	-	-
	Las Gallinas Valley Sanitary District	-	-	-	1	-	-	-
	Ross Valley Sanitary District-North	-	-	-	1	-	-	-
	Ross Valley Sanitary District-South	-	-	-	1	-	-	-
	County of Marin (portions)	-	-	-	1	-	-	-
	Town of Ross	-	-	-	1	-	-	-
	City of San Rafael	-	-	-	8	-	-	-
	City of Larkspur	-	-	-	2	-	-	-
Garaventa Enterprises	City of Concord	-	-	-	9	-	-	-
	City of Pittsburg	-	-	-	3	-	-	-
	City of Rio Vista	-	-	-	-	-	-	-
	Ironhouse Sanitary District	-	-	-	2	-	-	-
	Contra Costa County (portions)	-	-	-	1	-	-	-
	Byron Sanitary District	-	-	-	1	-	-	-
	Solano County (portions)	-	-	-	-	-	-	-

Table 9, Service Data — Yard Waste, shows similar data for yard waste accounts.

Table 9, Service Data — Yard Waste

Company	Jurisdiction	Front End Loader	Rear Loader	Automatic Side Loader	Split Body Automatic	Small Vehicles
Napa Recycling	Napa County (portion)	-	-	1	1	-
	City of Napa	0.5	-	3	0	-
UVDS	Town of Yountville	0.7	-	0.7	-	0.3
	Napa County (portion)	0.7	-	0.7	-	0.3
	City of St. Helena	0.7	-	0.7	-	0.3
	City of Calistoga	1	-	1	-	-
	Lake County (portions)	1	-	1	-	-
MSS	San Anselmo	-	2	-	-	-
	Town of Fairfax	-	1	-	-	-
	Las Gallinas Valley Sanitary District	-	1	-	-	-
	Ross Valley Sanitary District-North	-	1	-	-	-
	Ross Valley Sanitary District-South	-	1	-	-	-
	County of Marin (portions)	-	1	-	-	-
	Town of Ross	-	1	-	-	-
	City of San Rafael	-	2	-	-	-
	City of Larkspur	-	1	-	-	-
Garaventa Enterprises	City of Concord	6	-	-	-	-
	City of Pittsburg	1	-	-	-	-
	City of Rio Vista	-	-	-	-	-
	Ironhouse Sanitary District	1	-	-	-	-
	Contra Costa County (portions)	1	-	-	-	-
	Byron Sanitary District	1	-	-	-	-
	Solano County (portions)	-	-	-	-	-

2.5 Previous Transition Activities

The Partners have had experience with four recent transitions of service and several transitions from manual to automated waste collection or single-stream recycling. This section describes how we have handled several of the issues that arise.

The keystone to our successful transitions has been to have the primary elements of the operation in place well before the transition to new service. Following are some of the potential problems and how we handled them. Given the short time usually allowed for these transitions, many things had to be done very soon after the decision was made to recommend our team for approval by the elected officials.

2.5.1 Procurement of Vehicles and Containers

In Napa, we placed the order for our vehicles as soon as we had been recommended by the selection committee. We had already had commitments from all of our vendors prior to the bids being submitted and all equipment had already been configured to meet the needs of the Napa programs. Vehicles and other rolling stock started being delivered to Napa three months prior to the startup, we used some of the new vehicles to help with delivery of commercial containers and roll off bins.

We had also arranged for financing of the equipment prior to the bid submittals.

We ordered 85 percent of the expected number and sizes of containers, and the final 15 percent was ordered after we had received the service request cards from the residential and commercial customers. Carts, bins and roll off containers started being delivered three months prior to startup. It was very important to have a large stockpile on hand prior to the starting of delivery, so customers started with the containers that they had ordered and deliveries stayed on schedule. We also ordered to have an estimated 10 percent inventory on hand of all container sizes for after the start of the contract.

Attachment 3 – Napa County Transition Plan, shows the transition plan that we used in our Napa operations. It illustrates the timing of the procurement of vehicles and containers and the hiring of staff that worked well for us.

2.5.2 Hiring of Personnel

Our Napa Recycling management personnel were hired very early after we completed contract negotiations. They were local individuals that had been in the area for some time and managed the provision of similar services.

The office staff was hired several months before the service transition and they were trained two months before. While they were employed but not yet fully trained in their job, they entered

customer information into the billing data system and organized the office.

2.5.3 Training of Personnel

Personnel were trained starting five months before service inception. Our Partner's office staff trained our new personnel. The drivers were trained on the new collection equipment on the weekends to enable them to continue with their current jobs, but allowed them to be ready for the new equipment they would be operating for us. We found that nearly all of the drivers were employees of the County's former service provider.

2.5.4 Routing

Routes were reorganized to adjust for the new single-stream collection program and to take advantage of the more efficient operation of our new equipment. The routes were checked by the new management staff that was intimately familiar with the County.

2.5.5 Operating Procedures

We used the operating procedures that our Partners developed for their transitions. As the transition proceeded, we updated the procedures to reflect the best practices.

2.5.6 Delivery of Containers

A professional container delivery company handled the delivery of our containers. The delivery took three months.

We had a very small number of changes to the containers after delivery. Most customers received the containers they desired.

2.5.7 Transition Procedures

We started with the transition procedures our Partners used and modified them for the Napa collection environment. As the transition proceeded, we updated the procedures, similar to the process used for the operational procedures, to reflect the most efficient practice our staff identified. We found some changes were needed to the procedures due to difference in the areas and in the situation in Napa compared to our Partners. Our procedures had to rely much more on the public education and outreach activities to acquaint the customers with the new services and determine the level of service they wanted.

2.6 Common Transition Problems and Solutions

We expect that the potential problems identified in the RFP may arise in this transition. Most of those problems stem from drivers unfamiliar with the Service Area, lack of information about the

customers, and lack of adequately trained staff. With our approach to hiring and training drivers and customer service staff, we expect these problems to be minimized. We followed that approach with our Napa transitions and it worked well.

2.6.1 Inaccurate Customer Lists

Obtaining an accurate list of customers from the current contractors may be a problem. In addition, the customer lists do not include all of the customers. Northern Recycling will resolve these problems by:

1. Hiring our office staff early in the process to be available to assemble the customer list.
2. Obtaining the addresses of the customers from the Town and County records and comparing that list to the list provided by the current service providers.
3. Sending a service level post card to the customers to acquaint them with the new service and allow them to choose their level of service.
4. Using newspaper ads, announcements on our web page and those of the Town and the County, an open house, and participation in community events, we will extend our reach to customers to acquaint them with the new service.
5. We will make direct contact with all of the commercial accounts. One of our staff will contact the business representative in person to arrange for the new service.
6. The final customer list will be revised as the drivers and others identify new customers as they are completing their routes.

2.6.2 Coordination of Removal Old Containers and Delivery of New Ones

Northern Recycling will have a professional service deliver our containers. The containers will be delivered over the six weeks prior to initiation of service. We would expect the current contractors to remove their carts and will coordinate delivery and removal with them to avoid the customer having two sets of containers on their site at the same time. If the existing contractors do not remove their containers by the start of the new service, we will remove them.

If any containers are not delivered, or old containers picked up, we will have a special crew to do that during the first six months of the transition to new service. Later, we will have a crew available to deliver containers to new customers, new containers as service levels change, and handle the last few deliveries of new containers and removal of old containers.

2.6.3 Service Day Changes

The Service Area will be divided into sub-areas so that each sub-area can be collected in one day, that is two trucks (for bi-weekly collection) or three trucks (for weekly collection) will pass by the

customer's residence on one day. We plan to minimize the changes in the day the customer receives service, but some customers will have changes. If the customer's service day changes and they miss setting the carts out, we will handle it as a missed collection, as described in Section 2.6.4.

2.6.4 Missed Collections

If the customer calls about a missed collection by noon, the collection will be done that same day. If the call is received after noon, the material will be picked up the next day before noon. For those that do miss their collection day, we will have a crew during the transition that will provide collection service after the regular route driver is done.

The drivers, route supervisor, and CSR staff have copies of the daily work schedule. The route schedules have the collection locations, service levels, and special notes. Drivers follow the daily route schedule and if problems occur, they contact either the route supervisor or CSR for further direction. When drivers are finished with their routes, they contact the office to see if there are any additional services to be provided, such as missed collections due to the customer's confusion about service day changes. Drivers also contact their supervisor to see if other routes need assistance. At the end of the day, the drivers turn in their daily route sheet. The CSR will review the sheet with the driver checking that the route was completed and that all problems (for example, containers not set out, excessive contamination in recycling, and spilled materials) or extra services are recorded in the customer's computer record.

2.6.5 Large Number of Calls to Customer Service



We plan to have experienced CSRs to assist the local staff during the first month of transition. If the call volume is excessive, we will be capable of forwarding the calls to our Partners' CSRs, who will be briefed in detail on the considerations in this Service Area.

2.6.6 New Service Recipients

All incoming calls from customers will be recorded in a call log. All problem calls will be handled immediately by the CSR or the CSR supervisor. All problems will be relayed to the route supervisor. The route supervisor will make sure that the complaint is investigated and resolved as soon as possible. If a missed collection has occurred, the supervisor will review it with the driver the next morning before that day's route begins and ensure that the problem is corrected.

2.7 References for New Collection Services

The jurisdictions for which we provide transition services are listed in *Table 10, References for Jurisdictions for which Transition Services Have Been Provided*, and other jurisdictions for which we have provided services similar to those described in this RFP.

Table 10, References for Jurisdictions for which Transition Services Have Been Provided

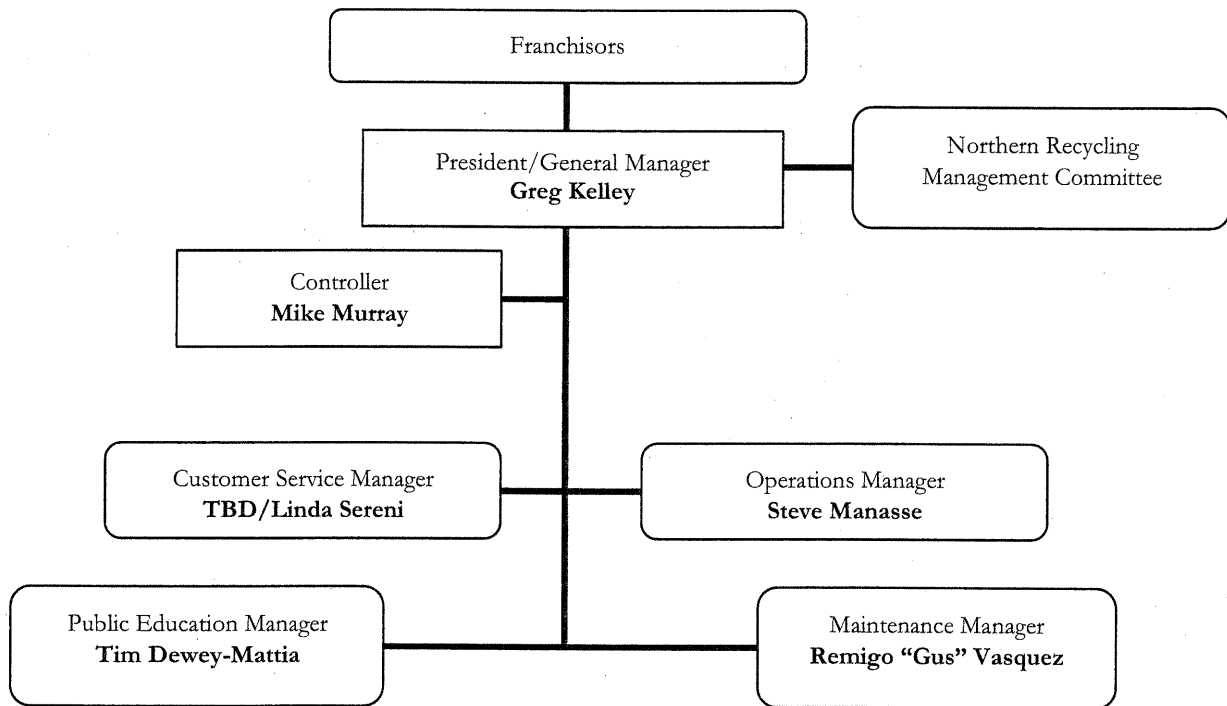
Company	Jurisdiction	Name	Address	Phone Number
Napa Recycling	Napa County (portion)	Greg Pirie, County Administrative Officer	1195 Third Street, Suite 310 Napa, CA 94559	(707)253-4144
	City of Napa	Kevin Miller, Material Diversion Facility Administrator	P.O. Box #660 Napa, CA 94559-0660	(707)257-9514
MSS	Town of San Anselmo	Debra Stutsman, Town Administrator	525 San Anselmo Avenue San Anselmo, CA 94960	(415)258-4600
	Town of Fairfax	Alan Benygal, Town Administrator	142 Bolinas Road Fairfax, CA 94930	(415)458-2345
	Ross Valley Sanitary District-North	Barry Hogue, District Manager	2000 Larkspur Landing Cir. Larkspur, CA 94939	(415)461-1122

3 Structure of Project Team and Resumes

3.1 Key Transition Team Personnel

The key personnel that will provide service to the Franchisors during the transition period are identified in the project organization chart in *Figure 2, Organization Chart During Transition*.

Figure 2, Organization Chart During Transition

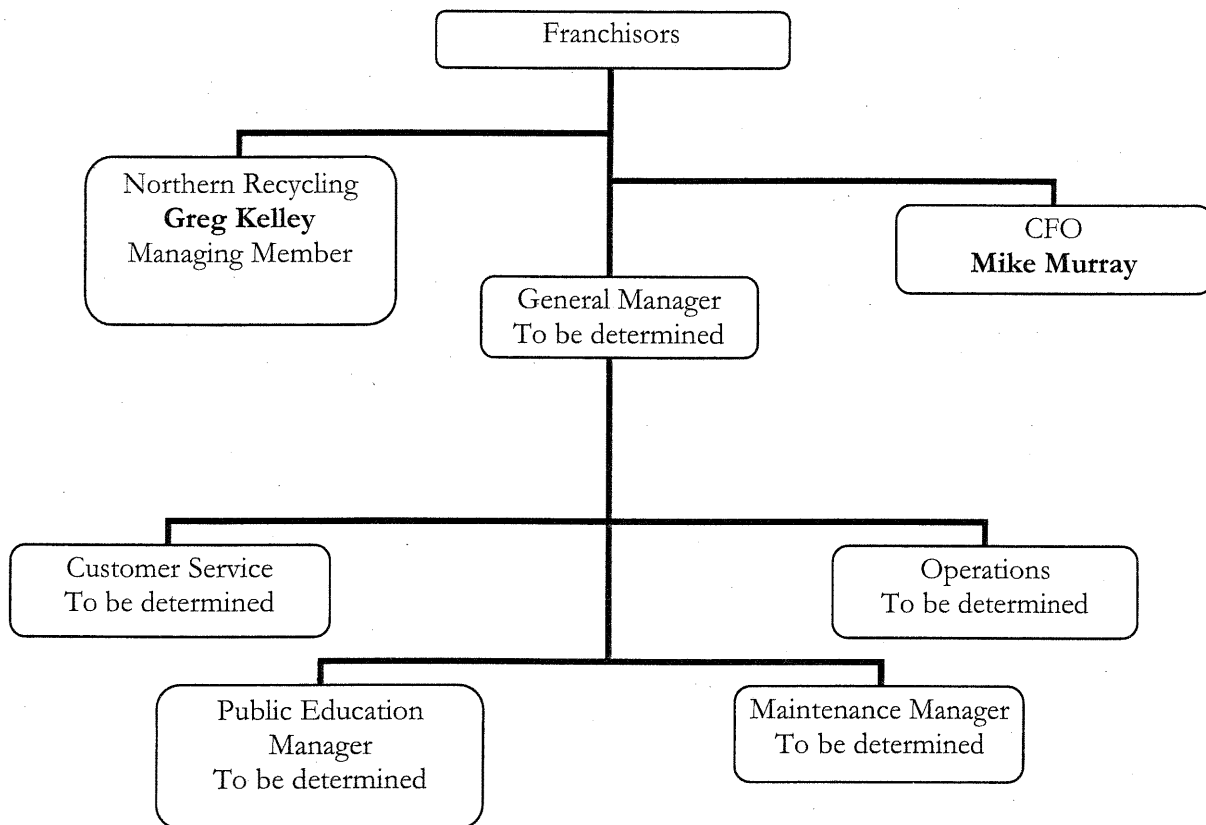


The amount of time that these people will devote to the Franchisor’s transition is shown in *Table 11, Percentage of Time to be Dedicated to Franchisors Agreement*.

3.2 Key Operating Team Personnel

The key personnel that will provide service to the Franchisors during operations are identified in organization chart shown in *Figure 3, Organization Chart During Operations*.

Figure 3, Organization Chart During Operations



The job descriptions for each of the personnel classifications are shown in *Attachment 4 – Resumes*. Resumes for the six people listed in *Figure 2, Organization Chart During Transition*, are also in *Attachment 4 – Resumes*. These people are now employed with the Partners. They will be the interim staff during transition and for a time afterward. The local replacement staff will be hired shortly after Northern Recycling is selected so that they will have ample time to be aware of Northern Recycling policies and approach to providing service. The important qualifications the staff to be hired will have are:

- They will be experienced in collection and recycling.
- They will be local residents with families in the local area.
- They will be a part of the community with active participation in civic affairs, service clubs, and other similar activities.

- They will be known to the Franchisors.

The people listed in *Figure 2, Organization Chart During Transition*, along with the new management staff to be hired will be the Transition Team. The Transition Team will function for several months prior to the start of service and for a month or so afterward, as long as they are needed. With the pre-transition planning and public education Northern Recycling has planned, we expect to need the entire Transition Team for only a short time after initiation of service.

The amount of time that the people listed in *Figure 2, Organization Chart During Transition*, will be needed for the transition effort and afterward is shown in *Table 11, Percentage of Time to be Dedicated to Franchisors Agreement*, for both the transition staff (shown by name), and the local operating staff (shown by job title.)

Table 11, Percentage of Time to be Dedicated to Franchisors Agreement

Name	Job Title	% of Time before February 2007	% of Time after February 2007
Greg Kelley	General Manager	20	5
Mike Murray	Chief Financial Officer	20	15
Steve Manasse	Operations Manager	20	5
Linda Sereni	Customer Service Manager	20	10
Remigo "Gus" Vasquez	Maintenance Manager	20	5
Tim Dewey-Mattia	Public Education Manager	25	10
To be determined	General Manager	100	100
To be determined	Operations Manager	100	100
To be determined	Customer Service Manager	100	100
To be determined	Maintenance Manager	100	100
To be determined	Public Education Manager	100	100

3.3 Northern Recycling Organization

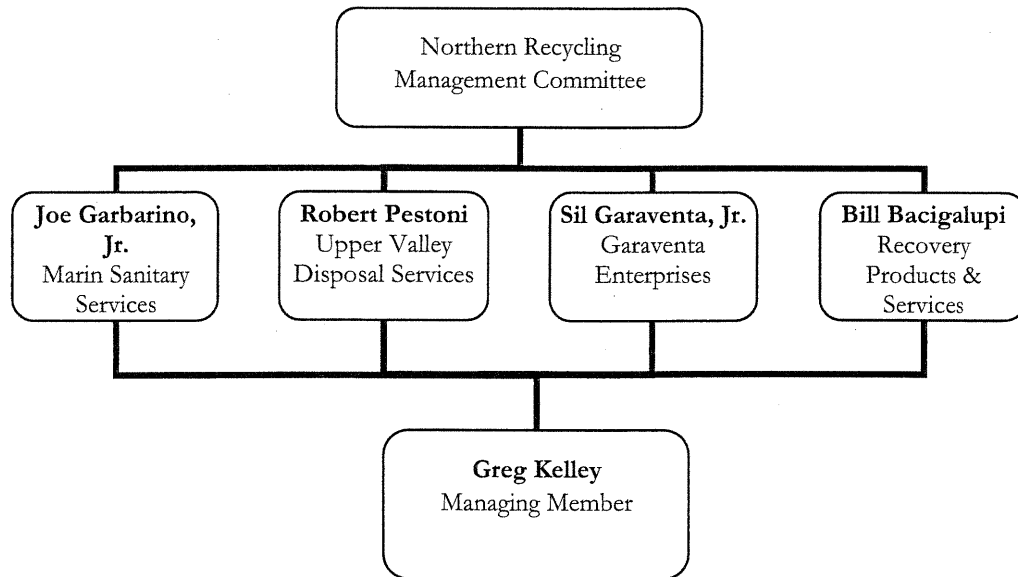


The organization of Northern Recycling is illustrated in *Figure 4, Northern Recycling Organization*. This figure shows how the Partners in Northern Recycling and the operations in the Service Area will relate organizationally.

The RFP asks that we identify the, CEO, vice-president, and Controller of Northern Recycling. This organization does not have personnel with those titles. We have indicated in our organization

charts the key positions in Northern Recycling and all of the roles asked for in the RFP are included (although the job titles are not).

Figure 4, Northern Recycling Organization



3.4 References

References for the key staff are the same as the Northern Recycling references and are located in Section 2.7, *Table 10, References for Jurisdictions for which Transition Services Have Been Provided*.

3.5 Resumes and Job Descriptions

The resumes for key personnel responsible for the transition and ongoing management support of the Franchise Agreement are located in *Attachment 4 – Resumes and Job Descriptions*.

4 Financial Statements

The Financial Statements are in a separate sealed envelope that is with this proposal. We ask that they be reviewed by the finance staff of the Town and the County only. We consider these Financial Statements to be confidential and ask that the Franchisors treat them as provided for under the State law.

There are two aspects of the financial statements to be addressed. We have included audited financial statements for the four Partners to the extent they are available.

- Northern Recycling has not been operating for a complete year, so has no audited financial statements. We have included a statement for the first six months of operation.
- Garaventa Enterprises does not have audited financial statements. It has provided un-audited financial statements.

5 Financing Plan

The costs of providing service to the Franchisors is about \$7,300,000, which includes the cost of equipment, supplies, office and yard startup and operation, and operating capital. We plan to obtain the financing for the operation from a bank or from the California Pollution Control Authority. Several of the Partners have used CPCFA funding for similar projects.

We have included letters from the Vintage Bank in Napa and of Union Bank of California in *Attachment 5 – Bank Letters of Commitment* that express their willingness to finance this operation.

Sources of Funds

Bank or CPCFA financing	\$5,800,000
Members' capital contributions	\$1,500,000
Total	\$7,300,000

Uses of Funds

Trucks	\$3,500,000
Equipment	\$165,000
Containers	\$2,800,000
Start up capital	\$400,000
Property ¹	
Reserves	\$435,000
Total	\$7,300,000

1. Property will be leased so there is no financed cost.

6 Implementation Plan

6.1 Northern Recycling Background in Service Transition

Our implementation plan, also termed a transition plan in this proposal, will be completed by our team of Partners who have the following strengths:

- Mr. Greg Kelley, the interim General Manager, is very familiar with transition planning as he completed a similarly complex plan in the last six months. He planned and executed the transition from manual to single-stream collection and from the existing hauler to the new company in the City of Napa and Napa County. He understands all aspects of the operation and his leadership will enable Northern Recycling to identify the areas of the transition that may be more difficult and require additional planning.
- The Northern Recycling team has the financial strength and the contacts with key suppliers to expedite the equipment schedule to meet the Franchisor's needs.
- All of the Northern Recycling Partners have participated in transitioning their services from one form to another. For example, UVDS has transitioned its residential accounts from source-separated curbside recycling collection to single-stream. MSS recently transitioned service providers in the Town of San Anselmo and received congratulatory letters from town leaders on a job well done. Several of the key members of the Napa Recycling transition team will handle the transition for Northern Recycling. They include the Napa Operations Manager who will establish the routes, hire the drivers, and organize the yard. The Maintenance Manager will set up the shop, establish initial maintenance procedures, hire and train mechanics, start up the new equipment, and negotiate the arrangements with local vendors for the supplies and services we will need.
- Rhonda Hoffman, a local public relations person, will help us with the public outreach materials to support transition, through he extensive knowledge of the local situation.

Our overriding goal is to have the least possible impact on the customers.

6.2 Transition Plan

Our transition plan is detailed in the schedule in the Transition Schedule in *Attachment 6 – Transition Plan for Paradise and Butte County*. The schedule provides a significant amount of detail about the tasks that need to be accomplished, the Franchisor's review activities, and the major milestones. We recognize this transition requires close coordination with the Franchisors and active evaluation of the progress is needed to identify the tasks that need additional attention early enough so they do not cause problems meeting the final deadline.

The key steps that have been important to the transition we just completed are:

- Hiring the local management team shortly after the contract is awarded to enable them to take an active role in the transition. These staff members will be a part of the community, experienced in this business, and know the area. We plan to recreate a management team that resembles Paradise Solid Waste Services team before they were acquired by Waste Management.
- Hiring the office staff early to enable them to assemble the customer lists and set the office up so it is ready before the transition.
- Drivers will be hired from the pool of drivers now servicing the area, if they are available. The drivers will be hired early and trained on our equipment on the weekends prior to initiation of service. When they start the job on January 1, 2007, they will be thoroughly trained and familiar with the routes. It is very important to interview and give job offers to the future employees immediately after we have been approved as the new hauler, so that they and their families have the comfort of knowing that they will continue to have the same jobs.
- Having ready access to staff from the Partners' businesses to assist with transition questions and provide onsite support if needed.

6.3 Public Education During Transition

The public education activities are an important part of the transition effort. The customer lists and the service information will need to be gathered to upgrade the customer list so that service is provided consistently from the start. The public education activities will include the following:

- Single family, multi-family, commercial, and roll-off customers will first receive an educational mailer designed for each specific customer to introduce the new company and the new services. The mailer will include information related to automated single-stream recycling, automated yard waste, and automated waste collection services.

- The residential customers will have a prepaid mailer to send back. Customer will indicate on the mailer their initial level of refuse service, 20-, 35-, 65-, or 95-gallon and if they intend to bring material curbside or need an exemption to get backyard service.
- Introduction letters and brochures will be mailed to customers by July 1, 2006. With the return information due by October 1, 2006, Northern Recycling will plan its container distribution schedule.
- All commercial customers will be contacted directly, in person. Commercial customers will be provided an information packet describing our company and its many service options. Every commercial account will be treated as a unique account.
- Direct mailing to all residential households will help reach all existing customers and the estimated 15 percent who currently are not on service.

Attachment 6 also has copies of some of the materials used during the transition.

6.4 Other Transition Considerations

Obtaining the carts and vehicles on the schedule in this project requires that we place orders early to hold the build dates. We will place those orders when notified that the review team is recommending selection of Northern Recycling to the Town and the County. We will finalize those orders when we have executed the agreement.

After selection, we will revise the schedule to add more details and integrate the Franchisor's considerations. The expanded schedule will also reflect the actual shipment times for the collection equipment and carts.

We will also arrange for an office location and a yard location (possibly together) either in Paradise or nearby.

Northern Recycling has another advantage for the Franchisors. Our Partners have worked with many of the local employees knowledgeable about the Service Area and we have confidence in their capabilities. In fact, between 1980 and 1996, one of the Partners in Northern Recycling was a partner in Ok Sanitation and its successor Paradise Solid Waste Services until it was sold to Waste Management. While the names and functions of those employees are not now available in public documents, understanding their strengths will enable Northern Recycling to begin the transition.

We will organize the Service Area into five sub-areas that can be serviced in one day. Single-family, multi-family, and commercial routes for MSW, sources separated materials, and yard waste will be routed in these sub-areas to reduce traffic, increase collection effectiveness and respond to customer needs.

We will develop a contingency plan that will identify the options if we have problems with telephones, truck delivery schedules, carts and container delivery schedules, billing, and data entry. We will review the draft plan with the Franchisors before developing the final plan.

The Northern Recycling staff will meet regularly with the Franchisors staff to keep them informed and provide updates on the transition. All mailers and other educational material will be reviewed by the Franchisor's staff prior to printing.

7 Public Education Plan

7.1 Public Education Programs

Northern Recycling will educate the public on our comprehensive services, as well as provide information about increased recycling options and resources. This public education will be accomplished through direct contact with customers, effective marketing and PR materials, advertising in the local media, involvement in community events, and diverse recycling activities. Northern Recycling will use the recent public educational experiences regarding the service transition in Napa, as well as the experiences of the other parent companies, to help effectively educate the public. Northern Recycling will offer expanded recycling programs – from curbside single-stream collection to increased source-separated debris box options.

Northern Recycling's public education will include:

- Informational brochure and other outreach materials
- Expanded, single-stream recycling educational information and outreach
- Quarterly Northern Recycling newsletter
- Outreach to residential customers through mailings, advertising, and community events
- Direct outreach to all commercial and multi-family accounts
- Recycling educational programs and tours
- Yard waste education and composting classes
- Hazardous waste/universal waste recycling management plan
- Information about the expanded source-separated debris box collection
- School presentations and tours

The combination of these methods will dramatically increase diversion in Paradise/Butte County, as well as provide comprehensive information about all of Northern Recycling's services. We fully expect that curbside recycling collection, expanded business outreach and recycling, yard waste collection, and increased source-separated debris box service will push diversion rates past 50 percent.

Northern Recycling will use a variety of public outreach methods to assure that all residents and businesses receive all the information about the service change and new recycling options. Northern Recycling will begin advertising, attending community events, distributing literature, and mailing service information immediately after the awarding of the service contract. This comprehensive public education program will continue through the entire transition process.

Public education materials distributed will include:

- Quarterly newsletter
- Direct mailings
- Brochures
- Billing inserts
- Recycling posters
- Recycling stickers
- Community mailing advertisements
- Newspaper advertisements
- Movie theater advertisements
- Radio advertisements
- Presentations
- Informational booths at community events

Sample public education and advertising materials are in *Attachment 7 – Public Education Materials*. The crab feed public education materials found in *Attachment 7 – Public Education Materials* were used for a community event supported by Napa Recycling.

7.2 Presentations

Northern Recycling will conduct recycling outreach and public education presentations at various community events, schools, businesses, and more. Northern Recycling will build on already established presentation plans and experience, and conduct fruitful outreach to the Paradise/Butte County community. Northern Recycling will work with the Town and County to identify community groups and will contact the community groups directly to schedule presentations. Service information and recycling outreach will be given at the presentations, questions will be fielded, and various informational brochures and handouts will be distributed. After the transition, Northern Recycling will continue to contact groups and businesses regarding presentations, as well as granting any presentation requests from the public. Additionally, Northern Recycling will work with schools and teachers to conduct recycling education and tours with student groups. Informational materials will be continuously created and updated in order to provide the most effective information to the public.

7.3 Participation at Town/County Events

Northern Recycling will provide informational materials and face-to-face education and support at the Fourth of July Street Fair, Johnny Appleseed Days, and ongoing community events. Additionally, Northern Recycling will host an open house at our Paradise offices in October. This event will give the public the opportunity to sign up for service, pick up carts and informational materials, tour the facility, and meet the staff.

Northern Recycling will work with the Town and County to provide public outreach and MSW, recycling, and yard waste collection services and Town and County public events. Additionally, Northern Recycling will have a comprehensive special event-recycling program that provides waste and recycling consulting and MSW, recycling, and yard waste services to all special events, fairs, and festivals. Northern Recycling will work with event producers, vendors, and the general public to divert a significant amount of special event waste and educate the public on waste reuse, reduction, and recycling. This will include a pilot program for food waste collection at certain, qualifying events. Northern Recycling's special events services will include, but not be limited to, the sites listed in the RFP as detailed in *Attachment 6 – Transition Plan for Paradise and Butte County*.

Northern Recycling will also organize several community events, including a free electronic waste drop-off event, a household hazardous waste collection event, a bulky item collection event, and a yard waste collection and composting event. All events will be advertised through the quarterly newsletter, billing inserts, and other advertising mediums. Northern Recycling will work together with the Town and County to organize successful events and to promote the year-round drop-off options at the County's hazardous waste facility. Northern Recycling will provide service and support for additional community cleanup events throughout the year.

7.4 Recycling Outreach and Waste Audits

Northern Recycling will conduct recycling outreach in order to increase recycling rates, decrease contamination, and educate the public on all facets of the recycling program. This will include information about our collection services, as well as expanded information about reduction, reuse, and recycling options. Outreach materials will be designed and distributed to residents, multi-family accounts, and commercial businesses.

Northern Recycling will conduct site visits of all commercial businesses in advance of the service changeover. These visits will include service level recommendations and tips on increased recycling. Businesses will always be encouraged to increase recycling as a money saving initiative. Northern Recycling will provide personalized service in order to maximize recycling rates at these businesses. Northern Recycling will continue to visit at least 20 percent of the commercial and multi-family accounts annually and conduct waste audits. Northern Recycling will also conduct on-site assessments and trainings for any business upon request. This service will be announced through billing inserts, the newsletter, and other outreach. Northern Recycling will partner with the Paradise Ridge Chamber of Commerce and other business groups to connect with all area businesses.

Additionally, Northern Recycling will education the public and businesses about the recycling and cost-saving benefits of source-separated debris boxes. This information will be distributed through the quarterly newsletter, billing inserts, brochures, and other outreach.

7.5 Schedule and Quantity of Information Distributed

See the transition schedule in *Attachment 6 – Transition Plan for Paradise and Butte County* for the schedule for distribution of information to all franchise residents and commercial businesses. Information will be distributed to all franchise residents and commercial businesses. Numbers are based on the assumption of 12,212 residential customers and 771 commercial customers.

Material	Quantity to be created/distributed
Northern Recycling informational brochure	20,000
Residential service postcard	14,000
Commercial service introductory mailer	800
Commercial recycling poster	1,000
Introductory service flier	5,000
Quarterly newsletter	14,000
Billing/newsletter inserts (each)	14,000

The initial budget for Public education is \$26,000 and will be \$30,400 annually, thereafter.

7.6 Proposed Number of Employee Hours

Northern Recycling will have a full-time recycling/public outreach coordinator. This recycling professional will promote and maintain the public outreach program, work closely with the Town and County, and constantly strive to increase diversion across the franchise area. The recycling/public outreach coordinator will have guidance and assistance from the Public Education Manager. The Manager will be fully involved in the hiring and training of the new public outreach coordinator, and will work in the public education plan creation, outreach, and transition. The Manager will continue to oversee and assist in program supervision after the beginning of service.

7.7 Resumes

The resumes for key personnel responsible for the Public Education and Outreach are located in *Attachment 4 – Resumes*.

8 Supporting Operational Information

This section discusses the specific services that Northern Recycling will provide in the Franchisors Service Area. We have included innovative methods for collection on private and restricted roads that will minimize the impact on the customer. Our plans for processing (for both recyclables and yard waste) will provide excellent diversion opportunities during the transition period and before we have located permanent facilities. Once the permanent facility is in operation, the interim facilities will be continued as backup.

There are several features of our plan common to solid waste, recyclable, yard waste, and universal waste collections. We have included those features in the first area of this section.

8.1 Features Common to All Collection Activities

Some of the data requested in Section 10 applies to several of the collection programs. Rather than repeat identical information several times, we added this discussion of common elements of the supporting operational information.

8.1.1 Equipment

The proposed collection vehicles and supporting vehicles are summarized in *Table 12, List of Equipment*. In the discussion of each type of collection, we have provided the number of vehicles to be used.

The collection equipment and roll-off trucks will be purchased new and amortized over a 10-year period. The two pickups and the flatbed will also be purchased new and amortized over a 10-year period.

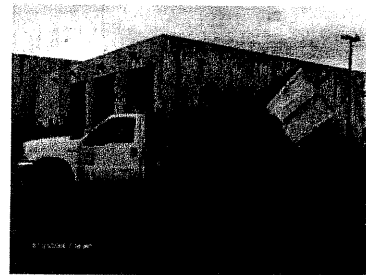


Table 12, List of Equipment

Type of Vehicle	Capacity	Model	Year	Intended Use
Wittke Front loader	34 yard	Expert 2000	2006/2007	Com MSW, Recycling & Yard Waste
Wittke Front loader	34 yard	Expert 2000	2006/2007	Residential/Commercial & Yard Waste
Wittke Front loader	34 yard	Expert 2000	2006/2007	Spare Residential, Commercial
Labrie Automated Side loader	31 yard	Expert 2000	2006/2007	Residential MSW
Labrie Automated Side loader	31 yard	Expert 2000	2006/2007	Residential S.S/ Yard Waste
Labrie Automated Side loader	31 yard	Expert 2000	2006/2007	Residential S.S/ Yard Waste
Labrie Automated Side loader	24 yard	Expert 2000	2006/2007	Residential S.S/ Yard Waste
Labrie Automated Side loader	24 yard	Expert 2000	2006/2007	Residential MSW
Labrie Automated Side loader	24 yard	Expert 2000	2006/2007	Residential MSW
Labrie Automated Side loader	24 yard	Expert 2000	2006/2007	Residential S.S/ Yard Waste
Labrie Automated Side loader	12 yard	Expert 2000	2006/2007	Residential Rural MSW
Labrie Automated Side loader	31 yard	Expert 2000	2006/2007	Spare Residential, Commercial
Norcal Roll Off		Volvo	2006/2007	MSW/Recycling/Yard Waste/C&D
Norcal Roll Off		Volvo	2006/2007	MSW/Recycling/Yard Waste/C&D
Bin Delivery Truck		Ford 550	2006/2007	Front loader & Weekend Helper Bin Delivery
Flatbed	20 foot		2006/2007	Cart Delivery and Bulky item pickup

Northern Recycling is proposing to use new equipment that meets the California Air Resources Board emission requirements. In doing so, Northern Recycling will be utilizing lower emission vehicles and reducing operations cost; this is a significant benefit for the Franchisors.

8.1.2 Manufacturers Specifications

The specifications for the collection vehicles are in the manufacturer's brochures in *Attachment 8 – Manufacturer's Equipment Brochures (Trucks and Containers)*.

8.1.3 Location of Equipment and Personnel

We will locate a yard near or in the Service Area. We have confirmed with a local commercial real estate agent that several sites are potentially appropriate for the yard. We believe that adequate facilities can be located to provide for efficient, cost effective service.

8.1.4 Maintenance Facility

The maintenance facility will be located at the yard, unless other requirements preclude doing so. If that is the case, the maintenance facility will be at a nearby, convenient location.

8.1.5 Office Location

The office where management staff and customer service representative will work will be located within the Town. This location will serve customers remitting payments and needing to discuss services.

8.1.6 Personnel Training

The drivers, CSRs, and maintenance staff will receive monthly training on safety, new developments, route and equipment changes, and public education activities.

On an on-going basis, we will have the route supervisor check the drivers, looking at improving route efficiency, and identifying trouble spots.

8.2 Solid Waste Collection

We selected vehicles and containers for each of the different residential services based on our experience collecting recyclables and waste and have avoided the use of larger trucks with heavier payloads. These vehicles can increase driving hazards on the narrow, steep roads and driveways found in the Service Area. We use a variety of equipment that can meet varying geographic conditions and minimize driving hazards.

8.2.1 Collection Methodology

The goal of the transition team is to minimize disruption to customers while making an efficient transition to new automated waste collection. The Service Area will be divided into collection areas that can be serviced in one day. In that way, the customer will see trucks in their area only on one day. Environmental impacts are reduced and collection efficiency will be increased with this approach.

8.2.1.1 Single-Family Services

Northern Recycling will provide a fully automated weekly curbside collection for residential MSW on the same day as recycling and yard waste.

The customers will be instructed to place their cart at the curb before 6:00 a.m. Collection will start at 6:00 a.m.

All proposed containers are color-coded and will have a hot stamp indicating the type of material to be placed inside. Customers will receive a charcoal gray cart for MSW. They will have the choice of a 20-, 35-, 65-, or 95- gallon container.



manual collection services.

Northern Recycling will have four vehicles collecting MSW daily, two 31-cubic yard, three-axle vehicles, one 24-cubic yard two axle truck, and one 12-cubic yard, single-axle vehicle. The 31-yard vehicle will service customers located in urban areas. The 12-yard truck will service customers with backyard service, customers on narrow, mountainous roads, and customers on private roads. The 12-yard truck is equipped with an automated arm and can provide semi-automated and

Collection will be fully automated where possible. When full automation is not possible, then collection will be performed with the semi-automated or manual feature of the collection truck.

MSW collection services will be provided to those residents with backyard service. We will provide backyard service at no charge for accounts where the resident has a medical note on file from a physician confirming there is a medical reason that prevents the resident from moving solid waste, recycling, yard waste carts, and other materials to the curb. For customers who want the backyard service but cannot provide a medical note, the customer will be charged for the additional service.

As part of the Public Education Program, single-family customers will be periodically reminded that they can save money by reducing, reusing, and recycling more and they will be encouraged to do so. We will use a quarterly newsletter, bill inserts, newspaper ads, web page announcements, and other means to communicate with the customers.

8.2.1.2 Multi-Family Services

Northern Recycling will meet individually with the manager of every multi-family location to determine the best service options for their situation.

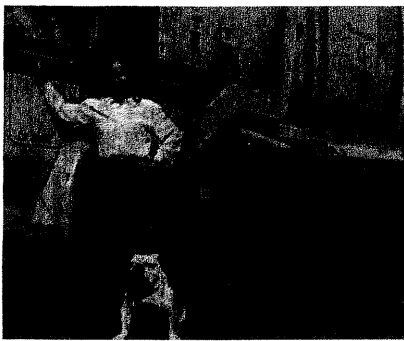
Experience has shown that more than one type of collection service should be made available to multi-family dwellings. Therefore, we are offering two collection options: cart service, which provides each dwelling with a container, and centralized service where the materials are brought to a centralized, large bin. Property managers will be asked to select whether their residents receive individual service or bring their materials to a central location. Collection frequency will

be determined to maximize service and recycling.

We will provide a fully automated, weekly MSW collection system to mobile home parks. The type of service will be the same as received by single-family residences, but will be customized based on the situation. Our experience servicing these accounts has shown us that customizing service is important, as each multi-family dwelling is different. Smaller vehicles will collect individual carts because most private roads and parking lots are not designed for large, commercial vehicles.

8.2.1.3 Commercial Services

Northern Recycling will meet individually with every commercial customer to determine the optimal service options that maximize diversion.



One of our family with one of our front loaders.

Commercial solid waste collection will be fully automated or semi-automated, depending on the customer's circumstances. Manual collection will be reserved for locations where semi-automated or automated vehicles are too large. Most collections will be with a front loader. We will encourage commercial customers to use a large container and minimize the frequency of collection to reduce traffic and environmental impacts and increase collection efficiency.

The basic level of service for a commercial customer includes:

- Regularly scheduled automated collection of solid waste based on a schedule that best serves the customer's needs and the collection situation. For example, a restaurant with wet waste may be serviced with a smaller container collected more frequently than an office building with dry waste. The dry waste does not present a circumstance where frequent collection is preferred as in the case of the wet waste. Therefore, the office building may be serviced with a larger bin collected less frequently.
- Automated collection if the business size can be served using residential-sized containers.
- Front loader collection, with bins, if the business size is larger.

As part of the Public Education Program, our staff will meet individually with commercial customers to decide on appropriate levels of service. At that time, and in later public education communications, customers will be reminded that they can save money by recycling more and encouraged to expand their recycling program.

Customers with excess MSW will have the option to call 24 hours before their next scheduled collection day to request extra service. We will notify the driver on a daily basis about all excess collections. If a driver encounters excess MSW and it is not listed on their daily work papers, they will contact the office, who will contact the customer to authorize collection. Unless a customer has requested that excess waste should never be collected, the driver will be instructed to collect excess without customer approval.

8.2.1.4 Debris Box

These services will be provided with contractor-provided equipment sized to meet the customer's needs. The size of container and the collection frequency will be customized to reflect the type and amount of material to be collected. Northern Recycling will provide permanent and temporary debris box service. When setting up the permanent service, we will encourage the customer to select the largest size debris box with the least frequent collection. That approach will reduce traffic and environmental impacts and increase collection efficiency.

Northern Recycling will also encourage debris box customers to source separate the materials so that they can be recycled. The box pricing is anticipated to provide a reduction in cost for source-separated loads. The materials we will accept as source separated recycling are:

Aluminum	White Paper
Asphalt	Plastic
Cardboard	Single-stream Recycling
Concrete	Manure
Dirt	Sawdust
Glass	Sheet Rock
Metal	Wood
Mixed Container	Yard waste
Newspaper	
Mixed Paper	

8.2.1.5 Compactor Services

These services will be provided with contractor- or customer-owned equipment sized to meet the customer's needs. The size of container and the collection frequency will be customized to minimize the number of trips per week we make to the customer's location, which will reduce environmental and traffic impacts and increase route efficiency.

8.2.2 Crew Size, Equipment, and Tonnage

Table 13, Waste Collection Details, lists the number and type of vehicles that will be used for MSW collection for each type of service, and this table shows the size of the crew for each type of service. This table also shows the size of the crew for each of the types of service. Compactors are not listed, as they will be used as needed.

Table 13, Waste Collection Details

Item	Single Family	Commercial	Multi-Family ¹	Debris Box
Number of full time positions, including standbys	5	1		2
Number of collection trucks	4	1		2
Number of spare collection trucks	1	0.5		-
Estimated annual truck hours	6,240	2,080		4,160
Number of routes	4	1		2
Crew size	1	1		1
Stops per route	600 (large vehicles) 400 (small vehicles)	100		8
Daily/hourly wage of drivers	\$16.00	\$16.00		\$16.00
Estimated annual man hours	2,180	2,160		4,320
Estimated annual tonnage	7,300	4,160		3,090

1. Multi-Family accounts collected with residential or commercial, depending on the type of service selected.

8.2.3 Waste Collection Containers

The number, type and cost of waste collection containers that will be provided to each type of customer is summarized in *Table 14, Number and Type of Waste Collection Containers*. Container design and manufacturer’s specifications are in the brochures in *Attachment 8 – Manufacturer’s Equipment Brochures (Trucks and Containers)*.

Table 14, Number and Type of Waste Collection Containers

Container Size	Single family	Multi-family ¹	Commercial	Debris Box	Cost (each)
20-gallon cart	880				\$37.50
35-gallon cart	1,200				\$37.50
65-gallon cart	5,000				\$45.50
95-gallon cart	2,000				\$52.50
1-yard bin			100		\$370.00
1.5-yard bin			80		\$395.00
2-yard bin			200		\$420.00
3-yard bin			80		\$450.00
4-yard bin			60		\$515.00
6-yard bin			40		\$640.00
10-yard debris box				20	\$2,150.00
15-yard debris box				20	\$2,500.00
20-yard debris box				30	\$2,750.00
30-yard debris box				30	\$3,000.00
40-yard debris box				20	\$3,500.00
10-yard compactor				As Needed	
15-yard compactor				As Needed	
20-yard compactor				As Needed	
30-yard compactor				As Needed	
40-yard compactor				As Needed	

1. Multi-Family accounts collected with residential or commercial, depending on the type of service selected.

We estimated the number and type of containers to order based on the best information we had. We will verify the number of containers through consultation with the Franchisors and by using the results of our service request outreach (see Section 6.3 Public Education During Transition on page 40) for a discussion of how we will get the service request information.

After the five-year waiting period, additional containers will be needed to service the unincorporated area. *Table 15, Additional Waste Containers Needed After Five Years* lists the number, Type, and cost of those containers.

Table 15, Additional Waste Containers Needed After Five Years

Container Size	Single family	Multi-family	Commercial	Debris Box	Estimated Cost (each)
35-gallon cart	2,500				\$40
65-gallon cart	2,500				\$47
95-gallon cart	500				\$54
1.5-yard bin			20		\$400
2-yard bin			50		\$425
3-yard bin			30		\$455
4-yard bin			20		\$520
6-yard bin		As needed	As needed		\$600
10-yard debris box				5	\$2,200
15-yard debris box				5	\$2,600
20-yard debris box				10	\$3,000

In addition to the number and type of containers expected to be needed when the County collection is initiated, we have also had to estimate the pricing of the containers in five years. We will need to review these estimates with the Franchisor before ordering the containers.

Northern Recycling will provide all single-family, multi-family, commercial, compactor, and debris box containers at no additional cost. Northern Recycling will maintain containers in serviceable order, and containers will be clearly labeled at all times.

If a residential container is lost, stolen, or damaged it will be replaced. We will provide one replacement container annually at no cost, regardless of the reason for replacement. We reserve the right to charge a fee for any replacement containers thereafter.

Details of initial distribution of containers are provided in the discussion of transition planning, Section 8. After transition, Northern Recycling will maintain a vehicle appropriate for providing containers to customers that were not on the initial distribution list, missed the mailings and newspaper ads that detailed the new service, or requested a change in service level. All customers that either need a container or want to change their service level will have a new container or replacement container on or before the next scheduled collection day following their request.

8.3 Recycling Collection

This discussion of recycling collection includes two options for residential collection — a weekly and a bi-weekly option.

Information relating to the general aspects of the program (for example, equipment type and number, maintenance facility, yard facility, office location, maintenance facility location, and training) is provided in the discussion in Section 8.1.

The materials to be collected from single-family, multi-family dwellings and commercial customers are:

Metal Items

- Aluminum cans
- Tin & steel cans
- Clean aluminum foil
- Empty aerosol cans
- Small scrap
- Pots, pans & utensils
- Loose lids from jars

Plastic Bottles

- Narrow-neck bottles #1 - #7
- CRV containers
- All colors - lids/caps removed
- Rinsed & empty

Glass

- All beverage & food containers
- All colors, lids removed
- Rinsed & empty

Mixed Paper

- Newspaper
- Magazines, catalogs & gloss paper
- Brown paper bags
- Paper packaging
- Egg cartons
- Milk & juice cartons
- Carbonless paper
- Office paper (all colors)
- Phone books & soft cover books
- Envelopes
- Junk mail
- Shredded paper in clear bags
- Box board
- Cardboard

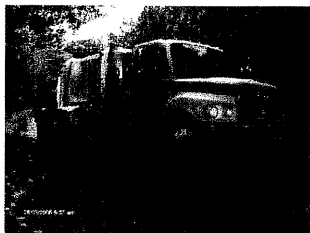
8.3.1 Collection

Northern Recycling will provide a fully automated residential single-stream curbside recycling collection on the same day of the week as MSW collection, with collection frequency to be determined by the Franchisors.

8.3.1.1 Collection Methodology

The goal of the transition team is to minimize disruption to customers while making an efficient transition to new automated waste collection. The Service Area will be divided into collection areas that can be serviced in one day. In that way, the customer will see trucks in their area only on one day. Environmental impacts are reduced and collection efficiency will be increased with this approach.

8.3.1.2 Single-Family Service



Single-stream, fully automated recycling collection will be on the same day as MSW collection. The customers will be instructed to place their cart at the curb before 6:00 a.m. Collection will start at 6:00 a.m.

Customers will be given a blue cart that will have a molded graphic indicating the recycling materials that are to be placed inside. They will have the choice of a 65- or 95- gallon container.

Similar to residential waste collections, Northern Recycling will have three vehicles collecting recycling daily, two 31-cubic yard, three-axle vehicles and one 24-cubic yard, two-axle vehicle. The 31-yard vehicle will service customers located in urban areas. The 24-yard truck will service customers in hillside areas, customers on narrow streets, courts, alleys, private roads, and other hard-to-service-areas. The 24-yard truck is equipped with an automated arm and can provide semi-automated and manual collection services.

Collection will be fully automated where possible. When full automation is not possible, Northern Recycling will take advantage of the truck's ability to perform semi-automated or manual collection.

For bi-weekly collection, the customers in the entire Service Area will receive recycling collection one week and yard waste collection the following week.

For weekly collection, all of the residential customers will receive collection of both recycling and yard waste every week. Northern Recycling may use a 24-cubic yard truck with a split body to collect recycling and yard waste on the same trip.

8.3.1.3 Multi-Family Services

Materials collected in the multi-family dwelling recycling program are listed in Section 10.3. Services to multi-family dwelling will parallel the collection program for MSW. For example, if the multi-family dwelling manager has elected to have each unit receive individual MSW service, each will also receive single-stream recycling service, provided as described in Section 0. The frequency of recycling service for the multi-family dwelling will match the frequency provided to single-family dwellings (either weekly or bi-weekly), as determined by the Franchisor. Individual unit service accounts will receive the same cart options as single-family customers. Those cart options are listed in Section 0.

If the multi-family dwelling manager has elected to have centralized MSW service, the complex will also have centralized recycling service. The container will be a large bin or multiple 95-gallon residential carts, depending on the needs and space available in the complex. If they have bin service, they will get weekly collection.

8.3.1.4 Commercial Services

Single-stream or source separated recycling collection will be by cart or bin and will accept the same material types collected in the residential program (materials listed in Section 8.3). Businesses will have the option of sharing recycling bins where it is most efficient and desired by the businesses. Single-stream recycling will be available for weekly collection from 95-gallon up to six-cubic yards. Northern Recycling will offer recycling to every commercial business in the Service Area.

Some businesses in the Service Area currently have source-separated collection for cardboard, office paper, metal, containers only, or glass. Source-separated recyclable materials of six-cubic yards or less will be collected at no additional cost to customers. Cardboard collection will remain a source-separated material as determined by Northern Recycling in consultation with the customer. All containers will be color coded and clearly marked to help minimize contamination. All of the commercial bins proposed for use are equipped with a locking bar to help minimize contamination and illegal dumping.

The full list of materials that we will accept as source-separated loads is below:

Aluminum	Plastic
Cardboard	Single-stream Recycling
Glass	Manure
Metal	Sawdust
Mixed Container	Wood
Newspaper	Yard Waste
Mixed Paper	
White Paper	

Northern Recycling has the ability to accommodate the collection of materials that are packaged by the customer in bales or other compaction method. Recyclables that are source-separated, clean, and compacted will be collected at no additional cost to the customer if the compaction result is compatible with the Contractor's equipment. This service includes clean-baled film plastic and any other material that has a positive market value.

8.3.1.5 Excess Recyclables

Excess single-stream materials from residential, multi-family dwelling and commercial customers will be picked up. Customers will need to call in advance. If it becomes evident that a customer continually generates excess material, they will be given additional or increased size container(s).

8.3.1.6 Crew Size, Equipment, and Tonnage

Table 16, Recycling Collection Details, lists the number and type of vehicles proposed for recycling collection and lists the crew size for each of the types of service.

Table 16, Recycling Collection Details

Item	Single Family	Commercial	Multi-Family ¹
Number of full time positions, including standbys	4	1	
Number of collection trucks	4	1	
Number of spare collection trucks	0.5	0.5	
Estimated annual truck hours	8,230	2,080	
Number of routes	4	1	
Crew size	1	1	
Stops per route	600 (large vehicles) 400 (small vehicles)	120	
Daily/hourly wage of drivers	\$16.00	\$16.00	
Estimated annual man hours	8,320	2,160	
Estimated annual tonnage	6,450	100	

1. Multi-Family accounts collected with residential or commercial, depending on the type of service selected.

8.3.2 Recycling Containers

The number, type, and cost of recyclable collection containers proposed for each type of customer is summarized in *Table 17, Number and Type of Collection Containers*. Container will be blue and the design and manufacturer's specifications are in the brochures in *Attachment 8 – Manufacturer's Equipment Brochures (Trucks and Containers)*.

We estimated the number and type of containers to order based on the best information we had. We will verify the number of containers through consultation with the Franchisors and by using the results of our service request outreach (see Section 6.3 Public Education During Transition) for a discussion of how we will get the service request information.

Table 17, Number and Type of Collection Containers

Container Size	Single family	Multi-family	Commercial	Cost (each)
65-gallon cart	6,250			\$47.25
95-gallon cart	6,250			\$54.25
2-yard bin		40		\$420.00
3-yard bin		40		\$450.00
4-yard bin		180		\$515.00
6-yard bin		40		\$640.00

Northern Recycling will provide all single-family, multi-family, and commercial containers at no additional cost. Northern Recycling will maintain the serviceable order of all containers. Containers will be labeled in a consistent and clear manner.

The replacement policy for recycling containers will be similar to the replacement policy for waste containers. If a residential container is lost, stolen, or damaged, it will be replaced. We will provide one

replacement container annually at no additional cost, regardless of the reason for replacement (including a change in service level). We reserve the right to charge a fee for any replacement containers thereafter.

8.3.3 Processing

This section covers a number of topics relating to processing recyclables. Interim processing capacity will be needed while Northern Recycling permits a facility. Northern Recycling proposes to use their existing facilities and those of other firms with which they have become well acquainted and have formed an informal agreement. The amount of expected processing for the Service Area is well within Napa and BLT's permitted capacity.

Northern Recycling estimates the amount of material, anticipated revenues and prices per ton, and other factors with the understanding that actual amounts may differ from these estimates.

8.3.3.1 Estimated Annual Tons

The amount of recyclable material expected to be collected, processed, and marketed from each of the sources (single-family, multi-family, and commercial customers) is estimated in *Table 18, Recycling Tonnage Expected by Source*. This table provides an estimate based on Northern Recycling's experience in 24 other jurisdictions served by its Partners.

Table 18, Recycling Tonnage Expected by Source
(Tons per year in 2008)

Recyclables	Source of Material			Total
	Single Family	Multi-family	Commercial	
Collected	6,520	645	1,000	8,165
Processed	6,520	645	1,000	8,165
Marketed	5,870	580	950	7,400

The calculation of the estimated amount of material expected to market assumes that collected materials will be contamination-free so that a residual rate of less than 10 percent can be achieved at the processing facility. Northern Recycling believes the assumption is valid because:

- The nature of the Service Area would lead us to believe that customers will be conscientious in their recycling efforts.
- The Northern Recycling public education program is a proven success in other communities and it is expected that it will be successful in the Service Area. Northern Recycling plans for follow up activities, which will remind customers how important it is to keep recyclables contamination-free.
- Each of the Partners' facilities enjoy a low residual rate

8.3.3.2 Transfer and Processing Facilities

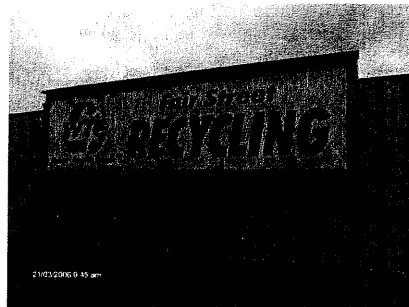
We plan to use one or more of the following facilities as interim processing facilities. *Table 19, Interim Processing Facilities and Sources of Material*, shows these facilities and the source of the material proposed to be sent each facility. Materials collected from multi-family dwellings are included with commercial materials where collection from multi-family coincides with commercial recycling collected by a front loader vehicle.

Table 19, Interim Processing Facilities and Sources of Material

Processing Facility	Location	Source of Material		
		Residential	Multi-family	Commercial
Work Training Center	Chico			X
Napa Materials Diversion Facility	Napa	X		
BLT	Sacramento	X		

After Northern Recycling has established a processing facility in or near the Service Area, it will continue to use the facilities listed in Table 19 for backup.

Transfer of the materials to be processed will be done at the Northern Recycling yard.



The facility owner and operator, processing fee, and tonnage commitment for the term of the Agreement are shown in *Table 20, Processing Facility Details*. The processing fee is for the first year of operation in each case. Future adjustments in the processing fee will be done at the same time as adjustments for the processor's other customers and using the methods approved by those customers.

Table 20, Processing Facility Details

Processing Facility	Owner	Operator	Processing Fee/Net Revenue (\$/Ton)
Work Training Center, Chico			\$30.00
Napa Materials Diversion Facility	City of Napa	Napa Recycling	\$10.00
BLT	BLT	BLT	\$10.00
Paradise/Chico (Year 2)	Northern Recycling	Northern Recycling	\$35.00

8.3.3.3 Facility Permits

The Solid Waste Facilities Permits for the BLT and Napa facilities are in *Attachment 9 – Solid Waste Facilities Permits*. The Work Training Center is not required to have a Solid Waste Facilities Permit.

The proof of permitted capacity requested in the *Clarification of Proposal Requirements* distributed at the Pre-Proposal Meeting is discussed in the letters of commitment from the operators of the BLT and Napa facilities. Those letters are in *Attachment 10 – Commitment Letters from BLT and Napa Recycling*.

8.3.3.4 Recyclable Tracking

Each facility listed in *Table 20, Processing Facility Details*, currently receives materials from more than one jurisdiction and those jurisdictions all require reports on the amount of material received from their jurisdiction. The facility operators track tonnage as follows:

1. When a truck arrives at the processing facility, its jurisdiction of origin and the weight of the load are recorded.
2. The amount of residual during a period is weighed and recorded.
3. The amount of residual per jurisdiction is calculated as a proportion of the total residual during the period. This proportion is equal to the proportion of recyclable materials per jurisdiction to the total recyclable materials during the period
4. Both the total receipts during the period and the net recycled (received less residual) are reported to the jurisdictions on a monthly basis.

8.3.3.5 Letters of Commitment

The letters of commitment from the operators of two of the processing facilities listed in *Table 20, Processing Facility Details*, are in *Attachment 10 – Commitment Letters from BLT and Napa Recycling*.

8.3.3.6 Acceptable Materials and Factors Affecting Marketability

The materials to be accepted into the single family, multi-family and commercial recycling programs are listed below.

Metal Items	Mixed Paper
Aluminum cans	Newspaper
Tin & steel cans	Magazines, catalogs & gloss paper
Clean aluminum foil	Brown paper bags
Empty aerosol cans	Paper packaging
Small scrap	Egg cartons
Pots, pans & utensils	Milk & juice cartons
Loose lids from jars	Carbonless paper
Plastic Bottles	Office paper (all colors)
Narrow-neck bottles #1 - #7	Phone books & soft cover books
CRV containers	Envelopes
All colors - lids/caps removed	Junk mail
Rinsed & empty	Shredded paper in clear bags
Glass	Box board
All beverage & food containers	Cardboard
All colors, lids removed rinsed & empty	

All of these materials are included in the programs operated by the Partners for many years. We understand how to market these materials, their ease of recycling, and how to control contamination.

Contamination of the recyclables in the single-stream collection and in the commercial collection (the multi-family dwellings will be collected either as residential or commercial) is an area where our drivers have been trained to reduce contamination. A key element of our program is customer education.

The education program enjoys great success because it is a comprehensive program that includes management staff, CSRs, drivers, customers, and processors. Even drivers are encouraged to talk with customers when appropriate and when the customer needs help to, understand all available programs.

8.3.4 Marketing

8.3.4.1 Marketing Methods and Approach

The Northern Recycling marketing policy is to know available markets very well, develop long-term relationships with strong market segments, and to continually provide high quality materials. Northern Recycling understands that high quality materials flow from high quality processing facilities combined with recycle-educated communities. Northern Recycling's marketing goal is to sell all the recyclable materials recovered and it has been successful, over the long-term, in the past. *Table 21, Primary and Contingency Material Markets*, lists the markets that Northern Recycling uses and expects to use in the future.

Table 21, Primary and Contingency Material Markets

Material Type	Primary Market	Contingency Market
Cardboard	Northern Paper Stock	Smurfit
Newspaper	Northern Paper Stock	Smurfit
Office Paper	Northern Paper Stock	Smurfit
HDPE	Recycle Zone	Smurfit
PET	Recycle Zone	Smurfit
Film Plastic	Recycle Zone	Smurfit
Aluminum	Recycle Zone	Smurfit
Glass	Strategic Materials	Smurfit

Northern Recycling’s marketing objective is to identify cost-effective markets for new materials; this objective enables the expansion of materials types diverted.

The marketing staff employed with the Partners’ companies has regular contact with numerous end users and material brokers. Over the years, they developed long-term relationships with a variety of markets and are loyal to those markets; in turn, they have earned a similar loyalty from them. For example, since first developing their MRFs, Garaventa Enterprises, MSS and UVDS have never been forced to dispose of any loads of recyclable materials due to an inability to gain access to markets.

Given Northern Recycling’s close proximity to the San Francisco Bay Area and two major port facilities, access to both domestic and international markets is unfettered. Northern Recycling’s contingency plan is to maintain agreements with brokers and end users to take all of the materials produced. They also continually seek end users for other materials. As markets become available, Northern Recycling expands recycling programs to accept new materials.

For Northern Recycling, the overall approach to marketing begins with understanding material quality specifications and ends with controlling shipping.

Material specifications

We have our materials prepared to meet the specifications provided by the material buyer. Meeting those specifications is important to obtain the highest price for our materials. Our knowledge of quality standards and the relationships we have developed with markets over the years has enabled us to provide a high quality product to the mills. **None of the Partners have experienced a problem of unmarketable materials, even in times of depressed markets.**

On-line Quality Control

Northern Recycling staff has been trained to recognize materials that will contaminate potential market products and to remove it on the picking line. The line supervisor is responsible for watching materials that are picked and helping picking line crews answer specific materials in question.

Inventory and Shipping Control

Northern Recycling prides itself on its familiarity with market conditions. Northern Recycling only ships when a full load accumulates. This know-how partnered with a shrewd shipping prerequisite is the basis for Northern Recycling inventory and shipping control practices.

8.3.4.2 Pricing Policy and Assumed Salvage Value

Northern Recycling's pricing policy is to achieve the highest price for materials by fostering long-term relationships through providing high quality products and being responsive to changing market and supply conditions.

Northern Recycling prepared an estimate of future pricing based on pricing over the last 12 months for several commodities in *Table 22, Market Pricing, Calendar Year 2005*. While the prices listed in this table may be indicative of future prices, it is not possible for anyone to predict prices in this commodity area.

Despite the error inherent in estimates, Northern Recycling can guarantee that materials collected from the Service Area will be marketed with other Northern Recycling collected materials to obtain the best price that can be obtained on a long-term basis, considering transportation.

Table 22, Market Pricing, Calendar Year 2005

Material	Grade of material	Price per Ton
Cardboard	NA	\$100
Newspaper	#7	\$110
Office Paper	Office Pac	\$90
HDPE	NA	\$800
PET	NA	\$1,600
Film Plastic	NA	\$200
Aluminum	NA	\$3,800
Glass	3-color mix	\$130

8.3.4.3 Fluctuations in Material Quantity and Composition

As the consumer market changes, the collection methods of waste and recyclables change, and as markets for materials change, fluctuations will occur in the quantity and composition of recyclable materials. The Northern Recycling Partners have dealt successfully with these factors for many years. They communicate frequently with their markets to ensure that quality/composition issues are addressed in a timely way and to alert them to changes in quantity so that both parties can adjust their expectations efficiently.

8.3.4.4 Response to Severe Market Fluctuations

Recyclable materials are commodities, and like all other products, markets fluctuate from time to time. However, no matter how tight market conditions have gotten, the Partners have always found a market to sell their materials due to consistently high quality products and long-standing relationships with numerous brokers and processors.

Northern Recycling has storage capacity to cover periods of low demand (which translates to low price), but recognize that the cost of storage versus low price needs to be weighted. Northern Recycling will balance the need to move materials to markets with the price of the material and the price of storage to arrive at the most economic situation for Northern Recycling and the Franchisors.

8.3.4.5 Assurance that no recyclable materials will be landfilled

Our experience is our best commitment that we will not landfill materials collected as recycling. None of the Partners in Northern Recycling have ever produced unmarketable materials, even in times of depressed markets.

8.4 Yard Waste

Northern Recycling will provide a fully automated, residential single-stream curbside and yard waste collection on the same day as MSW collection, with collection frequency to be determined by the Franchisors.

8.4.1.1 Collection Methodology

The collection methodology for yard waste will be the same as the methodology described in Section 8.3.1.1 on page 59 for recyclables.

8.4.1.2 Single-Family Service

Fully automated residential yard waste collection will be on the same day as the garbage collection. The customers will place their cart at the curb before 6:00 a.m. Collection will start at 6:00 a.m.

Customers will be provided a brown cart that will have a molded graphic indicating yard waste material be placed inside. They will have the choice of one or two 95-gallon containers at no additional charge. More than two containers will be provided at our cost. We have found that the yard waste program is so popular in Napa County that two-yard waste carts are needed for many customers. Since yard waste is one of the largest components of single-family diversion, it is beneficial to the Franchisors' program to allow for two carts. We estimate one-and-a-half carts per household will be needed in the service area.

Similar to recycling waste collections, Northern Recycling will have three vehicles collecting yard waste daily, two 31-cubic yard, three-axle vehicles and one 24-cubic yard, two-axle vehicle. The 31-yard vehicle will service customers located in urban areas. The 24-yard truck will service customers in hillside areas, customers on narrow streets, courts, alleys, private roads, and other hard-to-service-areas. The 24-yard truck is equipped with an automated arm and can provide semi-automated and manual collection services.

Collection will be fully automated wherever possible. When full automation is not possible, then collection will be performed with the semi-automated or manual feature of the collection truck.

For bi-weekly collection, the customers in the entire Service Area will receive recycling collection one week and yard waste collection the following week.

For weekly collection, all of the residential customers will receive collection of yard waste and recycling every week.

8.4.1.3 Multi-Family Services

Services to multi-family dwelling will parallel the collection program for MSW. For example, if the multi-family dwelling manager has elected to have each unit receive MSW service, each will also receive yard waste service, provided as described in Section 8.2.1.1.

The frequency of yard waste service for the multi-family dwelling will be same as the Franchisors determine will be provided to single-family dwellings (either weekly or bi-weekly.) The service will also use the residential carts.

If the multi-family dwelling manager has elected to have centralized MSW service, the complex will also have centralized recycling service. The container will be a bin or multiple residential 95-gallon residential carts, depending on the needs and space available in the complex.

8.4.1.4 Commercial Services

Yard waste collection will be by 95-gallon cart or bin and will accept same material types collected in the residential program. Businesses can share yard waste bins if it is most efficient and is desired by the businesses. Northern Recycling will offer yard waste to every commercial business. All commercial bins are equipped with a locking bar to help minimize contamination and illegal dumping.

Excess yard waste materials from commercial customers will be picked up. Customers will need to call in advance to get service for extra material that does not fit in the cart or bin. If a customer constantly has excess material, they will be provided additional containers as needed.

8.4.1.5 Holiday Tree Collection

This program will be coordinated with a local non-profit agency and held annually on the first Saturday following New Years Day. The local non-profit agency will pick up whole holiday trees at the curb and bring them to a centrally located debris box container(s) that Northern Recycling provides, at no charge to the local non-profit agency. The residents can give the local non-profit agency a donation for the service.

The following week, only Northern Recycling will collect holiday trees from customers on their regular service day if the tree is placed at the curbside next to the carts. Single-family residents and multi-family residents will be asked to place their Christmas trees at the curbside the night before collection. The Christmas trees will be manually loaded into the yard waste collection vehicle on the regularly scheduled collection day.

Trees can be a maximum height of five feet. Residents will be encouraged to cut larger trees in half. The trees that have been decorated (contaminated with tinsel) will be collected as MSW.

We have partnered with the Fire Departments in some of the jurisdictions that we serve and established Christmas tree drop-off locations. We also plan to do that in the Service Area.

No containers will be used, as the material will be collected loose at the curb. During the two-week period of the program, an additional one to two collection trucks will be needed.

Contamination in the holiday yard waste program has not been an issue with the program in Napa or at our other programs. We plan to minimize the contamination and provide general information with outreach to all commercial and residential (both single-family and multi-family) customers through our newsletter, newspaper ads, bill inserts, and web page announcements. The announcements will provide the details of how to prepare the material and the contamination that is prohibited. We will enlist the County's aid in the education program, as elimination of contamination is so important to recycling materials.

The material will be ground into mulch and sold with our other mulch. We would also be prepared to work with Fish & Game to use the collected trees as fish habitat and to have them chipped and used as public trail mulch.

8.4.1.6 Crew Size, Equipment, and Tonnage

Table 23, *Yard Waste Collection Details*, lists the number and type of vehicles that will be used for recycling collection. This table also shows the size of the crew for each of the types of service.

Table 23, Yard Waste Collection Details

Item	Single Family	Commercial	Multi-Family ¹
Number of full time positions, including standbys	4	0.5	
Number of collection trucks	4	0.5	
Number of spare collection trucks	0.5		
Estimated annual truck hours	8,230	1,040	
Number of routes	4	1	
Crew size	1	1	
Stops per route	600 (large vehicles) 400 (small vehicles)	100	
Daily/hourly wage of drivers	\$16.00	\$16.00	
Estimated annual man hours	8,230	1,040	
Estimated annual tonnage	7,600	200	

1. Multi-Family accounts collected with residential or commercial, depending on the type of service selected.

8.4.2 Yard Waste Containers

The number and type of waste collection containers that will be provided to each type of customer is summarized in Table 24, *Number and Type of Yard Waste Containers*. Container design and manufacturer's specifications are in the brochures in *Attachment 8 – Manufacturer's Equipment Brochures (Trucks and Containers)*.

Table 24, Number and Type of Yard Waste Containers

Container Size	Single family	Multi-family	Commercial	Cost (each)
95-gallon cart	18,000			\$52.50
1-yard bin		TBD	TBD	
1.5-yard bin		TBD	TBD	
2-yard bin		TBD	TBD	
3-yard bin		TBD	TBD	
4-yard bin		TBD	TBD	
6-yard bin		TBD	TBD	
10-yard debris box		TBD	TBD	
15-yard debris box		TBD	TBD	
20-yard debris box		TBD	TBD	
30-yard debris box		TBD	TBD	
40-yard debris box		TBD	TBD	

The comments we made regarding the count of recycling containers also apply to the count of yard waste containers.

Northern Recycling will provide all single family, multi-family, and commercial containers at no additional cost. All containers will be kept in serviceable order and will be clearly labeled.

Details of the initial distribution of containers are provided in the discussion of the transition planning. After the transition, Northern Recycling will continue to have a vehicle that is providing containers to customers that may not have been on the initial distribution list, missed the mailings and newspaper ads that detailed the new service, or had a change in service level. All customers that either need a container or want to change their service level should have the replacement before the next scheduled collection day following their call requesting the container.

8.4.3 Processing

8.4.3.1 Estimated Annual Tons

The amount of recyclable material expected to be collected, processed, and marketed from each of the sources (residential curbside, multi-family dwellings, and commercial) is estimated in *Table 25, Yard Waste Tonnage Expected by Source*. That table provides an estimate of what we expect to collect based on our experience in the other 24 jurisdictions our Partners serve.

Table 25, Yard Waste Tonnage Expected by Source

Yard Waste	Source of Material			Total
	Residential	Multi-family	Commercial	
Collected	7,220	380	200	7,800
Processed	7,220	380	200	7,800
Marketed	7,220	380	200	7,800

The calculation of the estimated amount of material that we expect to market assumes that the material collected will be free of contamination so that we can achieve a residual rate of under 10 percent at our processing facility. We believe that assumption is valid because:

- The nature of the Service Area would lead us to believe that the customers will be conscientious in their recycling efforts.
- Our public education program has proven successful and we expect that it will be successful in the Service Area. We plan to have follow-up activities to remind customers how important it is to keep the recycling contamination-free.
- We have a low contamination rate at each of the Partners' facilities.

8.4.3.2 Transfer and Processing Facilities

We plan to work with Butte County to expand the compost permit at the Neal Road Landfill Composting site to allow for production of finished compost from the yard waste. If that site is not available, we will locate another site nearby to process the yard waste.

The facility owner and operator is Butte County. The processing fee is \$12.00 per ton. We understand the County will commit to accepting the tonnage for the term of the Agreement.

8.4.3.3 Facility Permits

Since Butte County is the owner of the processing site, we assume they have a copy of the permits for the facility.

8.4.3.4 Tracking Tonnage for the Jurisdiction

The Neal Road Landfill currently receives materials from more than one jurisdiction. We anticipate that the facility operator would track tonnage as follows:

1. When a truck arrives at the processing facility, its jurisdiction of origin and the weight of the load are recorded.
2. The amount of contamination during a period is weighed and recorded.
3. The amount of contamination is allocated to each jurisdiction using the facility during the period in proportion to the amount of yard waste delivered to the processing facility.
4. Both the total yard waste receipts during the period and the net diverted (received less residual) is reported to the jurisdictions monthly.

8.4.3.5 Letters of Commitment

We also assume that the County's participation is proof that it is committed to processing the Franchisor's material and has sufficient capacity for the yard waste from the Service Area.

8.4.3.6 Acceptable Materials and Factors Affecting Marketability

The materials to be accepted into the yard waste programs are listed below.

- Grass, leaves, and clippings
- Branches and wood from tree trimming
- Branches and small trees cut into pieces four feet in length or less and six inches in diameter or less
- Pine needles

All of these materials have been part of the programs operated by the Partners for many years. We understand how to market these materials, their ease of diversion, and how to control contamination.

Contamination of the yard waste in the single-stream collection and in the commercial collection (the multi-family dwellings will be collected either as residential or commercial) is an area where our drivers have been trained to reduce contamination. The key element of our program is customer education.

The education program includes our drivers, customers, and processors. We encourage the drivers to talk with customers, if the customers wish, and explain all available programs.

Markets for these materials will be in compost, mulch, or biomass fuel.

We understand that the County is planning to establish a compost site at the Neal Road Landfill. If that facility is built, we would like to participate with the County in it. If it is not built, we expect to propose one for ourselves at our new yard.

The experience our Partners have with current compost site operations will enable us to manage this operation.

8.5 Residential Mixed Organics

Northern Recycling will evaluate the possibility of including mixed organics from single-family homes and businesses, recognizing that the collection and handling of the materials can be difficult and that the processing needs a different permit. We will also evaluate the opportunity to collect food organics at community events.

8.6 Universal Waste Collection

8.6.1 General Program

The universal waste will be collected for a fee at the residence. Northern Recycling will have a drop off facility at its yard. The permanent site will be considered after the success of the drop off program can be assessed.

We will participate in annual free events that will probably be conducted with the bulky waste collections. In addition, we will work with the Franchisors on other collection events that they sponsor.

8.6.2 Methods of Reporting

The tonnage of material collected at the drop off and at special events will be reported to the Franchisors monthly.

8.6.3 Methods of Disposing of Items Received

The materials will be sent to Electronic Recycling of America, which has two plants in California. Our material will be sent to the Fresno plant where we send our materials. Information is included in the attachments about this program.

8.7 Annual Clean Up Programs

Northern Recycling will provide each residential premise one bulky goods collection (up to four items) annually. There is no charge for the first collection. After the initial collection, a fee established by the Franchisors will be collected.

Residents will be provided year around free drop off of electronic waste.

We will spot drop boxes at various locations in the Service Area at specified times during the year. The boxes will target for specific materials (yard waste and bulky materials). Residents will be encouraged to recycle and donate the bulk of the materials. Items with useful life will be donated to thrift stores, Habitat for Humanity, or other non-profit enterprises.

In addition, we will generate coupons for a free bulky goods drop-off. The coupons will be sent as a bill insert, and will be valid for one year from date of issuance. Residents present the coupon with a driver's license having an address in the Service Area to get the free service. Non-hazardous bulky goods, such as ovens, water heaters, or mattresses, will be accepted free at the Franchisor-designated location with presentation of this coupon.

Acceptable bulky goods are as follows:

- Furniture (such as, sofas, chairs, and mattresses)
- Appliances (such as, stoves, washer/dryer, water heater)
- Toilets, sinks, and porcelain products
- E-waste
- Tires

Items not currently accepted are:

- Household solid waste
- Paint
- Household Hazardous Waste (HHW)
- Refrigerators

Our public education program will encourage the disposers to keep the bulky goods as contaminant free so they can be separated at the collection location and recycled. Appliances, tires, and metal products will be targeted for recycling.

8.8 Billing

8.8.1 Customer Billings

Northern Recycling will be responsible for billing and collections from the customers in the Service Area County. The commercial customers will be billed one month in arrears. The residential customers will be billed quarterly up to one month in advance of the billing period. Our billing format (one 8.5x11 sheet) can have an additional three sheets of inserted material, making it a good opportunity for frequent public education. All records will be kept at our Napa office location. Northern Recycling uses the same billing software as is being used in the Partners' operations.

A sample of single-family, multi-family, and commercial customer bills that shows the form of the bill is in *Attachment 11 – Sample Customer Bills*. The bills have sufficient room to show customers information regarding service exceptions, minor changes and notices of rerouting. Monthly bills will also include bill inserts. Because the bills are a full sheet of letter paper, they allow inserts to have far more information than with other billing systems. The bill can include three pages of inserts without an increase in postage.

Inserts will be used to notify customers of program, rate and other changes before they occur. If Northern Recycling plans on changes that effect less than 25 percent of the customer base, these customers will receive direct mailings or deliveries of information about the changes before they occur. All materials will be provided to the Franchisors for review before being sent out.

Northern Recycling will be responsible for issuing bills and maintaining accounts receivable records. Customers will be directed to mail all payments to a post office box address. If a customer needs to make payment in-person, they can do so at our office in Paradise. The revenues will be collected and dispersed as per the franchise agreement.

We will send past due notices and collection letters to the customers. After the second notice, the customer will be sent to an outside collection service. Once placed with a collection service, accounts will be subject to stop service

After six months of service, we will review the possibility of electronic payments through “Easy Pay” or on-line.

8.8.2 Jurisdictions Where Billing Services Are Provided

Table 26, Billing Experience, identifies the type of solid waste services provided and number of accounts where monthly billing service was required. Table 26 provides some details about the billing services we provide. This table includes the type of service we provide and the number of accounts that are billed to show the Franchisors that we have experience with the size of community in the Service Area. Table 5 on page 19 lists these jurisdictions and the contact information.

Table 26, Billing Experience

Company	Jurisdiction	Type of Service	# of Accounts Billed
Napa Recycling	Napa County (portion)	MSW, recycling & yard waste	4,651
	City of Napa	MSW, recycling & yard waste	22,798
UVDS	Town of Yountville	MSW, recycling, yard waste & used oil	836
	Napa County (portion)	MSW, recycling, yard waste & used oil	2,203
	City of St. Helena	MSW, recycling, yard waste & used oil	1,915
	City of Calistoga	MSW, recycling, yard waste & used oil	1,297
	Lake County (portions)	MSW, recycling, yard waste & used oil	5,159
	MSS	San Anselmo	MSW, recycling & yard waste
Town of Fairfax		MSW, recycling & yard waste	2,600
Las Gallinas Valley Sanitary District		MSW, recycling & yard waste	7,999
Ross Valley Sanitary District-North		MSW, recycling & yard waste	1,229
Ross Valley Sanitary District-South		MSW, recycling & yard waste	2,277
Town of Ross		MSW, recycling & yard waste	816
City of San Rafael		MSW, recycling & yard waste	9,890
City of Larkspur		MSW, recycling & yard waste	2,834
County of Marin (portions)		MSW, recycling & yard waste	660
MSS		San Anselmo	MSW, recycling & yard waste
	City of San Rafael	MSW, recycling & yard waste	9,890
	City of Larkspur	MSW, recycling & yard waste	2,834
	County of Marin (portions)	MSW, recycling & yard waste	660
Garaventa Enterprises	City of Concord	MSW, recycling, yard waste & C&D	30,730
	City of Rio Vista	MSW, recycling, yard waste & C&D	5,164
	City of Pittsburg	MSW, recycling, yard waste & C&D	14,322
	Ironhouse Sanitary District	MSW, recycling, yard waste & C&D	8,826
	Byron Sanitary District	MSW, recycling, yard waste & C&D	141
	Contra Costa County (portions)	MSW, recycling, yard waste & C&D	8,154
	Solano County (portions)	MSW, recycling, yard waste & C&D	96

8.8.3 Customer Service Relating to Billing Issues

The first point of contact for customers for all service issues, including billing, will be our office in Paradise. The customer service representative will be hired and trained well by November 2006 so that they are prepared to assist with the transition and the organization of the service. The local customer service representative will be trained by our highly experience customer service managers from the Partner's operations. Ms. Linda Sereni from Upper Valley Disposal Service, who has more than 25 years experience, will be training customer service staff and leading the effort for the first months of service. She will also provide training in the *Soft Pac* software that will be used for billing and customer service.

The billing questions are expected to relate primarily to the new service that is being provided and to the changes in routing. The questions about billing will be handled by the local staff. If the number of calls exceeds that which the local staff can handle, they will be rerouted to the Napa Recycling offices. It is anticipated, based on our recent start up of operations in Napa, that the need to reroute calls will be minimal. Most of the credit for the easy transition for customers in Napa is due to the extensive public education that preceded the new service. A similar level of education is planned for the Franchisor's operation.

Billing will be set up using the addresses provided by the Franchisors. We expect the Town and County will provide the addresses of residents and businesses in the Service Area so they can be either loaded electronically into our billing system or manually input.

8.9 Customer Service

8.9.1 Customer Service Representatives

During the transition of service, we expect to have three customer service representatives and an office manager in the Paradise office. We will augment the permanent staff in Paradise with experienced staff from our Partners' operations for the time needed during transition. We plan to have one customer service representative for the Service Area after service has been fully implemented.

Customer Complaint Log:

We will maintain a log of all oral and written service complaints registered with us from customers in a computer-base customer file to allow for tracking of complaints and their resolution. It will include the name and address of complainant, date and time of complaint, nature of complaint, and identity of supervisor. All follow up and resolution will be recorded. This log will be available for the Franchisor's representatives to inspect. A sample of the monthly report that will be sent to the Franchisors is in *Attachment 12 – Sample Monthly Reporting to Franchisors*.

We will ensure that prompt and courteous attention will be provided to the customers regarding each complaint. All customer complaints will be responded to within 24 hours, except on Saturdays, Sundays, and holidays, when they will be answered by a message service. Emergency calls will be directed to management. Non-emergency calls will be responded to on the next business day. We will attempt to resolve all complaints within five working days, if possible.

Discussions at weekly staff meetings and direct customer contact by the manager and route supervisor will aid in reducing complaints and identifying operating practices that need adjustment.

8.9.2 Customer Service Process

Each day the collection drivers, route supervisors, and CSR staff have copies of that day's work schedule. The route schedules have the collection locations, service levels, special notes and (such as gate codes, extra pickups, and dog warning). Drivers follow the daily route schedule and if problems occur, they contact either the route supervisor or a CSR for further direction. When drivers are finished with their routes, they contact the office to see if there are any additional services to be provided. Drivers also contact their supervisor to see if other routes need assistance. As drivers clock in at the end of the day, they are required to turn in their daily route sheet. The CSR will review the sheet with the driver checking that the route was completed and that all problems (for example, containers not set out, excessive contamination in recycling, and spilled materials) or extra services are recorded in the customer's computer record.

8.9.3 How Calls Will Be Handled and Reported

All incoming calls from customers will be recorded in a computer-base customer file. All problem calls will be handled immediately by the CSR. All problems will be relayed to the route supervisor. The route supervisor will make sure that the complaint is investigated and resolved as soon as possible. If a missed collection has occurred, the supervisor will review it with the driver the next morning before that day's route begins and ensure that the problem is corrected.

If the customer calls about a missed collection by noon, the collection will be done that same day. If the call is received after noon, the material will be picked up the next day before noon.

We will ensure that customer service representatives will be available to answer calls from 8 a.m. to 5 p.m., Monday to Friday. In the unlikely event that the CSR is unavailable, the calls will be rerouted to our Napa office. All services will be available in the customer service department in English. An after-hours message system will be maintained to receive calls outside of business hours to allow customers to contact us. Franchisor staff will also have direct phone numbers for the managers for 24-hour emergency contact.

We have an internal policy to answer 85 percent of the calls by a live operator (we do not use recorded messages during normal working hours) within two minutes. We provide a report to Napa County on the time required to handle calls. A copy of that report is in *Attachment 13 – Customer Service Call Report*.

If our CSR cannot adequately respond to a customer's complaint, the call is forwarded to our office manager or operations manager.

8.9.4 Changes to Current Customer Service Operations

We are not familiar with the current customer service operations, so do not have any suggestions of how we would change them.

8.9.5 Customer Service Training Programs

CSR have regular meetings with the customer service supervisor and with the operations manager to review the problems that have occurred and the solution.

On a monthly basis, we conduct training in customer service issues with our Partners' customer service supervisors. That training allows easy transfer of successful solution to problems.

8.10 Collection Impacts

8.10.1 Vehicle Impacts

The vehicle data requested in the RFP and in the *Clarification of Proposal Requirements* received at the pre-proposal meeting is shown in *Table 27, Vehicle Impact Data*.

Northern Recycling has proposed to purchase all new vehicles. The engines for all of these new vehicles meet current regulations. Northern Recycling will provide necessary information to the Franchisors for the annual California Air Resources Board report.

Table 27, Vehicle Impact Data

Type of Vehicle	Model	Capacity	Average Load (Tons)	Axle Load (Tons)	Type and Source of Material
Wittke Front loader	Expert 2000	34 yard	9	17	Commercial MSW, Recycling & Yard waste
Wittke Front loader	Expert 2000	34 yard	9	17	Residential/Commercial & Yard waste
Wittke Front loader	Expert 2000	34 yard	9	17	Spare Residential, Commercial
Labrie Automated Side loader	Expert 2000	31 yard	7	17	Residential MSW
Labrie Automated Side loader	Expert 2000	31 yard	7	17	Residential S.S/ Yard Waste
Labrie Automated Side loader	Expert 2000	31 yard	7	17	Residential S.S/ Yard Waste
Labrie Automated Side loader	Expert 2000	24 yard	4	10	Residential S.S/ Yard Waste
Labrie Automated Side loader	Expert 2000	24 yard	4	10	Residential MSW
Labrie Automated Side loader	Expert 2000	24 yard	4	10	Residential MSW
Labrie Automated Side loader	Expert 2000	24 yard	4	10	Residential S.S/ Yard Waste
Labrie Automated Side loader	Expert 2000	12 yard	7	7	Residential Rural MSW
Labrie Automated Side loader	Expert 2000	31 yard	7	17	Spare Residential, Commercial
Norcal Roll Off	Volvo	NA	9	17	MSW/Recycling/Yard Waste/C&D
Norcal Roll Off	Volvo	NA	9	17	MSW/Recycling/Yard Waste/C&D
Bin Delivery Truck	Ford 550	NA	NA	NA	Front loader & Weekend Helper Bin Delivery
Flatbed		20 foot	NA	NA	Cart Delivery and Bulky item pickup

Northern Recycling also controls vehicle emissions through education of vehicle and equipment operators to shut down engines if the vehicle or equipment is idle. That practice includes pre-trip and post-trip inspections and extended idles longer than three minutes.

8.10.2 Hazardous Waste Management

Contamination control is done for two types of materials. Hazardous waste in the trash is an issue that we have developed processes with our drivers to control. Contamination of the recyclables in the single-stream collection and in the yard waste collection is the second area where our drivers have been trained to reduce contamination. In both cases, the key element of our program is customer education.

The education program includes our drivers, customers, and processors. We encourage the drivers to talk with customers, if the customers wish, and explain all available programs.

Drivers are trained to avoid accidental collection of hazardous materials in the solid waste collection carts or cans and, when possible, will attempt to identify hazardous materials during their route. If substances are observed which are believed to contain hazardous waste, we will immediately contact the customer and notify them about the correct disposal method and location. If the customer cannot be contacted, we will contact the appropriate regulatory agency and the Franchisors. **All commercial bins are equipped with locking bars, which help control contamination and illegal dumping.**

Drivers also observe the load when dumping at the landfill. If they see contamination materials, they observe the surrounding materials to try to identify where the contamination originated and have the contamination removed from the load. The contaminated materials are handled at the landfill.

Hazardous waste training is reinforced at the regular driver training sessions we conduct that cover other issues, such as safety.

8.10.3 Environmental Compliance

We plan to site a new yard in the area. That new yard may include processing capacity and yard waste composting. There will be environmental review associated with that activity. We have experience responding to the questions that arise in environmental review through our Partner operations and with the consultants that we may hire to assist us. Our Partners have processing facilities and composting operations that have all of the necessary environmental permits. We are very familiar with the environmental permitting of solid waste facilities and expect to have no problems with those issues.

8.10.3.1 AB 939 Reporting

Northern Recycling will provide monthly report. See form in Appendix 12.

Each day, the materials collected in all routes will be weighed using state certified scales. The landfill has certified scales. Weights will be recorded for each truck by route and type of material. Process material from the MRF will be weighed as it leaves the facility on the way to the end market. These weights will be confirmed by the receiving facility. All processing residue will be weighted on a daily basis.

Mr. Kelley has always personally handled all the reporting to the state or local government. Northern Recycling plans to continue this practice. All reports are supported by the actual weight tags received from each facility. All records will be made available as requested by the Franchisor.

8.11 Subcontractors

Northern Recycling does not plan to use any subcontractors for collecting materials. We may use subcontractors for non-collection activities, such as brochure development, HHW processing, and container delivery.

8.12 Proposer-Recommended Programs

Northern Recycling prides itself on working with the jurisdictions it serves to achieve diversion rates in full compliance with AB 939. We see that success continuing with us providing service to the Franchisors. Our plan for achieving and continuing to exceed the 50 percent diversion rate is as follows:

1. Working with the County to implement a full yard waste composting facility at the Neal Road Landfill. We anticipate this site will produce finished compost and use the pine needles from the Service Area as part of its feedstock.
2. Develop a source separated debris box program where the user will be encouraged to keep the material in the box uncontaminated so it can be diverted. We expect this program to add significantly to the Franchisors' diversion rate especially since we will focus on heavy material, such as, asphalt, concrete, dirt, metal, sheet rock and yard waste. In Napa County, Napa Recycling collects and processes more from this program than traditional curbside recycling and curbside yard waste.
3. Provision of debris boxes to organizers of major clean up events and specific weekend helper events. We will encourage the users to keep the materials in the boxes uncontaminated to enable us to divert them.
4. Actively support an annual clothing drive for the Service Area. In our other service areas we have found that these programs offer significant social benefit and divert more material than one might estimate.
5. Operate the Paradise Vegetative Waste Transfer Facility to continue this popular and effective program.



9 Supporting Cost Data

The cost information listed in the RFP is provided in this section. We used the forms as directed by the RFP, which are included later in this section. In addition, we also made some assumptions, which are detailed in this section.

9.1 Assumptions

We made assumptions in preparing the cost proposal forms to enable us to identify the conditions under which the reimbursement for changes in costs will occur and to calculate our costs during the first year.

1. Costs that are beyond the control of the Company, such as costs due to changes in law, are to be passed through in the rates.
2. The number and size of the containers we have estimated will be needed may change. The rates will be adjusted to account for the change.
3. Northern Recycling will be able to use the Neal Road Landfill to compost all of the yard waste collected in the Service Area.
4. The customer counts are:

12,300 Residential accounts for recycling

8,800 Residential waste collection accounts

771 Commercial accounts

9.2 Cost Proposal Forms

Proposal forms are on the following pages.

Form 1

General Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

A. Method of Collection (e.g. manual, semi-automatic, fully automated, split body, etc.)	
1. Residential solid waste	Fully automated and Semi-automated
2. Residential recyclable materials	Fully automated and Semi-automated
3. Residential yard waste	Fully automated and Semi-automated
B. Collection Vehicle Manufacturer , Model #, and Year (for each vehicle to be used in the Authority)	
1. Residential solid waste	24 yard Labrie Expert 2000, 12 yard Labrie Mini-Max, 31 yard Labrie Expert 2000 (2006-07)
2. Residential recyclable materials	24 yard Labrie Expert 2000, 12 yard Labrie Mini-Max, 31 yard Labrie Expert 2000 (2006-07)
3. Residential yard waste	24 yard Labrie Expert 2000, 12 yard Labrie Mini-Max, 31 yard Labrie Expert 2000 (2006-07)
4. Commercial solid waste	34 yard Leach Front Loader, 2006-07
5. Commercial recyclable materials	34 yard Leach Front Loader, 2006-07

Form 1

General Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

C. Container Manufacturer and Specifications	
1. Residential solid waste	Schaefer, 35, 65, 95 universal system design
2. Residential recyclable materials	Schaefer, 35, 65, 95 universal system design
3. Residential yard waste	Schaefer, 35, 65, 95 universal system design
4. Commercial solid waste	Schaefer carts, Consolidated Fabricators, 1, 1.5, 2, 3, 4, 6 yard bins
5. Commercial recyclable materials	Schaefer carts, Consolidated Fabricators, 1, 1.5, 2, 3, 4, 6 yard bins
D. Recyclable Materials Processing and Handling	
1. Name of processing site	City of Napa MDF/Work Training Center
2. Owner's Name	City of Napa MDF/Work Training Center, Inc.
3. Operator's Name	Napa Recycling & Waste Services, LLC/Work Training Center, Inc.
4. Address of processing location	820 Levitin Way, Napa, CA/2223 Fair St., Chico, CA
5. Hauling method (e.g. direct haul, transfer haul)	transfer & direct haul
6. Address of transfer location (if applicable)	To be determined
E. Yard Waste Materials Processing and Handling	
1. Name of processing site	Neal Road Landfill
2. Owner's Name	Butte County
3. Operator's Name	Butte County
4. Address of processing location	1023 Neal Rd, Chico, CA
5. Hauling method (e.g. direct haul, transfer haul)	Direct haul

*If additional space is needed to provide requested information, please attach separate 8 1/2 in. x 11 in. sheets of paper containing the information

Form 1

General Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

6. Address of transfer location (if applicable)	NA
E. Construction and Demolition Debris Processing and Handling	
1. Name of processing site	Neal Road Landfill/Northern Recycling Yard
2. Owner's Name	Butte County/Northern Recycling & Waste Services, LLC
3. Operator's Name	Northern Recycling & Waste Services, LLC
4. Address of processing location	1023 Neal Rd, Chico, CA/to be determined
5. Hauling method (e.g. direct haul, transfer haul)	Direct haul
6. Address of transfer location (if applicable)	NA
F. Support Facilities	
1. Address of collection vehicle parking, maintenance, washing, and route staff parking facilities	To be determined
2. Address of administrative office	To be determined, with in town limited of Paradise
3. Address of billing office	To be determined, with in town limited of Paradise
4. Address of customer service office	To be determined, with in town limited of Paradise

2 Op_Statistics

Operating Statistics
Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

YEAR 1	Residential Solid Waste		Bi-Weekly Residential Recyclable Materials		Bi-Weekly Residential Yard Waste		Commercial Solid Waste		Commercial Recyclable Materials		Construction/Debris Recovery Program		TOTAL		Weekly Residential Recyclable Materials		Weekly Residential Yard Waste		Residential Mixed Organics Program		Residential Solid Waste - County of Butte	
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P						
Account Information																						
1 # of accounts per week	8800		12300		12300		771		771		50		10		12300		12300				4000	
Labor Information																						
2 FTE # of regular route personnel	3		1,495		1,505		1.33		0.67		1		9		1		1				2	
3 FTE # of pool personnel	0.33		0.34		0.33		0.33		0.67		1		1		1		1				2	
4 Total route personnel (2+3)	3.33		1,835		1,835		1.33		1.33		1		10		1		1				6	
5 # of on-route labor hours/day/person	6		6		6		6		6		6		6		6		6				6	
6 # of non-route labor hours/day/person	2		2		2		2		2		2		2		2		2				2	
7 Total labor hours/day/person (5+6)	8		8		8		8		8		8		8		8		8				8	
8 Total labor hours/year (7*4*260 days)	6926.4		3816.8		3816.8		2766.4		1393.6		2080		20800		2080		2080				4160	
Route Information																						
9 # of routes	3.33		1,835		1,835		1.33		0.67		1		10		1		1				2	
10 # of regular collection vehicles	3.33		1,835		1,835		1.33		0.67		1		10		1		1				2	
11 # of spare collection vehicles							0.67		0.33		1		2								2	
12 Total # of collection vehicles (10+11)	3.33		1,835		2,835		2		1		1		12								2	
13 # of persons/route	1		1		1		1		1		1		1		1		1				1	
14 # of route hours/day/route	6		6		6		6		6		6		6		6		6				6	
15 # of route hours/year (14*9*260 days)	5194.8		2862.6		2862.6		2074.8		1045.2		1560		15600		1560		1560				3120	
16 # of customers/day	2200		3075		3075		120		120		n/a		1560		1560		1560				1000	
17 # of lifts/day	n/a		n/a		n/a		120		120		n/a		n/a		n/a		n/a				1000	
18 # of pulls/day	n/a		n/a		n/a		9		9		n/a		n/a		n/a		n/a				1000	
19 # of anticipated seconds/day	2200		2306		2306		n/a		n/a		n/a		n/a		n/a		n/a				1000%	
20 Scurt rate (%) (16/19)	100%		75%		75%		n/a		n/a		n/a		n/a		n/a		n/a				1000%	
Tonnage Information (annual)																						
21 Solid waste	7900		6450		7600		4160		1200		3090		100		15150		7550				3640	
22 Recyclable materials			6450		7600				200		1200				9000							
23 Yard waste			6450		7600				1200		4390				31700							
24 Construction and Demolition Debris							4160															
25 Total (21 + 22 + 23+24)	7900		6450		7600		4160		1200		4390		10		31700						3640	

Please Note:
 Line 3 - Identify number of personnel to cover regular route personnel's vacation, holiday, and sick time.
 Line 5 - Identify number of hours per day each regular route employee will spend on-route collecting (does not include time spent hauling materials to transfer station, landfill, or processing site).
 Line 6 - Identify number of hours per day each regular route employee will spend hauling materials to & from transfer station, landfill, or processing site (including breaks, pre- and post-route checks, etc).
 Line 14 - 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 14 should equal Line 7.

3 Labor

Proposed Labor Requirements

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

Route Personnel (include casual/permanent pool)	Proposed FTE
Residential Solid Waste	3.33
Residential Recyclable Materials	1.835
Residential Yard Waste	1.835
Commercial Solid Waste	1.33
Commercial Recyclable Materials	0.67
Debris Box	1
Construction and Demolition Debris	
Subtotal	10
Other Personnel	Proposed FTE
CEO/COO	
General manager	1
Controller	
Office manager	1
Operations manager	
Operations/route supervisor	1
Dispatcher	
Container distribution	1
Operations clerk	
Community relations manager	
Recycling/public ed. coordinator	1
Customer service supervisor	
Customer service representatives	3
Inside sales	
Billing and collections manager	
Accounting clerk	
Receptionist	
Safety manager	
Maintenance supervisor	
Shop foreman	
Yard personnel	
Maintenance personnel	2
Recycling manager	
Other: _____	
Other: _____	
Other: _____	
Subtotal	10
Total	20

4 Capital

Capital Requirements

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

Collection Vehicles	Quantity			Total Proposed \$
	Actual	Spare	Total	
Residential Solid Waste	3.33		3.33	\$ 825,900
Residential Recyclable Materials	1.835		1.835	\$ 452,050
Residential Yard Waste	1.835	1	2.835	\$ 702,050
Commercial Solid Waste	1.33	0.67	2	\$ 460,000
Commercial Recyclable Materials	0.67	0.33	1	\$ 230,000
Debris Box Solid Waste	1		1	\$ 170,000
Construction and Demolition Debris			0	
Other Vehicles	Actual	Spare	Total	Total Proposed \$
Pickup Trucks	2		2	\$ 73,334
Container Distribution	2		2	\$ 110,000
Mobile Service Truck	1		1	\$ 36,667
Containers	Actual	Spare	Total	Total Proposed \$
Residential Solid Waste	7800	200	8000	\$ 362,000
Residential Recyclable Materials	12300	200	12500	\$ 568,750
Residential Yard Waste	11000	1000	12000	\$ 630,000
Commercial Solid Waste	610	10	620	\$ 204,050
Commercial Recyclable Materials	830	200	1030	\$ 154,050
Debris Box Solid Waste	50	30	80	\$ 228,000
Construction and Demolition Debris			0	
Other				Total Proposed \$
Offices	-	-	-	\$ 120,000
Processing Site(s)	-	-	-	
Transfer Station	-	-	-	
Corporation Yard/Maintenance	-	-	-	
Shop Equipment	-	-	-	\$ 45,000
Fueling Equipment	-	-	-	
Computer and Office Equipment	-	-	-	
Start-up Capital	-	-	-	\$ 400,680
Total	-	-	-	\$ 5,772,531.00

Revenue Requirement Summary
 Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RATE PERIOD 1	A	B	C	D	E	F	G	TOTAL	K	L	M	P
	Residential Solid Waste	Residential Recyclable Materials	Residential Yard Waste	Commercial Solid Waste	Commercial Recyclable Materials	Debris Box Solid Waste	Construction/ Demolition Debris Recovery Program		Weekly Residential Recyclable Materials	Weekly Residential Yard Waste	Residential Mixed Organics Program	Residential Solid Waste - County
Annual Cost of Operations												
Labor-Related Costs	\$208,114	\$114,682	\$114,682	\$83,119	\$41,876	\$62,496		\$624,969	\$57,723	\$57,723		\$115,446
Vehicle-Related Costs	\$118,443	\$65,106	\$68,472	\$55,897	\$27,772	\$39,412		\$375,102	\$35,676	\$35,676		\$71,348
Net Recycling Processing Costs		(\$322,500)			(\$50,000)	(\$5,000)		(\$377,500)				
Other Costs	\$31,370	\$30,333	\$33,507	\$15,068	\$11,212	\$7,728		\$129,217	\$4,220	\$4,045		\$21,091
Direct Depreciation Expense	\$118,790	\$102,080	\$133,205	\$66,405	\$38,405	\$39,800		\$498,685	\$25,000	(\$15,750)		\$44,100
Total Allocated Costs - Labor, Vehicle, & Other	\$278,663	\$367,213	\$369,700	\$49,464	\$36,625	\$26,649		\$1,128,314				
Total Allocated Costs - Depreciation	\$19,508	\$26,793	\$27,101	\$3,506	\$2,714	\$2,045		\$81,669				
Total Annual Cost of Operations	\$774,889	\$383,707	\$746,667	\$273,460	\$108,604	\$173,130		\$2,460,456	\$122,619	\$81,694		\$251,985
Profit	\$81,342	\$40,279	\$78,379	\$28,706	\$11,400	\$18,174		\$258,280	\$12,872	\$8,576		\$26,451
Pass-Through Costs												
Disposal Cost	\$237,000			\$124,800		\$92,700		\$454,500				
Green Waste Processing			\$91,200		\$2,400	\$14,400		\$108,000				
Regulatory Fees / Franchise Fees	\$88,038	\$36,856	\$75,388	\$35,552	\$11,072	\$24,388		\$271,094				
Interest Expense (external or intra-company)	\$76,423	\$65,673	\$85,344	\$42,716	\$24,702	\$25,603	\$	\$320,461	\$14,081	(\$8,871)		\$46,620
Direct Lease Costs												
Total Allocated Costs - Lease	\$401,461	\$102,529	\$251,932	\$202,868	\$38,174	\$157,091		\$1,154,055	\$14,081	(\$8,871)		\$155,820
Total Pass-Through Costs	\$401,461	\$102,529	\$251,932	\$202,868	\$38,174	\$157,091		\$1,154,055	\$14,081	(\$8,871)		\$155,820
Total Contractor's Compensation	\$1,237,692	\$526,514	\$1,076,978	\$505,033	\$158,179	\$348,295		\$3,872,791	\$149,572	\$81,399		\$434,256

Form 6

Collection Cost Proposal

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

SUMMARY (Total Costs from Forms 6A through 6G)

	Proposed Cost Rate Year 1
	<u>Rate Year 1</u>
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 299,520
Overtime Wages	\$ 76,800
Holiday Wages	\$ 12,800
Vacation Wages	\$ 12,800
Sick Leave Wages	\$ 7,679
Workers Compensation Insurance & Claims	\$ 73,113
Employers Liability Insurance	\$ -
Health & Welfare	\$ 90,000
Pension/ Retirement Benefits	\$ 16,383
Payroll Taxes	\$ 33,783
Other (Please List)	
	<u>On-going drug screens and physicals</u>
	\$ 2,091
Total Labor Related-Costs	<u>\$624,969</u>
Vehicle-Related Costs (do not include depreciation)	
Fuel	\$ 169,665
Tires & Tubes	\$ 57,249
Parts	\$ 89,910
Supplies (fluid, oil, etc.)	\$ 23,717
Taxes & Licenses	\$ 34,561
Fines & Penalties	\$ -
Other (Please List)	\$ -
Total Vehicle-Related Costs	<u>\$375,102</u>
Net Processing Costs	
Processing Costs	
Material Processing Revenue	(\$377,500)
Total Net Recycling Processing Costs	<u>(\$377,500)</u>
Other Costs	
Liability & Property Damage Insurance	\$ -
Damage Claims	\$ 7,000
Equipment Insurance	\$ 30,001
Rent	\$ -
Utilities	\$ -
Telephone	\$ 6,000
Non-Vehicle Related Supplies	\$ -
Non-Vehicle Related Taxes & Licenses	\$ 23,616
Training & Safety Programs	\$ 1,000
Initial Public Education & Outreach	\$ 26,000
Continuing Public Education & Outreach	\$ 30,400
Uniforms	\$ 5,200
Other (Please List)	
Total Other Costs	<u>\$129,217</u>

Form 6

Collection Cost Proposal

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

SUMMARY (Total Costs from Forms 6A through 6G)

	Proposed Cost Rate Year 1
Direct Depreciation	
Container Depreciation	\$ 214,685
Route Vehicle Depreciation	\$ 284,000
Other Depreciation	\$ -
Total Direct Depreciation	<u>\$498,685</u>
 Allocated Costs - Labor, Vehicle & Other Costs	
From General and Administrative (6H)	\$875,914
From Vehicle Maintenance (6I)	\$163,585
From Container Maintenance (6J)	\$88,815
Total Allocated Costs - Labor, Vehicle & Other Costs	<u>\$1,128,314</u>
 Allocated Costs - Depreciation	
From General and Administrative (6H)	\$62,502
From Vehicle Maintenance (6I)	\$8,167
From Container Maintenance (6J)	\$11,000
Total Allocated Costs - Depreciation	<u>\$81,669</u>
 Total Annual Cost of Operations	<u>\$2,460,456</u>
 Profit (Enter % Operating Ratio; i.e. 95%):	<u>91 %</u> <u>\$258,280</u>
 Pass-Through Costs	
Disposal Cost	\$454,500
Green Waste Processing Fees	\$108,000
Construction and Demolition Debris Fees	
Regulatory Fees / Franchise Fees	\$271,094
Interest Expense	\$320,461
 Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	<u>\$0</u>
 Allocated Lease Costs	
From General and Administrative (6H)	
From Vehicle Maintenance (6I)	
From Container Maintenance (6J)	
Total Allocated Lease Costs	<u>\$0</u>
 Total Pass-Through Costs	<u>\$1,154,055</u>
 Total Contractor Compensation	<u><u>\$3,872,791</u></u>

Form 6A

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RESIDENTIAL SOLID WASTE

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 99,740
Overtime Wages	\$ 25,574
Holiday Wages	\$ 4,262
Vacation Wages	\$ 4,262
Sick Leave Wages	\$ 2,557
Workers Compensation Insurance & Claims	\$ 24,347
Employers Liability Insurance	\$ -
Health & Welfare	\$ 29,970
Pension/ Retirement Benefits	\$ 5,456
Payroll Taxes	\$ 11,250
Other	\$ -
	On-going drug screens and physicals
	\$ 696
Total Labor Related-Costs	\$ 208,114
Vehicle-Related Costs (do not include depreciation)	
Fuel	\$ 52,564
Tires & Tubes	\$ 18,815
Parts	\$ 29,970
Supplies (fluid, oil, etc.)	\$ 7,569
Taxes & Licenses	\$ 9,525
Fines & Penalties	
Other (Please List)	
Total Vehicle-Related Costs	\$ 118,443
Net Recycling Processing Costs	
Processing Costs (net \$ _____ per ton)	
Material Processing Revenue (net \$ _____ per ton)	
Total Net Recycling Processing Costs	\$0
Other Costs	
Liability & Property Damage Insurance	\$0
Damage Claims	\$1,500
Equipment Insurance	\$8,325
Rent	\$0
Utilities	\$0
Telephone	\$1,998
Non-vehicle Related Supplies	\$0
Non-vehicle Related Taxes & Licenses	\$3,982
Training & Safety Programs	\$333
Initial Public Education & Outreach	\$6,000
Continuing Public Education & Outreach	\$7,500
Uniforms	\$1,732
Other (Please List)	
Total Other Costs	\$31,370

Form 6A

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RESIDENTIAL SOLID WASTE

	Proposed Cost Rate Year 1
Direct Depreciation	
Container Depreciation	\$ 36,200
Route Vehicle Depreciation	\$ 82,590
Other Depreciation	
Total Direct Depreciation	<u>\$118,790</u>
Allocated Costs - Labor, Vehicle & Other Costs	
From General and Administrative (6H)	\$209,343
From Vehicle Maintenance (6I)	\$54,310
From Container Maintenance (6J)	\$15,010
Total Allocated Costs - Labor, Vehicle & Other Costs	<u>\$278,663</u>
Allocated Costs - Depreciation	
From General and Administrative (6H)	\$14,938
From Vehicle Maintenance (6I)	\$2,711
From Container Maintenance (6J)	\$1,859
Total Allocated Costs - Depreciation	<u>\$19,508</u>
Total Annual Cost of Operations	<u>\$774,889</u>
Profit (Enter % Operating Ratio; i.e. 95%):	<u>90.50 %</u>
	<u>\$81,342</u>
Pass-Through Costs	
Disposal Cost (@ \$30.00 per ton)	\$ 237,000
Regulatory Fees / Franchise Fees	\$ 88,038
Interest Expense	\$ 76,423
Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	<u>\$0</u>
Allocated Lease Costs	
From General and Administrative (6H)	
From Vehicle Maintenance (6I)	
From Container Maintenance (6J)	
Total Allocated Lease Costs	<u>\$0</u>
Total Pass-Through Costs	<u>\$401,461</u>
Total Contractor Compensation	<u><u>\$1,257,692</u></u>

Form 6B

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RESIDENTIAL RECYCLABLE MATERIALS

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 54,962
Overtime Wages	\$ 14,093
Holiday Wages	\$ 2,349
Vacation Wages	\$ 2,349
Sick Leave Wages	\$ 1,409
Workers Compensation Insurance & Claims	\$ 13,416
Employers Liability Insurance	\$ -
Health & Welfare	\$ 16,515
Pension/ Retirement Benefits	\$ 3,006
Payroll Taxes	\$ 6,199
Other (Please List)	\$ -
	On-going drug screens and physicals
	\$ 384
Total Labor Related-Costs	<u>\$114,682</u>
Vehicle-Related Costs (do not include depreciation)	
Fuel	\$ 28,966
Tires & Tubes	\$ 10,368
Parts	\$ 16,515
Supplies (fluid, oil, etc.)	\$ 4,171
Taxes & Licenses	\$ 5,086
Fines & Penalties	\$ -
Other (Please List)	\$ -
Total Vehicle-Related Costs	<u>\$65,106</u>
Net Recycling Processing Costs	
Processing Costs (net \$__per ton)	\$ -
Material Processing Revenue (net \$__50_per ton)	\$ (322,500)
Total Net Recycling Processing Costs	<u>(\$322,500)</u>
Other Costs	
Liability & Property Damage Insurance	\$0
Damage Claims	\$750
Equipment Insurance	\$4,588
Rent	\$0
Utilities	\$0
Telephone	\$1,101
Non-vehicle Related Supplies	\$0
Non-vehicle Related Taxes & Licenses	\$6,256
Training & Safety Programs	\$184
Initial Public Education & Outreach	\$8,000
Continuing Public Education & Outreach	\$8,500
Uniforms	\$954
Other (Please List)	
Total Other Costs	<u>\$30,333</u>

Form 6B

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RESIDENTIAL RECYCLABLE MATERIALS

	Proposed Cost Rate Year 1
Direct Depreciation	
Container Depreciation	\$ 56,875
Route Vehicle Depreciation	\$ 45,205
Other Depreciation	
Total Direct Depreciation	\$102,080
Allocated Costs - Labor, Vehicle & Other Costs	
From General and Administrative (6G)	\$313,577
From Vehicle Maintenance (6H)	\$30,100
From Container Maintenance (6I)	\$23,536
Total Allocated Costs - Labor, Vehicle & Other Costs	\$367,213
Allocated Costs - Depreciation	
From General and Administrative (6G)	\$22,376
From Vehicle Maintenance (6H)	\$1,503
From Container Maintenance (6I)	\$2,915
Total Allocated Costs - Depreciation	\$26,793
Total Annual Cost of Operations	\$383,707
Profit (Enter % Operating Ratio; i.e. 95%):	91 %
	\$40,279
Pass-Through Costs	
Disposal Cost (@ \$30.00 per ton)	\$ -
Regulatory Fees / Franchise Fees	\$ 36,856
Interest Expense	\$ 65,673
Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	\$0
Allocated Lease Costs	
From General and Administrative (6G)	
From Vehicle Maintenance (6H)	
From Container Maintenance (6I)	
Total Allocated Lease Costs	\$0
Total Pass-Through Costs	\$102,529
Total Contractor Compensation	\$526,514

Form 6C

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RESIDENTIAL YARD WASTE

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 54,962
Overtime Wages	\$ 14,093
Holiday Wages	\$ 2,349
Vacation Wages	\$ 2,349
Sick Leave Wages	\$ 1,409
Workers Compensation Insurance & Claims	\$ 13,416
Employers Liability Insurance	\$ -
Health & Welfare	\$ 16,515
Pension/ Retirement Benefits	\$ 3,006
Payroll Taxes	\$ 6,199
Other (Please List)	\$ -
	On-going drug screens and physicals
	\$ 384
Total Labor Related-Costs	<u>\$114,682</u>
Vehicle-Related Costs (do not include depreciation)	
Fuel	\$ 28,966
Tires & Tubes	\$ 10,768
Parts	\$ 16,515
Supplies (fluid, oil, etc.)	\$ 4,171
Taxes & Licenses	\$ 8,052
Fines & Penalties	\$ -
Other (Please List)	\$ -
Total Vehicle-Related Costs	<u>\$68,472</u>
Net Yard Waste Processing Costs	
Processing Costs (net \$ 12 per ton)	\$ -
Material Processing Revenue (net \$ per ton)	\$ -
Total Net Yard Waste Processing Costs	<u>\$0</u>
Other Costs	
Liability & Property Damage Insurance	\$0
Damage Claims	\$750
Equipment Insurance	\$7,088
Rent	\$0
Utilities	\$0
Telephone	\$1,101
Non-vehicle Related Supplies	\$0
Non-vehicle Related Taxes & Licenses	\$6,930
Training & Safety Programs	\$184
Initial Public Education & Outreach	\$8,000
Continuing Public Education & Outreach	\$8,500
Uniforms	\$954
Other (Please List)	\$ -
Total Other Costs	<u>\$33,507</u>

Form 6C

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RESIDENTIAL YARD WASTE

	Proposed Cost Rate Year 1
Direct Depreciation	
Container Depreciation	\$ 63,000
Route Vehicle Depreciation	\$ 70,205
Other Depreciation	
Total Direct Depreciation	<u>\$133,205</u>
 Allocated Costs - Labor, Vehicle & Other Costs	
From General and Administrative (6G)	\$313,577
From Vehicle Maintenance (6H)	\$30,100
From Container Maintenance (6I)	\$26,023
Total Allocated Costs - Labor, Vehicle & Other Costs	<u>\$369,700</u>
 Allocated Costs - Depreciation	
From General and Administrative (6G)	\$22,376
From Vehicle Maintenance (6H)	\$1,503
From Container Maintenance (6I)	\$3,223
Total Allocated Costs - Depreciation	<u>\$27,101</u>
 Total Annual Cost of Operations	<u>\$746,667</u>
 Profit (Enter % Operating Ratio; i.e. 95%):	<u>91 %</u> <u>\$78,379</u>
 Pass-Through Costs	
Disposal Cost (@ \$30.00 per ton)	\$ -
Green Waste Processing Fees	\$ 91,200
Regulatory Fees / Franchise Fees	\$ 75,388
Interest Expense	\$ 85,344
 Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	<u>\$0</u>
 Allocated Lease Costs	
From General and Administrative (6G)	
From Vehicle Maintenance (6H)	
From Container Maintenance (6I)	
Total Allocated Lease Costs	<u>\$0</u>
 Total Pass-Through Costs	<u>\$251,932</u>
 Total Contractor Compensation	<u>\$1,076,978</u>

Form 6D

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

COMMERCIAL SOLID WASTE

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 39,836
Overtime Wages	\$ 10,214
Holiday Wages	\$ 1,702
Vacation Wages	\$ 1,702
Sick Leave Wages	\$ 1,021
Workers Compensation Insurance & Claims	\$ 9,724
Employers Liability Insurance	\$ -
Health & Welfare	\$ 11,970
Pension/ Retirement Benefits	\$ 2,179
Payroll Taxes	\$ 4,493
Other (Please List)	\$ -
	\$ 278
On-going drug screens and physicals	
Total Labor Related-Costs	\$83,119
Vehicle-Related Costs (do not include depreciation)	
Fuel	\$ 26,319
Tires & Tubes	\$ 7,783
Parts	\$ 11,970
Supplies (fluid, oil, etc.)	\$ 3,693
Taxes & Licenses	\$ 6,132
Fines & Penalties	\$ -
Other (Please List)	\$ -
Total Vehicle-Related Costs	\$55,897
Net Recycling Processing Costs	
Processing Costs (net \$_____ per ton)	\$ -
Material Processing Revenue (net \$_____ per ton)	\$ -
Total Net Recycling Processing Costs	\$0
Other Costs	
Liability & Property Damage Insurance	\$0
Damage Claims	\$1,500
Equipment Insurance	\$5,000
Rent	\$0
Utilities	\$0
Telephone	\$798
Non-vehicle Related Supplies	\$0
Non-vehicle Related Taxes & Licenses	\$2,245
Training & Safety Programs	\$133
Initial Public Education & Outreach	\$2,000
Continuing Public Education & Outreach	\$2,700
Uniforms	\$692
Other (Please List)	\$ -
Total Other Costs	\$15,068

Form 6D

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

COMMERCIAL SOLID WASTE

	Proposed Cost Rate Year 1
Direct Depreciation	
Container Depreciation	\$ 20,405
Route Vehicle Depreciation	\$ 46,000
Other Depreciation	
Total Direct Depreciation	<u>\$66,405</u>
 Allocated Costs - Labor, Vehicle & Other Costs	
From General and Administrative (6G)	\$19,270
From Vehicle Maintenance (6H)	\$21,757
From Container Maintenance (6I)	\$8,437
Total Allocated Costs - Labor, Vehicle & Other Costs	<u>\$49,464</u>
 Allocated Costs - Depreciation	
From General and Administrative (6G)	\$1,375
From Vehicle Maintenance (6H)	\$1,086
From Container Maintenance (6I)	\$1,045
Total Allocated Costs - Depreciation	<u>\$3,506</u>
 Total Annual Cost of Operations	<u>\$273,460</u>
 Profit (Enter % Operating Ratio; i.e. 95%):	<u>91 %</u>
	<u>\$28,706</u>
 Pass-Through Costs	
Disposal Cost (@ \$30.00 per ton)	\$ 124,800
Regulatory Fees / Franchise Fees	\$ 35,352
Interest Expense	\$ 42,716
 Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	<u>\$0</u>
 Allocated Lease Costs	
From General and Administrative (6G)	
From Vehicle Maintenance (6H)	
From Container Maintenance (6I)	
Total Allocated Lease Costs	<u>\$0</u>
 Total Pass-Through Costs	<u>\$202,868</u>
 Total Contractor Compensation	<u>\$505,033</u>

Form 6E

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

COMMERCIAL RECYCLABLE MATERIALS

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 20,068
Overtime Wages	\$ 5,146
Holiday Wages	\$ 858
Vacation Wages	\$ 858
Sick Leave Wages	\$ 515
Workers Compensation Insurance & Claims	\$ 4,899
Employers Liability Insurance	\$ -
Health & Welfare	\$ 6,030
Pension/ Retirement Benefits	\$ 1,098
Payroll Taxes	\$ 2,264
Other (Please List)	\$ -
On-going drug screens and physicals	\$ 140
Total Labor Related-Costs	\$41,876
Vehicle-Related Costs (do not include depreciation)	
Fuel	\$ 13,061
Tires & Tubes	\$ 3,865
Parts	\$ 5,940
Supplies (fluid, oil, etc.)	\$ 1,840
Taxes & Licenses	\$ 3,066
Fines & Penalties	\$ -
Other (Please List)	\$ -
Total Vehicle-Related Costs	\$27,772
Net Recycling Processing Costs	
Processing Costs (net \$__12__ per ton)	\$ -
Material Processing Revenue (net \$__50__ per ton)	\$ (50,000)
Total Net Recycling Processing Costs	(\$50,000)
Other Costs	
Liability & Property Damage Insurance	\$0
Damage Claims	\$1,500
Equipment Insurance	\$2,500
Rent	\$0
Utilities	\$0
Telephone	\$402
Non-vehicle Related Supplies	\$0
Non-vehicle Related Taxes & Licenses	\$1,695
Training & Safety Programs	\$67
Initial Public Education & Outreach	\$2,000
Continuing Public Education & Outreach	\$2,700
Uniforms	\$348
Other (Please List)	\$ -
Total Other Costs	\$11,212

Form 6E

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

COMMERCIAL RECYCLABLE MATERIALS

	Proposed Cost Rate Year 1
Direct Depreciation	
Container Depreciation	\$ 15,405
Route Vehicle Depreciation	\$ 23,000
Other Depreciation	
Total Direct Depreciation	<u>\$38,405</u>
 Allocated Costs - Labor, Vehicle & Other Costs	
From General and Administrative (6G)	\$19,270
From Vehicle Maintenance (6H)	\$10,960
From Container Maintenance (6I)	\$6,395
Total Allocated Costs - Labor, Vehicle & Other Costs	<u>\$36,625</u>
 Allocated Costs - Depreciation	
From General and Administrative (6G)	\$1,375
From Vehicle Maintenance (6H)	\$547
From Container Maintenance (6I)	\$792
Total Allocated Costs - Depreciation	<u>\$2,714</u>
 Total Annual Cost of Operations	<u>\$108,604</u>
 Profit (Enter % Operating Ratio; i.e. 95%):	<u>91 %</u> <u>\$11,400</u>
 Pass-Through Costs	
Disposal Cost (@ \$30.00 per ton)	\$ -
Green Waste Processing Fees	\$ 2,400
Regulatory Fees / Franchise Fees	\$ 11,072
Interest Expense	\$ 24,702
 Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	<u>\$0</u>
 Allocated Lease Costs	
From General and Administrative (6G)	
From Vehicle Maintenance (6H)	
From Container Maintenance (6I)	
Total Allocated Lease Costs	<u>\$0</u>
 Total Pass-Through Costs	<u>\$38,174</u>
 Total Contractor Compensation	<u>\$158,179</u>

Form 6F

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

DEBRIS BOX SOLID WASTE

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 29,952
Overtime Wages	\$ 7,680
Holiday Wages	\$ 1,280
Vacation Wages	\$ 1,280
Sick Leave Wages	\$ 768
Workers Compensation Insurance & Claims	\$ 7,311
Employers Liability Insurance	\$ -
Health & Welfare	\$ 9,000
Pension/ Retirement Benefits	\$ 1,638
Payroll Taxes	\$ 3,378
Other (Please List)	\$ -
	On-going drug screens and physicals
	\$ 209
Total Labor Related-Costs	\$62,496
Vehicle-Related Costs (do not include depreciation)	
Fuel	\$ 19,789
Tires & Tubes	\$ 5,650
Parts	\$ 9,000
Supplies (fluid, oil, etc.)	\$ 2,273
Taxes & Licenses	\$ 2,700
Fines & Penalties	\$ -
Other (Please List)	\$ -
Total Vehicle-Related Costs	\$39,412
Net Recycling Processing Costs	
Processing Costs (net \$ 12 per ton)	\$ -
Material Processing Revenue (net \$ 50 per ton)	\$ (5,000)
Total Net Recycling Processing Costs	(\$5,000)
Other Costs	
Liability & Property Damage Insurance	\$0
Damage Claims	\$1,000
Equipment Insurance	\$2,500
Rent	\$0
Utilities	\$0
Telephone	\$600
Non-vehicle Related Supplies	\$0
Non-vehicle Related Taxes & Licenses	\$2,508
Training & Safety Programs	\$100
Initial Public Education & Outreach	\$0
Continuing Public Education & Outreach	\$500
Uniforms	\$520
Other (Please List)	\$ -
Total Other Costs	\$7,728

Form 6F

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

DEBRIS BOX SOLID WASTE

	Proposed Cost Rate Year 1
	<u> </u>
Direct Depreciation	
Container Depreciation	\$ 22,800
Route Vehicle Depreciation	\$ 17,000
Other Depreciation	
Total Direct Depreciation	<u>\$39,800</u>
 Allocated Costs - Labor, Vehicle & Other Costs	
From General and Administrative (6G)	\$876
From Vehicle Maintenance (6H)	\$16,359
From Container Maintenance (6I)	\$9,414
Total Allocated Costs - Labor, Vehicle & Other Costs	<u>\$26,649</u>
 Allocated Costs - Depreciation	
From General and Administrative (6G)	\$63
From Vehicle Maintenance (6H)	\$817
From Container Maintenance (6I)	\$1,166
Total Allocated Costs - Depreciation	<u>\$2,045</u>
 Total Annual Cost of Operations	<u>\$173,130</u>
 Profit (Enter % Operating Ratio; i.e. 95%):	<u>91 %</u>
	<u>\$18,174</u>
 Pass-Through Costs	
Disposal Cost (@ \$30.00 per ton)	\$ 92,700
Green Waste Processing Fees	\$ 14,400
Regulatory Fees / Franchise Fees	\$ 24,388
Interest Expense	\$ 25,603
 Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	<u>\$0</u>
 Allocated Lease Costs	
From General and Administrative (6G)	
From Vehicle Maintenance (6H)	
From Container Maintenance (6I)	
Total Allocated Lease Costs	<u>\$0</u>
 Total Pass-Through Costs	<u>\$157,091</u>
 Total Contractor Compensation	<u>\$348,395</u>

Form 6G

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

CONSTRUCTION AND DEMOLITION DEBRIS

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ -
Overtime Wages	\$ -
Holiday Wages	\$ -
Vacation Wages	\$ -
Sick Leave Wages	\$ -
Workers Compensation Insurance & Claims	\$ -
Employers Liability Insurance	\$ -
Health & Welfare	\$ -
Pension/ Retirement Benefits	\$ -
Payroll Taxes	\$ -
Other (Please List)	
	\$ -
On-going drug screens and physicals	\$ -
Total Labor Related-Costs	\$0
Vehicle-Related Costs (do not include depreciation)	
Fuel	\$ -
Tires & Tubes	\$ -
Parts	\$ -
Supplies (fluid, oil, etc.)	\$ -
Taxes & Licenses	\$ -
Fines & Penalties	\$ -
Other (Please List)	
Total Vehicle-Related Costs	\$0
Net Construction and Demolition Debris Processing Costs	
Processing Costs (net \$____ per ton)	\$ -
Material Processing Revenue (net \$____ per ton)	\$ -
Total Net Construction and Demolition Debris Processing Costs	\$0
Other Costs	
Liability & Property Damage Insurance	\$0
Damage Claims	\$0
Equipment Insurance	\$0
Rent	\$0
Utilities	\$0
Telephone	\$0
Non-vehicle Related Supplies	\$0
Non-vehicle Related Taxes & Licenses	\$0
Training & Safety Programs	\$0
Initial Public Education & Outreach	\$0
Continuing Public Education & Outreach	\$0
Uniforms	\$0
Other (Please List)	
Total Other Costs	\$0

Form 6G

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

CONSTRUCTION AND DEMOLITION DEBRIS

	Proposed Cost Rate Year 1
	<hr/>
Direct Depreciation	
Container Depreciation	\$ -
Route Vehicle Depreciation	\$ -
Other Depreciation	
Total Direct Depreciation	<hr/> \$0 <hr/>
 Allocated Costs - Labor, Vehicle & Other Costs	
From General and Administrative (6G)	\$0
From Vehicle Maintenance (6H)	\$0
From Container Maintenance (6I)	\$0
Total Allocated Costs - Labor, Vehicle & Other Costs	<hr/> \$0 <hr/>
 Allocated Costs - Depreciation	
From General and Administrative (6G)	\$0
From Vehicle Maintenance (6H)	\$0
From Container Maintenance (6I)	\$0
Total Allocated Costs - Depreciation	<hr/> \$0 <hr/>
 Total Annual Cost of Operations	<hr/> \$0 <hr/>
 Profit (Enter % Operating Ratio; i.e. 95%):	<hr/> 91 % <hr/> \$0 <hr/>
 Pass-Through Costs	
Disposal Cost (@ \$30.00 per ton)	\$ -
Regulatory Fees / Franchise Fees	\$ -
Interest Expense	\$ -
 Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	<hr/> \$0 <hr/>
 Allocated Lease Costs	
From General and Administrative (6G)	
From Vehicle Maintenance (6H)	
From Container Maintenance (6I)	
Total Allocated Lease Costs	<hr/> \$0 <hr/>
 Total Pass-Through Costs	<hr/> \$0 <hr/>
 Total Contractor Compensation	<hr/> \$0 <hr/>

Form 6H

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

GENERAL AND ADMINISTRATIVE

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 282,672
Overtime Wages	\$ 15,744
Holiday Wages	\$ 12,080
Vacation Wages	\$ 12,080
Sick Leave Wages	\$ 7,248
Workers Compensation Insurance & Claims	\$ 4,232
Employers Liability Insurance	\$ -
Health & Welfare	\$ 63,000
Pension/ Retirement Benefits	\$ 13,193
Payroll Taxes	\$ 26,946
Other (Please List)	\$ -
	\$ 209
	\$ 209
On-going drug screens and physicals	\$ 209
Total Labor Related-Costs	\$437,404
Vehicle-Related Costs	
Fuel	\$ 5,568
Tires & Tubes	\$ 4,200
Parts	\$ 3,000
Supplies (fluid, oil, etc.)	\$ 600
Taxes & Licenses	\$ 1,300
Fines & Penalties	\$ -
Other (Please List)	\$ -
Total Vehicle-Related Costs	\$14,668
Other Costs	
Liability & Property Damage Insurance	\$ 24,000
Damage Claims	\$ 500
Equipment Insurance	\$ 3,600
Rent	\$ 134,400
Utilities	\$ 4,800
Telephone	\$ 7,560
Non-vehicle Related Supplies	\$ 3,000
Non-vehicle Related Taxes & Licenses	\$ 1,320
Training & Safety Programs	\$ 700
Initial Public Education & Outreach	\$ -
Continuing Public Education & Outreach	\$ -
Uniforms	\$ 820
Customer Satisfaction Survey	
Other (Please List)	
Bad Debts	\$ 20,000
Legal Fees	\$ 3,000
Accounting Fees	\$ 3,500
Pension Administration Fees	\$ 1,720
Payroll Processing Fees	\$ 5,720
Telephone	\$ 22,104
Office Supplies	\$ 4,200
Printing Supplies	\$ 1,000

Form 6H

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

GENERAL AND ADMINISTRATIVE

	Proposed Cost Rate Year 1
Bank Service Charges	\$ 49,200
City Business License	\$ -
LLC Fee	\$ 6,800
Dues	\$ 1,000
Meals & Entertainment	\$ 2,400
Meeting & Conferences	\$ 1,000
Travel	\$ 750
Security	\$ -
Subscriptions	\$ 100
Performance Bond	\$ 1,000
Postage	\$ 3,000
PO Box Rental	\$ 600
Maintenance-Computers	\$ 4,375
Management Fee	\$ 60,000
Billing	\$ 29,673
Event - Clean up Day	\$ 12,000
Event - Household Hazardous Day	\$ 10,000
Total Other Costs	\$423,842
Total Labor, Vehicle, and Other Costs	\$875,914
Lease Costs	
Lease Costs	
Other (Please List)	
Total Lease Costs	\$0
Depreciation (non-route specific; based on 10-year period)	
Vehicle Depreciation	\$ -
Other Depreciation	\$ 62,502
Total Depreciation	\$62,502
Total Costs to be Allocated	\$938,416

Form 6H

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

GENERAL AND ADMINISTRATIVE

Proposed
Cost
Rate Year 1

Labor, Vehicle, and Other Costs Allocated Out Percentage

To Residential Solid Waste (6A)	23.9%	\$209,343
To Residential Recyclable Materials (6B)	35.8%	\$313,577
To Residential Green Waste (6C)	35.8%	\$313,577
To Commercial Solid Waste (6D)	2.2%	\$19,270
To Commercial Recyclable Materials (6E)	2.2%	\$19,270
To Debris Box Solid Waste (6F)	0.1%	\$876
To Construction and Demolition Debris (6G)		\$0
Total Labor, Vehicle, and Other Costs Allocated Out		<u>\$875,914</u>

Lease Costs Allocated Out

To Residential Solid Waste (6A)	23.9%	\$0
To Residential Recyclable Materials (6B)	35.8%	\$0
To Residential Green Waste (6C)	35.8%	
To Commercial Solid Waste (6D)	2.2%	\$0
To Commercial Recyclable Materials (6E)	2.2%	\$0
To Debris Box Solid Waste (6F)	0.1%	\$0
To Construction and Demolition Debris (6G)	0.0%	\$0
Total Lease Costs Allocated Out		<u>\$0</u>

Depreciation Allocated Out

To Residential Solid Waste (6A)	23.9%	\$14,938
To Residential Recyclable Materials (6B)	35.8%	\$22,376
To Residential Green Waste (6C)	35.8%	\$22,376
To Commercial Solid Waste (6D)	2.2%	\$1,375
To Commercial Recyclable Materials (6E)	2.2%	\$1,375
To Debris Box Solid Waste (6F)	0.1%	\$63
To Construction and Demolition Debris (6G)	0.0%	\$0
Total Depreciation Allocated Out		<u>\$62,502</u>

Total Allocated Out \$938,416

Please describe allocation method used (e.g. tonnage, routes, etc.)

Based on number of customers on service _____

Form 6I

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

VEHICLE MAINTENANCE

	Proposed Cost Rate Year 1
	<hr/>
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 74,880
Overtime Wages	\$ 19,200
Holiday Wages	\$ 3,200
Vacation Wages	\$ 3,200
Sick Leave Wages	\$ 1,920
Workers Compensation Insurance & Claims	\$ 18,278
Employers Liability Insurance	\$ -
Health & Welfare	\$ 18,000
Pension/ Retirement Benefits	\$ 4,096
Payroll Taxes	\$ 8,324
Other (Please List)	
	<hr/>
	On-going drug screens and physicals
	\$ 418
Total Labor Related-Costs	<hr/> \$151,516 <hr/>
Vehicle-Related Costs	
Fuel	\$ 2,784
Tires & Tubes	\$ 2,100
Parts	\$ 1,500
Supplies (fluid, oil, etc.)	\$ 300
Taxes & Licenses	\$ 650
Fines & Penalties	\$ -
Other (Please List)	
Total Vehicle-Related Costs	<hr/> \$7,334 <hr/>
Other Costs	
Liability & Property Damage Insurance	\$ -
Damage Claims	\$ -
Equipment Insurance	\$ 1,800
Rent	\$ -
Utilities	\$ -
Telephone	\$ 1,200
Non-vehicle Related Supplies	\$ -
Non-vehicle Related Taxes & Licenses	\$ 495
Training & Safety Programs	\$ 200
Initial Public Education & Outreach	\$ -
Continuing Public Education & Outreach	\$ -
Uniforms	\$ 1,040
Customer Satisfaction Survey	\$ -
Other (Please List)	
Total Other Costs	<hr/> \$4,735 <hr/>
Total Labor, Vehicle, and Other Costs	<hr/> \$163,585 <hr/>
Lease Costs	
Facility	
Other (Please List)	
Total Lease Costs	<hr/> \$0 <hr/>
Depreciation (non-route specific; based on 10-year period)	

Form 6I

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

VEHICLE MAINTENANCE

	Proposed Cost Rate Year 1
Vehicle Depreciation	\$ -
Other Depreciation	\$ -
Total Depreciation	\$ 8,167
Total Costs to be Allocated	<u>\$171,752</u>

Form 6i

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

VEHICLE MAINTENANCE

Proposed
Cost
Rate Year 1

Labor, Vehicle, and Other Costs Allocated Out	<u>Percentage</u>	
To Residential Solid Waste (6A)	33.2%	\$54,310
To Residential Recyclable Materials (6B)	18.4%	\$30,100
To Residential Green Waste (6C)	18.4%	\$30,100
To Commercial Solid Waste (6D)	13.3%	\$21,757
To Commercial Recyclable Materials (6E)	6.7%	\$10,960
To Debris Box Solid Waste (6F)	10.0%	\$16,359
To Construction and Demolition Debris (6G)		\$0
Total Labor, Vehicle, and Other Costs Allocated Out		\$163,585
Lease Costs Allocated Out		
To Residential Solid Waste (6A)	33.2%	\$0
To Residential Recyclable Materials (6B)	18.4%	\$0
To Residential Green Waste (6C)	18.4%	\$0
To Commercial Solid Waste (6D)	13.3%	\$0
To Commercial Recyclable Materials (6E)	6.7%	\$0
To Debris Box Solid Waste (6F)	10.0%	\$0
To Construction and Demolition Debris (6G)	0.0%	\$0
Total Lease Costs Allocated Out		\$0
Depreciation Allocated Out		
To Residential Solid Waste (6A)	33.2%	\$2,711
To Residential Recyclable Materials (6B)	18.4%	\$1,503
To Residential Green Waste (6C)	18.4%	\$1,503
To Commercial Solid Waste (6D)	13.3%	\$1,086
To Commercial Recyclable Materials (6E)	6.7%	\$547
To Debris Box Solid Waste (6F)	10.0%	\$817
To Construction and Demolition Debris (6G)	0.0%	\$0
Total Depreciation Allocated Out		\$8,167
Total Allocated Out		<u>\$171,752</u>

Please describe allocation method used (e.g. tonnage, routes, etc.)

Based on number of collection vehicles in service

Form 6J

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

CONTAINER MAINTENANCE

	Proposed Cost Rate Year 1
	<hr/>
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$ 26,208
Overtime Wages	\$ 6,720
Holiday Wages	\$ 1,120
Vacation Wages	\$ 1,120
Sick Leave Wages	\$ 672
Workers Compensation Insurance & Claims	\$ 6,397
Employers Liability Insurance	\$ -
Health & Welfare	\$ 9,000
Pension/ Retirement Benefits	\$ 1,434
Payroll Taxes	\$ 2,987
Other (Please List)	
	<hr/>
	On-going drug screens and physicals
	\$ 209
Total Labor Related-Costs	<hr/> \$55,867 <hr/>
Vehicle-Related Costs	
Fuel	\$ 8,482
Tires & Tubes	\$ 6,300
Parts	\$ 3,000
Supplies (fluid, oil, etc.)	\$ 4,546
Taxes & Licenses	\$ 1,800
Fines & Penalties	\$ -
Other (Please List)	
Total Vehicle-Related Costs	<hr/> \$24,128 <hr/>
Other Costs	
Liability & Property Damage Insurance	\$ -
Damage Claims	\$ 1,000
Equipment Insurance	\$ 3,600
Rent	\$ -
Utilities	\$ -
Telephone	\$ 600
Non-vehicle Related Supplies	\$ 3,000
Non-vehicle Related Taxes & Licenses	\$ -
Training & Safety Programs	\$ 100
Initial Public Education & Outreach	\$ -
Continuing Public Education & Outreach	\$ -
Uniforms	\$ 520
Customer Satisfaction Survey	
Other (Please List)	
Total Other Costs	<hr/> \$8,820 <hr/>
Total Labor, Vehicle, and Other Costs	<hr/> \$88,815 <hr/>
Lease Costs	
Facility	
Other (Please List)	
Total Lease Costs	<hr/> \$0 <hr/>
Depreciation (non-route specific; based on 10-year period)	

Form 6J

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

CONTAINER MAINTENANCE

	<u>Proposed Cost Rate Year 1</u>
Vehicle Depreciation	
Other Depreciation	<u>\$ 11,000</u>
Total Depreciation	<u>\$11,000</u>
Total Costs to be Allocated	<u><u>\$99,815</u></u>

Form 6J

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

CONTAINER MAINTENANCE

Proposed
Cost
Rate Year 1

Labor, Vehicle, and Other Costs Allocated Out	<u>Percentage</u>	
To Residential Solid Waste (6A)	16.9%	\$15,010
To Residential Recyclable Materials (6B)	26.5%	\$23,536
To Residential Green Waste (6C)	29.3%	\$26,023
To Commercial Solid Waste (6D)	9.5%	\$8,437
To Commercial Recyclable Materials (6E)	7.2%	\$6,395
To Debris Box Solid Waste (6F)	10.6%	\$9,414
To Construction and Demolition Debris (6G)		\$0
Total Labor, Vehicle, and Other Costs Allocated Out		\$88,815
Lease Costs Allocated Out		
To Residential Solid Waste (6A)	16.9%	\$0
To Residential Recyclable Materials (6B)	26.5%	\$0
To Residential Green Waste (6C)	29.3%	\$0
To Commercial Solid Waste (6D)	9.5%	\$0
To Commercial Recyclable Materials (6E)	7.2%	\$0
To Debris Box Solid Waste (6F)	10.6%	\$0
To Construction and Demolition Debris (6G)	0.0%	\$0
Total Lease Costs Allocated Out		\$0
Depreciation Allocated Out		
To Residential Solid Waste (6A)	16.9%	\$1,859
To Residential Recyclable Materials (6B)	26.5%	\$2,915
To Residential Green Waste (6C)	29.3%	\$3,223
To Commercial Solid Waste (6D)	9.5%	\$1,045
To Commercial Recyclable Materials (6E)	7.2%	\$792
To Debris Box Solid Waste (6F)	10.6%	\$1,166
To Construction and Demolition Debris (6G)	0.0%	\$0
Total Depreciation Allocated Out		\$11,000
Total Allocated Out		\$99,815

Please describe allocation method used (e.g. tonnage, routes, etc.)

Value of Containers

Form 6K

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

WEEKLY RESIDENTIAL RECYCLABLE MATERIALS

(Note: Costs should be separate and distinct from costs shown on Forms 6, and 6A-6G.

		Proposed Cost Rate Year 1
Direct Depreciation		
Container Depreciation		
Route Vehicle Depreciation		\$25,000
Other Depreciation		
Total Direct Depreciation		<u>\$25,000</u>
Total Annual Cost of Operations		<u>\$122,619</u>
Profit (Enter % Operating Ratio; i.e. 95%):	<u>91</u> %	<u>\$12,872</u>
Pass-Through Costs		
Disposal Cost (@ \$30.00 per ton)		
Interest Expense		\$14,081
Direct Lease Costs		
Route Vehicles		
Other (Please List)		
Total Direct Lease Costs		<u>\$0</u>
Allocated Lease Costs		
From General and Administrative (6H)		
From Vehicle Maintenance (6I)		
From Container Maintenance (6J)		
Total Allocated Lease Costs		<u>\$0</u>
Total Pass-Through Costs		<u>\$14,081</u>
Total Contractor Compensation		<u><u>\$149,572</u></u>

Form 6L

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

WEEKLY RESIDENTIAL YARD WASTE

(Note: Costs should be separate and distinct from costs shown on Forms 6, and 6A-6G.)

		Proposed Cost Rate Year 1
		<u> </u>
Direct Depreciation		
Container Depreciation		(\$15,750)
Route Vehicle Depreciation		_____
Other Depreciation		_____
Total Direct Depreciation		<u>(\$15,750)</u>
Total Annual Cost of Operations		<u>\$81,694</u>
Profit (Enter % Operating Ratio; i.e. 95%):	<u> 91 </u> %	<u>\$8,576</u>
Pass-Through Costs		
Disposal Cost (@ \$30.00 per ton)		
Interest Expense		(\$8,871)
Direct Lease Costs		
Route Vehicles		
Other (Please List)		
Total Direct Lease Costs		<u>\$0</u>
Allocated Lease and Procurement Costs		
From General and Administrative (6H)		
From Vehicle Maintenance (6I)		
From Container Maintenance (6J)		
Total Allocated Lease and Procurement Costs		<u>\$0</u>
Total Pass-Through Costs		<u>(\$8,871)</u>
Total Contractor Compensation		<u><u>\$81,399</u></u>

Form 6M

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RESIDENTIAL MIXED ORGANICS DIVERSION PROGRAM

(Note: Costs should be separate and distinct from costs shown on Forms 6, and 6A-6G.)

	Proposed Cost Rate Year 1
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	
Overtime Wages	
Holiday Wages	
Vacation Wages	
Sick Leave Wages	
Workers Compensation Insurance & Claims	
Employers Liability Insurance	
Health & Welfare	
Pension/ Retirement Benefits	
Payroll Taxes	
Other (Please List)	
Total Labor Related-Costs	\$0
Vehicle-Related Costs (do not include depreciation)	
Fuel	
Tires & Tubes	
Parts	
Supplies (fluid, oil, etc.)	
Taxes & Licenses	
Fines & Penalties	
Other (Please List)	
Total Vehicle-Related Costs	\$0
Net Mixed Organics Processing Costs	
Processing Costs (net \$ ___ per ton)	
Material Processing Revenue (net \$ ___ per ton)	
Net Mixed Organics Processing Costs	\$0
Other Costs	
Liability & Property Damage Insurance	
Damage Claims	
Equipment Insurance	
Rent	
Utilities	
Telephone	
Non-vehicle Related Supplies	
Non-vehicle Related Taxes & Licenses	
Training & Safety Programs	
Initial Public Education & Outreach	
Continuing Public Education & Outreach	
Uniforms	
Other (Please List)	
Total Other Costs	\$0

Form 6M

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

RESIDENTIAL MIXED ORGANICS DIVERSION PROGRAM

(Note: Costs should be separate and distinct from costs shown on Forms 6, and 6A-6G.)

Proposed
Cost
Rate Year 1

Direct Depreciation		
Container Depreciation		
Route Vehicle Depreciation		
Other Depreciation		
Total Direct Depreciation		<u>\$0</u>
 Total Annual Cost of Operations		 <u>\$0</u>
 Profit (Enter % Operating Ratio; i.e. 95%):	<u> 91 %</u>	 <u>\$0</u>
 Pass-Through Costs		
Disposal Cost (@ \$30.00 per ton)		
Processing Cost		<u>\$6,000</u>
Interest Expense		
 Direct Lease Costs		
Route Vehicles		
Other (Please List)		
Total Direct Lease Costs		<u>\$0</u>
 Allocated Lease and Procurement Costs		
From General and Administrative (6H)		
From Vehicle Maintenance (6I)		
From Container Maintenance (6J)		
Total Allocated Lease and Procurement Costs		<u>\$0</u>
 Total Pass-Through Costs		 <u>\$6,000</u>
 Total Contractor Compensation		 <u><u>\$6,000</u></u>

Form 6N

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

NOT USED

(Note: Costs should be separate and distinct from costs shown on Forms 6, and 6A-6G.

	Proposed Cost Rate Year 1
Direct Depreciation	
Container Depreciation	
Route Vehicle Depreciation	
Other Depreciation	
Total Direct Depreciation	\$0
Total Annual Cost of Operations	\$0
Profit (Enter % Operating Ratio; i.e. 95%): _____ %	#DIV/0!
Pass-Through Costs	
Disposal Cost (@ \$30.00 per ton)	
Interest Expense	
Direct Lease Costs	
Route Vehicles	
Other (Please List)	
Total Direct Lease Costs	\$0
Allocated Lease and Procurement Costs	
From General and Administrative (6H)	
From Vehicle Maintenance (6I)	
From Container Maintenance (6J)	
Total Allocated Lease and Procurement Costs	\$0
Total Pass-Through Costs	\$0
Total Contractor Compensation	

Form 60

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

NOT USED

(Note: Costs should be separate and distinct from costs shown on Forms 6, and 6A-6G.

Proposed
Cost
Rate Year 1

Labor-Related Costs (include regular & pool personnel)

- Regular Wages
- Overtime Wages
- Holiday Wages
- Vacation Wages
- Sick Leave Wages
- Workers Compensation Insurance & Claims
- Employers Liability Insurance
- Health & Welfare
- Pension/ Retirement Benefits
- Payroll Taxes
- Other (Please List)

Total Labor Related-Costs \$0

Vehicle-Related Costs (do not include depreciation)

- Fuel
- Tires & Tubes
- Parts
- Supplies (fluid, oil, etc.)
- Taxes & Licenses
- Fines & Penalties
- Other (Please List)

Total Vehicle-Related Costs \$0

Net Recycling Processing Costs

- Processing Costs (net \$ ____ per ton)
- Material Processing Revenue (net \$ ____ per ton)

Total Net Recycling Processing Costs \$0

Other Costs

- Liability & Property Damage Insurance
- Damage Claims
- Equipment Insurance
- Rent
- Utilities
- Telephone
- Non-vehicle Related Supplies
- Non-vehicle Related Taxes & Licenses
- Training & Safety Programs
- Initial Public Education & Outreach
- Continuing Public Education & Outreach
- Uniforms
- Other (Please List)

Total Other Costs \$0

Form 60

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

NOT USED

(Note: Costs should be separate and distinct from costs shown on Forms 6, and 6A-6G.

Proposed
Cost
Rate Year 1

Direct Depreciation

Container Depreciation

Route Vehicle Depreciation

Other Depreciation

Total Direct Depreciation

\$0

Total Annual Cost of Operations

\$0

Profit (Enter % Operating Ratio; i.e. 95%):

%

#DIV/0!

Pass-Through Costs

Disposal Cost (@ \$30.00 per ton)

Interest Expense

Direct Lease Costs

Route Vehicles

Other (Please List)

Total Direct Lease Costs

\$0

Allocated Lease and Procurement Costs

From General and Administrative (6H)

From Vehicle Maintenance (6I)

From Container Maintenance (6J)

Total Allocated Lease and Procurement Costs

\$0

Total Pass-Through Costs

\$0

Total Contractor Compensation

Form 6P

Detailed Collection Cost Proposal Information

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

COUNTY OF BUTTE - RESIDENTIAL SERVICE

(Note: Costs should be separate and distinct from costs shown on Forms 6, and 6A-6G.)

		<u>Proposed Cost Rate Year 1</u>
Direct Depreciation		
Container Depreciation		<u>\$16,600</u>
Route Vehicle Depreciation		<u>\$27,500</u>
Other Depreciation		
Total Direct Depreciation		<u>\$44,100</u>
 Total Annual Cost of Operations		 <u>\$251,985</u>
 Profit (Enter % Operating Ratio; i.e. 95%):	<u> 91 %</u>	 <u>\$26,451</u>
 Pass-Through Costs		
Disposal Cost (@ \$30.00 per ton)		<u>\$109,200</u>
Interest Expense		<u>\$46,620</u>
 Direct Lease Costs		
Route Vehicles		
Other (Please List)		
Total Direct Lease Costs		<u>\$0</u>
 Allocated Lease and Procurement Costs		
From General and Administrative (6H)		
From Vehicle Maintenance (6I)		
From Container Maintenance (6J)		
Total Allocated Lease and Procurement Costs		<u>\$0</u>
 Total Pass-Through Costs		 <u>\$155,820</u>
 Total Contractor Compensation		 <u><u>\$434,256</u></u>

7 Unit_Price

Unit Price Proposal

Proposer Name: NORTHERN RECYCLING & WASTE SERVICES, LLC

Extra Services*

Extra Pulls	<u>\$ 20.00</u> /Cubic Yard/Pull
Lock Service	<u>\$ 5.00</u> /lock/month
Pushout Charge	<u>\$ 5.00</u> /25 feet/month
Container Cleaning	<u>\$ 40.00</u> /cleaning
Weight Surcharge (Solid waste containers exceeding 300lbs per cubic yard)	<u>\$ 33.00</u> /ton
Cart Replacement (in addition to one per year at no additional cost)	<u>\$ 50.00</u> /replacement

*All costs related to providing extra residential and commercial collection services shall be included on Form 6A through 6G, where applicable. The unit prices provided on this form shall be presented for information purposes only. The Franchisors may use the information in determining rates for such services.

10 Exceptions to Proposed Agreement

Northern Recycling requests that the following changes be made to the Proposed Agreement,

CORPORATION REFERENCES

Change Requested: The definitions and several other references in the Agreement are to “corporation” as the form of organization of the Proposer. Please revise these references to include the Limited Liability Company.

Reason for Change: the Proposer is an LLC.

Alternate Language: Revise the reference to “corporation” to read “corporation or LLC”.

11 Litigation

11.1 Litigation History

Within the past five years, Garaventa Enterprises has been named along with numerous parties, in our view, in unmeritorious lawsuits involving our past ownership of certain real property. All such litigation has been formally settled or settlement is pending. We have denied and continue to deny any liability and no liability has been proved.

This will advise that Marin Sanitary is currently a party to an action pending in the Marin County Superior Court entitled City of San Rafael v. Las Gallinas Sanitation District and Marin Sanitary Service, Case No. 041792. The case involves a boundary issue addressing the legal question of whether the City of San Rafael or the Las Gallinas Sanitation District is legally empowered to contract with the company for the collection of refuse in certain areas of northern San Rafael. The company is simply named as a necessary party defendant so that the Court's ruling will be binding upon it; however, no relief is sought from the company and, since the case involves a boundary dispute between third parties, the company has taken a neutral position in the suit.

12 Instances of Breach of Contract/Assessment of Liquidated Damages

There have been no instances of Breach of contract or any assessment of liquidated damages against any of the Partners' firms or Northern Recycling.

13 Identification of Surety

This section provides the surety information requested in the RFP.

Malloy Imrie & Vasconi Insurance

Attn: John Imrie
1584 Clay Street
Napa, CA 94559
707-299-2411

14 Anti-Collusion Affidavit

ANTI-COLLUSION AFFIDAVIT

The following affidavit is submitted by Proposer as part of this proposal:

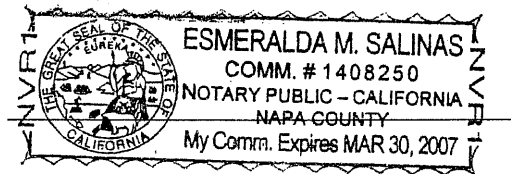
The undersigned deponent, of lawful age, being duly sworn, upon his oath deposes and says: that he has lawful authority to execute the within and foregoing proposal; that he has executed the same by subscribing his name hereto under oath for and on behalf of said Proposer; that Proposer has not directly or indirectly entered into any agreement, express or implied, with any proposer or proposers, having for its object the controlling of the price or amount of such proposal or proposals, the limiting of the proposals or proposers, the parceling or farming out to any proposer or proposers or other persons of any part of the contract or any part of the subject matter of the proposal or proposals or of the profits thereof; and that he has not and will not divulge the sealed proposal to any person whomsoever, except those having a partnership or other financial interest with him in said proposal or proposals, until after the said sealed proposal or proposals are opened.

Deponent further states that the Proposer has not been a party to any collusion among Proposers in restraint of freedom of competition; by agreement to make a proposal at a fixed price or to refrain from submitting a proposal; or with any state official or employee as to quantity, quality, or price in the prospective contract; or in any discussions between proposers and any Town/County official concerning exchange of money or other things of value for special consideration in letting of a contract; that the Proposer/ contractor has not paid, given or donated or agreed to pay, give or donate to any official, officer or employee of the Town of Paradise/County of Butte, directly or indirectly, in the procuring of the award of contract pursuant to this proposal.

Executed under penalty of perjury on this 6th day of April 2006, at

SIGNED: Greg Kelley

BY: Greg Kelley
Name of Proposer



TITLE: Northern Recycling & Waste Service
Managing Member

Subscribed and sworn to before me this 6th day of April 2006, at

1190 Airport RD Suite 100, Napa Ca. 94558

Esmeralda M. Salinas Notary

Public:

My Commission expires: MARCH 30, 2007

Attachment 1 – Letters of Recommendation



CITY of NAPA

FINANCE DEPARTMENT
955 School Street
Mailing Address:
PO Box 660
Napa, California 94559-0660
Accounting (707) 257-9510
Revenues (707) 257-9508
FAX (707) 257-9251
Website: www.cityofnapa.org

March 31, 2006

Ms. Marva Sheehan
Senior Associate
Hilton Farnkopf & Hobson, LLC
2175 N. California Blvd., Suite 990
Walnut Creek, CA 94596

Dear Ms. Sheehan:

We understand that Northern Recycling & Waste Services LLC is submitting a proposal to you to provide recycling and waste collection services to the Town of Paradise and the County of Butte. Our franchised hauler, Napa Recycling & Waste Services (NRWS), is a sister company to the proposer and is providing our city with similar services, including single stream residential recycling collection.


I am writing this letter to encourage you to select Northern Recycling & Waste Services, based on our experiences with the same people in our new collection agreement.

NRWS has been providing recycling and waste collection services to the City of Napa since October 1, 2005. Our experience with the company has been positive since well before initiation of service. Two highlights come quickly to mind:

- Comparing the diversion we had in the last quarter of 2004 to the last quarter of 2005 (the first full quarter of NRWS operations), we had a 21 percent increase system wide. That increase reflects residential and commercial diversion, and we believe that the increase in residential diversion alone was even higher.
- We had very few problems during the transition of service. Our transition was two dimensional; we changed haulers, and converted our residential recycling system from three-bin to single stream. We believe that our smooth transition was due to the pre-planning that NRWS did well before initiation of service. Their staff was very well trained their first day on the job.

If you have any questions, please contact me. I am pleased to discuss our experiences with NRWS.

Sincerely,

A handwritten signature in black ink, appearing to read "Jed Christensen". The signature is written in a cursive style with a large, stylized initial "J".

Jed Christensen

Finance Director

**JEANNE BARR
P. O. BOX 111
ROSS, CA 94957**

October 4, 2004

To Whom It May Concern:

The Town of Ross has been asked to convey to you our experience in over fifty years of contracting with Marin Sanitary Service (MSS) for refuse and recycling services. We have found them to provide a high level of service to the homes and businesses in Town. We rarely receive any complaints and, if we do, they are very quickly taken care of by Marin Sanitary Service. The employees are always helpful and pleasant to work with, and MSS service rates are, according to our rate consultant, consistently in the middle to lower half of those found elsewhere in the Bay Area.

The Garbarino family is a pioneer in the field of recycling and reuse. The Town of Ross recently completed a lengthy contract extension with Marin Sanitary Service because of its past record with the Town. The Town also contracts its street sweeping with MSS and they have done a very good job of keeping our streets clean.

The Town of Ross is very satisfied with its franchising arrangement with Marin Sanitary Service and would urge the County of Napa to consider their proposal.

Sincerely,



Jeanne Barr
Mayor
Town of Ross

Attachment 2 – Success Stories

Napa Valley Food Bank

EMERGENCY PANTRY
SENIOR BROWN BAG
1755 Industrial Way, Suite 1
Napa, CA 94559
707.253.6128
Fax 253.6161

March 21, 2006

Rich Garcia
Napa Recycling & Waste Services
P.O. Box 659
Napa, CA 94559

Dear Rich & Associates:

We send our heartfelt thanks to you and all your associates who worked with us on the Spring Into Action food drive again this year! We understand this service means a lot of extra hauling, and we greatly appreciate the efforts of everyone involved!

This year, you collected a total of 1,242 pounds. Of course, the total poundage is uncharacteristically low; but it worked out fine, because of the enormous amount of food we received from Copia after the holidays. I believe there were a few slip-ups in getting the drive off the ground this year. I am determined to connect with you and Kevin in February, and have plenty of time for the necessary logistics. It is smaller-scale drives like yours that keep our food stocked between the Holiday Food Drive and the Letter Carriers' event in May. It also reminds people that hunger is an ongoing problem.

The last few months have yielded an unprecedented number of new people accessing our emergency pantries, throughout Napa Valley. Recent hunger news updates indicate that low-income and middle class families already living on the edge are now taking economic hits from all directions. The cost of retaining health care can reach \$500.00/month and up, for many families; and long-awaited pension plans are in serious jeopardy. Securing housing can be impossible in many locales, and it takes an average of 20 months on a waiting list to gain assistance.

We very much appreciate your partnership with us in the fight against hunger. You are good people, and it is a pleasure and privilege to work with you! Thank you for helping us ease the burdens of many. We look forward to a bigger effort next year!

Sincerely,


Shirley King
Director


Dianne Anderson
Food Drive Coordinator

cc: Kevin Miller



[Print Page](#)

THE NAPA VALLEY

Register

Xmas trees and extra green

Thursday, January 14, 2004 11:41 AM

Dear editor,

On Saturday, Jan. 7, Boy Scouts throughout Napa collected discarded Christmas trees. This annual effort provides a valuable service to the community and is the major fund raising activity for most troops. Although the suggested donation is \$5 per tree, we found many home owners to be substantially more generous. I want to take this opportunity to thank all those who donated, regardless of the amount, to support a strong scouting program in Napa. This tree collection program would not be possible without the support and assistance of many community organizations and businesses, including the Napa Valley Register, Napa Recycling and Waste Services and KVON radio. Thank you.

Jim McLaughlin, Treasurer

Troop 51, Napa

[Print Page](#)

THE NAPA VALLEY **Register**

Heroes of Hagen Road

5/10/06 5:00 PM 1147457

Dear editor,

After the recent flood, I was in desperate need of debris removal from my property which borders Sarco Creek on Hagen Road in Napa. The response I received from all the folks at Napa Recycling and Waste Services was overwhelmingly supportive. There are so many people to thank, but I specifically want to mention several whom I met or spoke with personally on the phone.

Two of the employees in particular arranged for me to have a donated flood box (Dumpster) brought to my property -- not once, but three times. I am so grateful to Greg Kelley, general manager, and to Steve Masey, supervisor, for facilitating the delivery of these Dumpsters. This allowed me to get rid of the massive amounts of debris -- a monumental task indeed! I want to thank the drivers who carefully and expertly brought the Dumpsters onto the property -- Omar and Felipe. They were not only careful with their given jobs, but also friendly and professional in their manner of delivery. Thanks also to the scout, Mark, who checked to see where the Dumpster should be placed. Finally, sincere appreciation goes out to Dawn, who answers the phone and who notified the proper individuals to get the job done. Her sweet and charming attitude over the phone gave me hope during a challenging time.

I'm sure they have helped many others in Napa since the flood, and I can only speak for myself, but I think Napa Recycling and Waste Services will long be remembered as some of the heroes of the massive clean-up efforts. I thank them all from the bottom of my heart.

Lorna Borge

Napa

Clean-air garbage trucks coming to Napa

Tuesday, April 19, 2005

Come October, the new fleet of garbage trucks serving Napa customers will include seven powered by compressed natural gas.

These environmentally cleaner vehicles will be purchased with a \$320,000 grant by the Bay Area Air Quality Management District to the city of Napa, city officials announced.

The seven gas-powered trucks should emit 14,466 fewer pounds of particle emissions annually than would diesel motors, the city said.

The city applied for the grant last fall after awarding a new garbage franchise to Napa Recycling and Waste Services.

The new company takes over from Napa Garbage on Oct. 1.

Napa Recycling and Waste Services will also buy 18 diesel-powered trucks, which will be cleaner than old-style diesels, the city said.

"Our company is committed to the concept of clean-air trucks and we made the decision to back that commitment up financially, grant or no grant," said Greg Kelley, general manager of the new garbage service./Register

[Return to NapaNews article](#)

Attachment 3 – Napa County Transition Plan

Implementation Schedule (Monthly)

ID	Deliverables	Start Date	Delivery date	December	January	February	March	April	May	June	July	August	September	October
1	Implementation Plan, including project schedule	Tue Dec 14, '04	Fri Jan 14, '05											
2	Contract Award	Tue Dec 14, '04	Tue Jan 25, '05											
3	Project Financing	Tue Jan 25, '05	Tue Jan 25, '05											
4	Equipment Procurement	Wed Dec 15, '04	Mon Oct 3, '05											
5	Order collection vehicles	Wed Dec 15, '04	Wed Dec 15, '04											
6	Collection vehicle manufacturing	Thu Dec 16, '04	Tue Aug 2, '05											
7	Collection vehicles delivered	Mon Aug 9, '05	Thu Sep 15, '05											
8	Shakedown/testing of collection vehicles	Mon Aug 22, '05	Thu Sep 22, '05											
9	Driver training on collection vehicles	Tue Sep 13, '05	Sat Oct 1, '05											
10	Order collection carts	Wed Dec 15, '04	Wed Dec 15, '04											
11	Manufacture collection carts	Thu Dec 16, '04	Thu Sep 8, '05											
12	Carts delivered	Thu Aug 11, '05	Mon Sep 12, '05											
13	Collection cart assembly	Fri Sep 9, '05	Fri Sep 23, '05											
14	Deliver carts to Customers	Thu Sep 15, '05	Mon Oct 3, '05											
15	Cart delivery complete	Sat Oct 1, '05	Sat Oct 1, '05											
16	Order software, hardware & office equip	Wed Dec 15, '04	Tue Mar 8, '05											
17	Supplier manufacturing & shipping	Wed Mar 9, '05	Tue Aug 23, '05											
18	Installation & data conversion	Wed Aug 24, '05	Mon Sep 12, '05											
19	Startup & training	Fri Sep 9, '05	Sat Oct 1, '05											
20	Office training complete	Sat Oct 1, '05	Sat Oct 1, '05											
21	Contingency Plan	Wed Dec 15, '04	Thu Aug 4, '05											
22	Develop Contingency Plan	Wed Dec 15, '04	Wed Apr 6, '05											
23	Provide draft to County	Thu Apr 7, '05	Fri May 6, '05											
24	County comments	Mon May 9, '05	Thu May 26, '05											
25	Prepare final reflecting County comments	Mon May 23, '05	Fri Jul 29, '05											
26	Contingency Plan complete	Thu Aug 4, '05	Thu Aug 4, '05											
27	Staffing Plans	Thu Dec 16, '04	Fri Sep 30, '05											
28	Verify staffing requirements	Thu Dec 16, '04	Thu Dec 16, '04											
29	Interviews with existing employees	Tue May 10, '05	Mon Jul 25, '05											
30	Advertisement for new employees	Tue Jul 26, '05	Fri Aug 19, '05											
31	New employee interviews	Mon Aug 22, '05	Mon Sep 12, '05											
32	New employee training	Thu Sep 1, '05	Fri Sep 30, '05											
33	Employee training complete	Fri Sep 30, '05	Fri Sep 30, '05											
34	Health & Safety Plan	Thu Dec 16, '04	Tue Aug 2, '05											

Project: Monthly Implementation Plan and Schedule
 Date: Tue Mar 1, '05
 Task Split
 Progress Milestone
 Summary Project Summary
 External Tasks External Milestone
 External Milestone Deadline

Implementation Schedule (Monthly)

ID	Deliverables	Start Date	Delivery date	December	January	February	March	April	May	June	July	August	September	October
44	Develop Health & Safety Plan	Thu Dec 16, '04	Tue May 10, '05											
45	Provide draft to County	Wed May 11, '05	Thu Jun 16, '05											
46	County comments	Fri Jun 17, '05	Mon Jul 4, '05											
47	Prepare final reflecting County comments	Mon Jul 4, '05	Mon Aug 1, '05											
48	Health & Safety Plan complete	Tue Aug 2, '05	Tue Aug 2, '05											
49	Planning Meetings with County Staff	Wed Dec 15, '04	Mon Oct 31, '05											
50	Contract Finalization meetings	Wed Dec 15, '04	Thu Jan 13, '05											
51	Implementation & Planning meetings (61/Weekly)	Fri Jan 21, '05	Mon Aug 1, '05											
52	Implementation & Planning meetings (61/Weekly)	Fri Jan 21, '05	Mon Aug 1, '05											
53	Implementation & Planning meetings (Weekly)	Tue Aug 9, '05	Mon Oct 31, '05											
54	Customer Service and Billing	Fri Jan 21, '05	Fri Sep 30, '05											
55	Transfer Customer Information from WMI to NRW	Fri Jan 21, '05	Fri Apr 1, '05											
56	Transfer again	Fri Sep 30, '05	Fri Sep 30, '05											
57	Public Education	Tue Feb 1, '05	Thu Sep 1, '05											
58	Develop Public Education	Tue Feb 1, '05	Thu Sep 1, '05											
59	Routing	Tue Feb 1, '05	Fri Sep 30, '05											
60	Develop Routes	Tue Feb 1, '05	Fri Apr 1, '05											
61	Re-route	Tue Sep 1, '05	Fri Sep 30, '05											

Project: Monthly Implementation Plan and Schedule
 Date: Tue Mar 1, '05

Task Split Progress Milestone Summary Project Summary External Tasks External Milestone External Milestone Deadline

Attachment 4 – Resumes and Job Descriptions

GREG KELLEY

Napa Valley Disposal Service

General Manager

Napa Recycling & Waste Services and Napa County Recycling & Waste Services
President

EXPERIENCE

Mr. Kelley is the General Manager of Napa Recycling & Waste Services and was formerly the General Manager of Napa Garbage Service and Napa Valley Disposal Service. He was the primary service coordinator for the garbage and recycling operations for Napa County and for the City of Napa. He also managed the curbside recycling contract for the City of Vallejo. In that job he was responsible for:

- Administering franchise agreements and negotiating revisions.
- Making presentations to the Board of Supervisors and others.
- Providing a liaison between the company and the Board of Supervisors and County staff.
- Overseeing operating costs, collection operations, finances accounting, rate review, and business growth.
- Maintaining compliance with operating permits and environmental and safety laws and regulations.

TECHNICAL EXPERIENCE

Extensive experience in design, implementation, and monitoring recycling and solid waste systems for communities.

Responsible for negotiating government and municipal service contracts covering the full range of solid waste services.

Negotiated many collective bargaining contracts. Experience in both union and non-union operations.

EDUCATION

University of Oregon — BA in Economics

MICHAEL MURRAY

EXPERIENCE

Controller:

Napa Recycling & Waste Services, LLC

Napa County Recycling & Waste Services, LLC

Napa Garbage Service

Napa Valley Disposal Service

American Canyon Disposal Service

Buy-In, Inc.

Golden State Debris Box

Chief Financial and Operations Officer:

Alkar Human Resources

Partner and Accounting Manager:

Brotemarkle, Davis & Murray, CPAs,

Senior Accountant:

Goodwin & Sire, CPAs

EDUCATION

CSU/Sacramento – B.S. in Business Administration

COMMUNITY INVOLVEMENT

Past President, Boys & Girls Club of Napa Valley, March 2001 to June 2003

Member, Boys & Girls Club of America National Area Council, November 2004 to present

Member, Napa Sunrise Rotary

TIMOTHY C. DEWEY-MATTIA

EXPERIENCE

Napa Recycling & Waste Services

- Recycling/Public Outreach Coordinator – public face of Napa’s new recycling service provider
- Partnered with City and County on new recycling incentive-based contract; generated monthly reports
- Designed outreach, PR, and advertising materials, informed public through website, print media & radio
- Increased recycling participation and streamlined service through business assessments and route audits
- Piloted food waste composting; established special event recycling program, designed recycling plans
- Attended public meetings, organized recycling events, educated school groups, led facility tours

Green Festival, San Francisco, California

- Greening Manager at country’s largest sustainability event (sponsored by Global Exchange & Co-op America)
- Managed composting, recycling, & trash, coordinated staff & volunteers, conducted vendor & public outreach
- Diverted nearly 10½ tons at event with over 20,000 attendees, achieved 83% diversion rate

San Francisco Clean City Coalition, San Francisco, California

- Outreach and Recycling Coordinator for organization dedicated to cleaning and greening the city
- Served as San Francisco County Coordinator for Coastal Cleanup Day – world’s largest volunteer event
- Recruited thousands of volunteers for Community Clean Team events in neighborhoods throughout S.F.
- Cooperated daily with city agencies, neighborhood groups, businesses, merchant associations, and non-profits
- Consultant to SF Dept. of Environment - developed special event recycling program, determined best practices
- Compiled recycling resources, drafted city permits, conducted trainings, diverted up to 93% of event waste
- Supervised transitional employment crews; wrote grants; tabled at events; attended community meetings
- Managed Tool Lending Center - oversaw site relocation, revamped database, increased program visibility

PAGE 2 TIMOTHY C. DEWEY-MATTIA

Yellowstone to Yukon Conservation Initiative

- Biked 2682 miles from Yellowstone N.P. to Anchorage, AK; crossed Continental Divide 5 times
- Gathered first-hand accounts of people and places, worked to protect natural heritage of region
- Spread the Y2Y message through interviews, articles, and post-trip presentations (still ongoing)

San Francisco Conservation Corps, San Francisco, California

- 1-year Americorps service with SFCC's Recycling Outreach Team; ran Presidio recycling program
- Hired as Recycling Operations Supervisor after completion of service; trained and coordinated new team
- Day-to-day operations, set up accounts, expanded public bin program, collected 10 tons a month
- Designed new education center, wrote lesson plans, hosted weekly recycling education groups (K-adult)
- Gave presentations to Dept. of Conservation; Attended CA Resource Recovery Association conference
- Part of sustainability program in new National Park; native plant restoration, Adopt-a-Beach programs
- Planned MLK day of service – service work and education project for hundreds of middle-schoolers

Rutland Regional Planning Commission, Canada

- Orton Family Foundation internship in ArcView GIS and community planning at RRPC
- Beta tested new CommunityViz software on the town of Brandon's potential U.S. 7 bypass project
- Created interactive 3D scenes, built bypass scenarios and simulated future policy and development
- Responsible for day-to-day software enhancement, wrote bug reports, collected demographic data
- Nationwide conference calls with town officials, regional planners, and software developers

EDUCATION

Middlebury College - B.A. in Geography/History (Joint Major)

STEVE MANASSE

Napa Recycling & Waste Services and Napa County Recycling & Waste Services
Commercial Collection Manager
Operations Manager

EXPERIENCE

- Planned daily route assignments to ensure customers were serviced per company standards and agreements.
- Ensured that drivers were available and assigned on a daily basis.
- Conducted driver ride-alongs and driver training.
- Ensured that drivers complied with physicals, drug, and alcohol testing.
- Conducted regularly scheduled staff meetings and safety tailgates.
- Used software applications to perform daily work, including Kronos, Aims, Smart, and the Alive System.

TECHNICAL EXPERIENCE

Proven ability to maintain a good working relationship with the Napa County staff.

Excellent working relationship with coworkers and vendors.

Successfully operated the compost facility for five years without any accidents or injuries.

Ensured compliance with local and federal laws and use permits.

EDUCATION

College of Notre Dame — BS in Business Administration, Minor in Economics

GUS VASQUEZ

Napa Recycling & Waste Services and Napa County Recycling & Waste Services
Maintenance Manager

EXPERIENCE

- Supervises the maintenance staff.
- Budgeting for equipment and staff.
- Schedules maintenance and service for the entire collection fleet.
- Identifies the need for new equipment and estimates the cost.

TECHNICAL EXPERIENCE

Established a high level of availability for the collection fleet for Napa County.

Streamlined the purchasing of supplies and equipment to support the maintenance department.

Established procedures that increased the level of safety in the maintenance operations.

LINDA K. SERENI

Upper Valley Disposal & Recycling
Director of Office Services and Human Resources

EXPERIENCE

1978 to Present — Upper Valley Disposal & Recycling, St. Helena, CA

TECHNICAL EXPERIENCE

Ms. Sereni is the Administrative Manager and Human Resources Director for Upper Valley Disposal & Recycling, Clover Flat Landfill, and South Lake Refuse & Recycling. She is responsible for all activities associated with Human Resources including, payroll, employee benefits, workers compensation, and staff issues. She oversees the staff regarding customer service, billing, and dispatch. Ms. Sereni's billing experience is important to enable the Northern Recycling team to provide the high quality of customer service our member teams and the County expect from the first day of the contract.

JOB DESCRIPTIONS

Chief Executive Officer/General Manager

Develops primary goals, operating plans, policies, and short and long range objectives for the organization. Implements these following members' approval. Directs and coordinates activities to achieve profit and return on capital. Establishes organizational structure and delegates authority to subordinates. Leads the organization towards objectives, meets with and advises other executives and reviews results of business operations. Determines action plans to meet needs of stakeholders. Represents organization to financial community, major customers, government agencies, shareholders, and the public.

Chief Financial Officer/Controller

Directs the overall financial plans and accounting practices of an organization. Oversees treasury, accounting, budget, tax and audit activities of the organization and subsidiaries. Oversees financial and accounting system controls and standards and ensures timely financial and statistical reports for management use. This is the top finance and accounting position for the organization. Directs budget and cost controls, financial analysis, accounting practices and reports. Analyzes and interprets financial data and recommends changes to improve systems and financial performance. Supervises exempt and non-exempt accounting staff.

Customer Service Manager

Coordinate and direct administrative support functions for the customer service center. Implement policies and procedures for production of documents, work flow, filing, ordering of supplies, records maintenance, and other clerical services. Organizes office operations such as workspace assignment and layout. Assists in decision process for hiring, terminating, promoting, or evaluating office personnel. Monitors budget, accounting, and time records. Oversees the billing function to ensure invoicing is completed accurately and on time. Provides work direction and review for billing clerks. Manages the processing and calculation of billing costs consistent with company policy and procedure. Prepares reports of billing activity for management.

Operations Manager

Manages organization operations by directing and coordinating activities consistent with established goals, objectives, and policies. Follows direction set by Chief Executive Officer\General Manager and Board of Members. Implements programs to ensure attainment of business plan for growth and profit. Provides direction and structure for operating units. Participates in developing policy and strategic plans. Directs organization's safety programs to protect employees and the company against harm, and maintain safe working conditions. Formulates and suggest work safety standards, and enforces procedures. Risk prevention areas include hazardous materials exposure, accidents, fires, or other unsafe conditions. Meets compliance and reporting requirements of federal or state regulations. Advises management on problem correction.

JOB DESCRIPTIONS

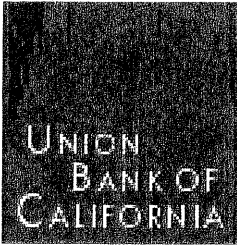
Public Education Manager

Manages and supports contractual requirements that are outlined with the contracts held by our company. Works with the contract holders to develop public information and educational materials to develop awareness about recycling and the communities AB 939 goals. Also, works with customers to develop comprehensive waste management plans for their businesses or multi-family residential units. Develops and monitors the preparation of billing inserts, informational brochures and advertising. Manages website and develops its content. Assists management in development and implementation of a public relation program.

Maintenance Manager

Provides work direction and supervision for employees involved in maintenance and repair work of facilities, trucks, and equipment. Looks over work requests to decide problem and resolution, and delegates assignments. Monitor or plan jobs completed by outside contractors. Usually the first line of supervision requiring 10 years relevant experience in maintenance and repair.

Attachment 5 – Bank Letters of Commitment



March 28, 2006

Northern Recycling & Waste Services, LLC
Mr. Greg Kelley, Member
820 Levitin Way
Napa, CA 94559

Re: Financing Proposal for the Town of Paradise & County of Butte.

Dear Mr. Kelley,

Thank you for giving Union Bank of California, N.A. ("Bank") the opportunity to discuss with you the financing requirements of Northern Recycling & Waste Services, LLC ("Borrower"). Based on the information you have provided to us regarding Northern Recycling & Waste Services, LLC and the respective members of the LLC, the Bank would be interested in providing Borrower with long term financing in an amount of \$5,500,000. Loan proceeds shall be utilized to finance the purchase of rolling stock, equipment and for general working capital purposes in conjunction with serving the Town of Paradise and the County of Butte under a franchise agreement for the collection and processing of recyclable and waste material.

The long term financing will require the LLC members to provide a minimum capitalization of \$1,000,000 to Borrower, prior to the close of any long term financing provided by the Bank. This proposal has been developed for your sole and confidential use as a basis for our continued discussions and should not be construed as a commitment by Bank to provide the financing.

The Bank looks forward to finalizing a financing commitment as you move forward with the RFP process with the Town of Paradise and the County of Butte. Please keep us informed as to your progress and any time tables you need us to meet.

Sincerely,

A handwritten signature in cursive script, appearing to read "Steven L. Peterson". The signature is written in black ink and is positioned above the typed name and title.

Union Bank of California N.A.

By: Steven L. Peterson
Vice President



Proud to serve the Napa Community for 20 Years

March 28, 2006

RE: Napa Recycling & Waste Services, LLC
& Napa County Recycling & Waste Services, LLC

To Whom It May Concern:

I am writing this letter at the request of our clients, Napa Recycling & Waste Services, LLC & Napa County Recycling & Waste Services, LLC.

Based on our review financial information provided to us, these organizations and their respective ownership demonstrate the capacity to implement a financing plan to develop a new recycling and waste services operation.

Subject to our formal review and approval, the Vinage Bank would welcome the opportunity to provide such financing.

Should you have any questions, please do not hesitate to contact me directly at (707) 259-2352.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Basayne".

Michael E. Basayne
Senior Vice President & Commercial Banking Manager

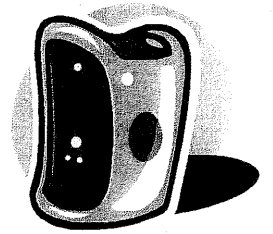
Attachment 6 – Transition Plan for Paradise and Butte County

Attachment 7 – Public Education Materials

SPECIAL E-WASTE DROP-OFF APPOINTMENTS FOR BUSINESSES ONLY



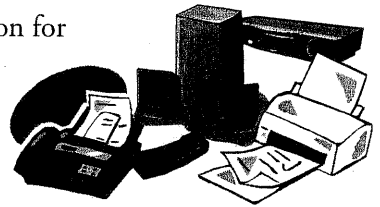
June 1st – June 16th
BY APPOINTMENT ONLY – WEEKDAYS
NAPA RECYCLING & WASTE SERVICES (NRWS)



*Can I recycle large amounts of electronic equipment
in advance of the public event at no charge?*

Yes you can, but only by limited appointments.



For appointment, please email City of Napa's Recycling Division at naparecycles@cityofnapa.org. You will receive an email confirmation for an appointment time for A Monday–Friday drop-off June 1st – June 16th. Please note this will be the only time during the year that you can drop-off e-waste at no charge to your business. During the rest of the year there is a charge of \$10 per unit for televisions, computer monitors or flat screen monitors.




**You must request your appointment no later than 4pm,
Friday, May 19th.**


Early appointment requests will be given first preference of date and time for drop-off. If you miss your appointment, you may still go to the public e-waste event described on the reverse side.

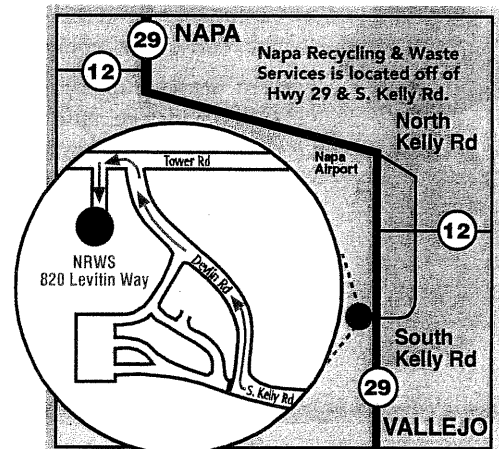
To prepare for recycling: *(See other side for a list of acceptable items)*

-  Consider erasing all data from hard drives, PDAs, etc *(see reverse side)*
-  Sort items into these groups onto pallets *(shrinkwrapped)* or heavy-duty shipping boxes:

- 1) Televisions, computer monitors, laptops & flat screens only
- 2) All other e-waste: computer hard drives (CPUs), all other computer peripherals, office equipment, and consumer electronics such as: PDAs, fax machines, printers, copiers, phones *(see reverse side for examples)*

-  All materials must be sufficiently packaged for forklift off-loading. *(heavy-duty boxes, pallets, etc. are available from NRWS; ask when you make your appointment.)*

-  Deliver to Napa Recycling & Waste Services at 820 Levitin Way, American Canyon on your appointment date and time. Collection at your business site is also available. Call NRWS at 256-3500 or 255-5200 for more information.



PLEASE ROUTE TO EMPLOYEES



Printed on recycled paper

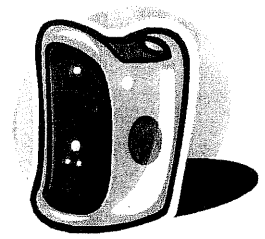
6th Annual

Computers & Electronics RECYCLING EVENT

FRI. June 9th & SAT. June 10th

9am-2pm

Napa Valley College, Napa Campus, So. Parking Lot



ELECTRONIC ITEMS WILL BE ACCEPTED FREE OF CHARGE FROM NAPA COUNTY RESIDENTS AND BUSINESSES ONLY!

What will be accepted at this event?

TELEVISIONS

COMPUTERS & MONITORS:
PCs & laptops

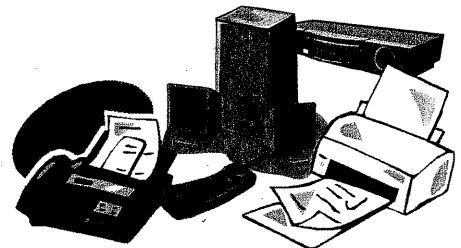
OFFICE EQUIPMENT: *(Please remove toner)*
telephones, fax machines, & copiers

COMPUTER PERIPHERALS:
keyboards, printers, scanners, cables, mice

CONSUMER ELECTRONICS:
tape players, VCRs, stereo equipment,
radios, PDAs, cell phones, etc.

Please consider:

- Both working and non-working equipment will be accepted at the event. However, this collection is intended to recycle non-working or "end-of life" equipment.
- For *working* equipment, please consider reuse or donation as an option. Before reuse or donation, learn how to erase personal information off your computer: www.nvpcug.org/Erasing_Hard_Drive.htm or www.crc.org/erase. For additional information about preparing computers for recycling, email: recycler@nvpcug.org.
- If you have any questions regarding this event or recycling in general, please visit naparecycling.com or email City of Napa's Recycling Division at naparecycles@cityofnapa.org.



This annual event is limited to Napa County businesses & residents ONLY!

- A coupon for this event will be included in your May or June garbage bill. All equipment will be accepted FREE of charge WITH COUPON.
- Forgot your coupon? You will be required to show Napa County I.D. or proof of eligibility.
- To donate reusable Pentium III or newer computers to the Napa Valley Personal Computer Users Group *Computers-to-Schools* program, send email to CTS@nvpcug.org.
- For businesses with a minimum of 10 obsolete computer systems, please refer to the Computer Recycling Center's website at www.crc.org for donation opportunities.
- FOR FREE! You can also visit www.napamax.org to post or search for reusable items.

What will NOT be accepted at this event?

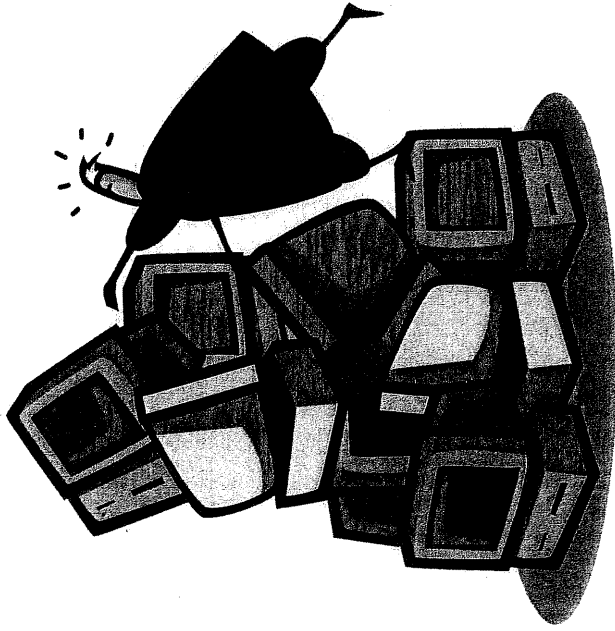
- ✗ KITCHEN APPLIANCES:
blenders, toaster ovens, coffee makers
- ✗ HOUSEHOLD APPLIANCES:
hair dryers, irons, curling irons, vacuums or smoke detectors

This list gives examples of unacceptable items and is not all-inclusive.



Sponsored by: City & County of Napa, Napa Recycling & Waste Services, Napa County Recycling & Waste Services, Napa Valley College, Electronic Recyclers of America, Computer Recycling Center, Napa Valley Personal Computer Users Group, and Upper Valley Waste Management Agency

E-WASTE RECYCLING EVENT 2006

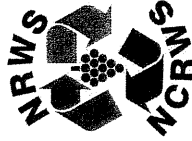


Watch for your May or June
garbage bill for more details
or visit naparecycling.com

JUNE 9th & 10th

Fri-Sat • 9AM-2PM

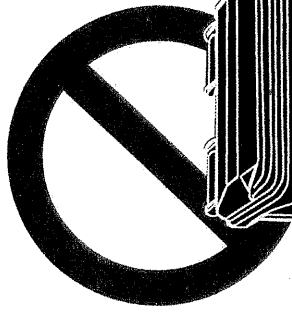
**NV College, Napa Campus
South Parking Lot**



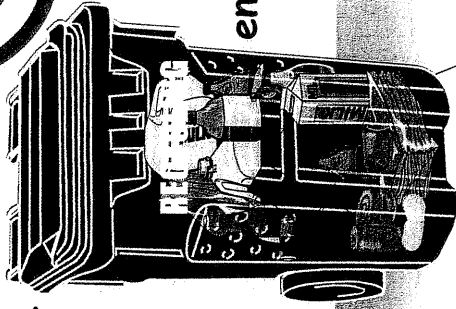
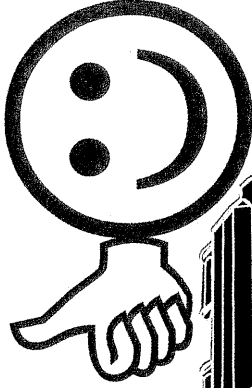
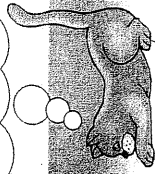
**NAPA RECYCLING
& WASTE SERVICES**

707-255-5200

It's more efficient
to roll out your
blue recycling cart
only when it is
at least half full.



This cart is
less than half-full!
I bet it could wait a
week!

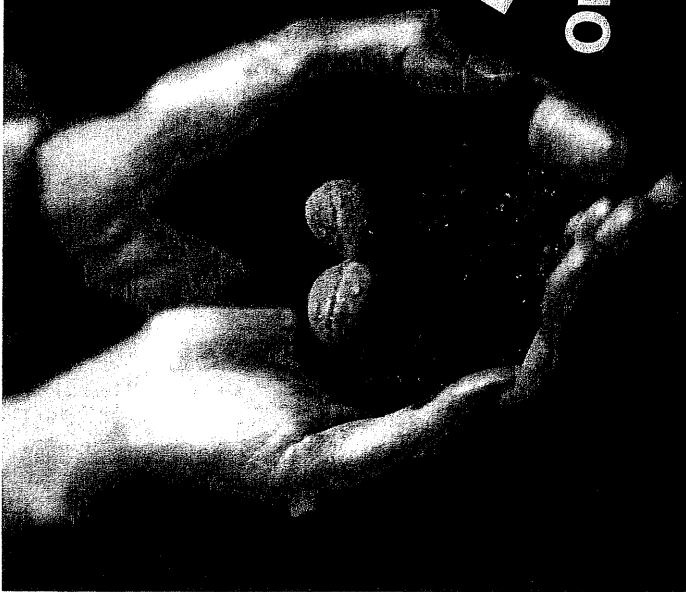


That saves time,
energy and resources
for everyone!



**NAPA RECYCLING
& WASTE SERVICES 707-255-5200**

*Learn more about recycling
at www.NapaRecycling.com.*



COMPOST:

make the most of your yard

AVAILABLE FOR PURCHASE

Organic Compost High Quality Topsoil
\$7 / cubic yard \$17 / cubic yard

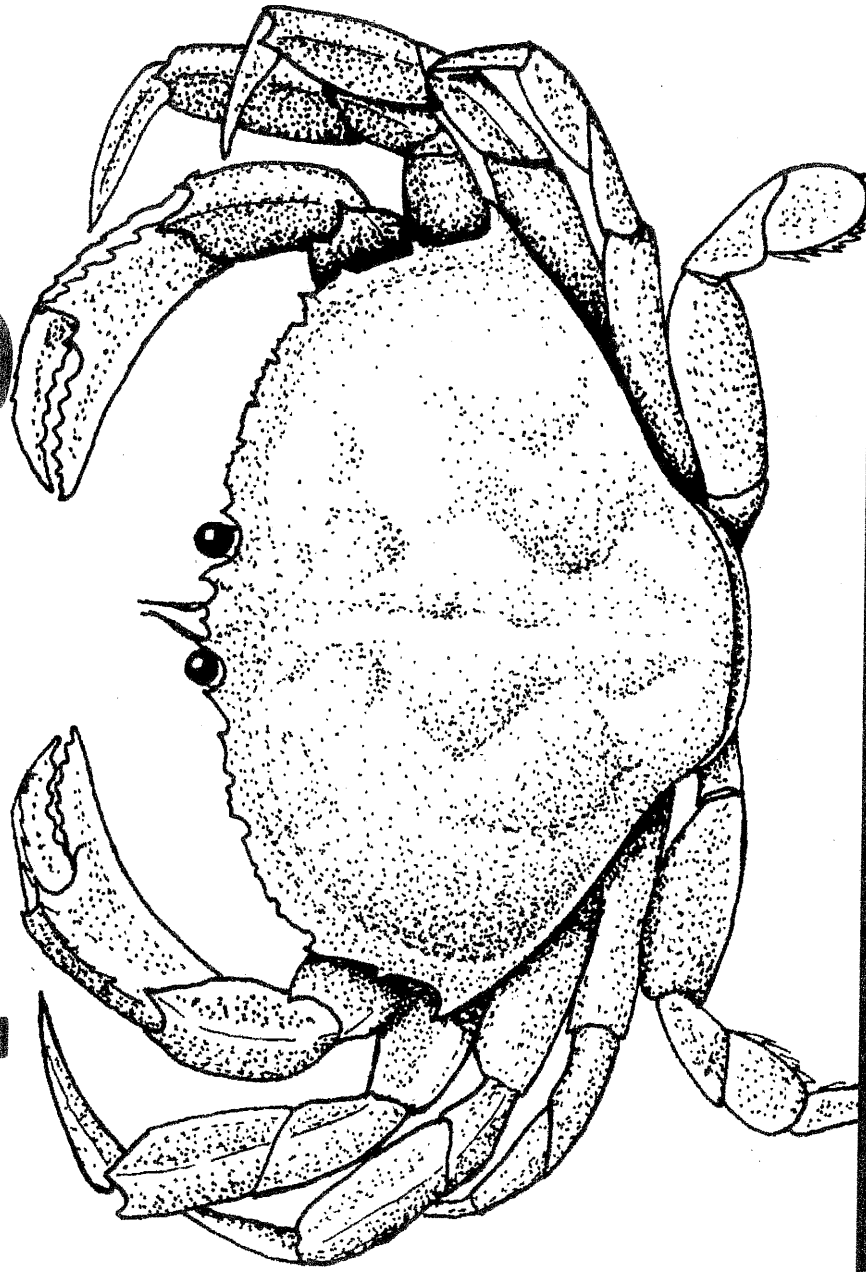
**Yardwaste
debris box
service
available.**

NRWS will deliver for a fee - 10 cubic yard minimum.

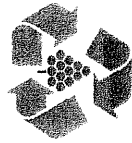


**NAPA RECYCLING
& WASTE SERVICES 707-255-5200**

Composting Only



Crab Shells, Food Waste, Waxed Cardboard & Paper Plates Go Here

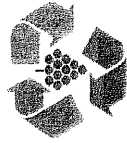


**NAPA RECYCLING &
WASTE SERVICES**

Trash Only

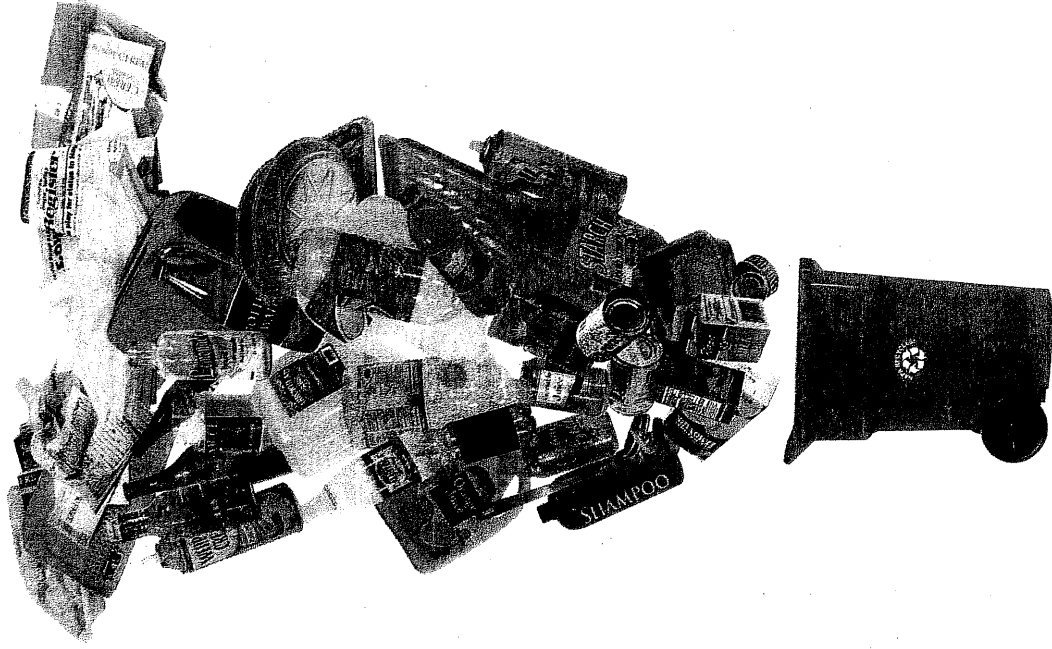
Recycling goes in the blue cart

Composting goes in the brown cart



**NAPA RECYCLING &
WASTE SERVICES**

Recycling Only



**Bottles, Cans, Clean Paper &
Cardboard Go Here**

 **NAPA RECYCLING &
WASTE SERVICES**

Attachment 8 – Manufacturer’s Equipment Brochures (Trucks and Containers)

Attachment 9 – Solid Waste Facilities Permits

SOLID WASTE FACILITY PERMIT

1. Facility/Permit Number:

28-AA-0030

Name and Street Address of Facility:

Napa Garbage Service Materials Diversion Facility
Material Recovery Facility
820 Levitin Way
Napa, CA 94558

3. Name and Mailing Address of Operator:

Napa Recycling & Waste Services, LLC
820 Levitin Way
Napa, CA 94558

4. Name and Mailing Address of Owner:

City of Napa
P.O. Box 660
Napa CA 94559-0660

5. Specifications:

- a. Permitted Operations: Composting Facility (mixed wastes) Processing Facility
 Composting Facility (yard waste) Transfer Station
 Landfill Disposal Site Transformation Facility
 Material Recovery Facility Other:

b. Permitted Hours of Operation: Commercial Vehicles: 5am to 5pm. Public Vehicles 8am to 5pm. Mixed Municipal Waste processing 6am to 6pm. Commingled and Source Separated Recyclables processing: 24 hours. The facility will be closed on Christmas Thanksgiving, and New Year's Day.

c. Permitted Tons per Operating Day:360.....Total: Tons/Day

Non-Hazardous - GeneralIncluded.....Tons/Day
 Non-Hazardous - SludgeN/A.....Tons/Day
 Non-Hazardous - Separated or commingled recyclables.....Included.....Tons/Day
 Non-Hazardous - Other (See Section 14 of Permit)N/A.....Tons/Day
 Designated (See Section 14 of Permit)N/A.....Tons/Day
 Hazardous (See Section 14 of Permit)N/A.....Tons/Day

d. Permitted Traffic Volume:60.....Total: Vehicles/Day


Incoming waste materials50.....Vehicles/Day
 Outgoing waste materials (for disposal)10.....Vehicles/Day

6. Key Design Parameters (Detailed parameters are shown on site plans bearing LEA and CIWMB validations):

	Total	Disposal	Transfer	MRF	Composting	Transformation
Permitted Area (in acres)	6.92 a	N/A a	N/A a	6.92 a	N/A a	N/A a
Design Capacity		N/A cy	N/A tpd	360 tpd	N/A tpd	N/A tpd
Max. Elevation (Ft. MSL)		N/A ft				
Max. Depth (Ft. BGS)		N/A ft				
Estimated Closure Date		N/A				

Upon a significant change in design or operation from that described herein, this permit is subject to revocation or suspension. The stipulated permit findings and conditions are integral parts of this permit & supersede the conditions of any previously issued permit.

Approval: _____


 Approving Officer Signature
 Nancy Watt, LEA Manager
 Name/Title

7. Enforcement Agency Name and Address:

Napa County Executive Office
1195 Third Street Room 310
Napa, CA 94559

Received by CIWMB: May 23, 1996

9. CIWMB Concurrence Date: June 26, 1996

10. Permit Issued Date: July 16, 1996

1A. Next Permit Review Due Date:
July 16, 2006

11B. Permit Transfer Date:
Oct 1, 2005

11C. Permit Review Date:
July 16, 2001

SOLID WASTE FACILITY PERMIT

1. Facility/Permit Number: 34-AA-0195

<p>2. Name and Street Address of Facility:</p> <p>Sacramento Recycling and Transfer Station 8491 Fruitridge Road Sacramento, California 95826</p>	<p>3. Name and Mailing Address of Operator:</p> <p>BLT Enterprises of Sacramento Inc 8491 Fruitridge Road Sacramento, California 95826</p>	<p>4. Name and Mailing Address of Owner:</p> <p>BLT Enterprises of Sacramento Inc 501 Spectrum Circle Oxnard, California 93030</p>
---	--	--

5. Specifications: **TRANSFER STATION**

a. Permitted Operations:

<input type="checkbox"/> Composting Facility (mixed waste)	<input type="checkbox"/> Processing Facility
<input type="checkbox"/> Composting Facility (yard waste)	<input checked="" type="checkbox"/> Transfer Station
<input type="checkbox"/> Landfill Disposal Site	<input type="checkbox"/> Transformation Facility
<input checked="" type="checkbox"/> Material Recovery Facility	<input checked="" type="checkbox"/> Other: Permanent Household Hazardous Waste Collection Facility

b. Permitted Hours of Operation: 5:00am to 10:00pm 7 days per week for waste receiving and Public Tipping
24-Hour per day 7 days per week for processing/waste transfer. Visitors center by appointment.

c. Permitted Tons Per Operating Day:

Total:	2000 (maximum)....	Tons/Day
Non-Hazardous - General	...Included.	Tons/Day
Non-Hazardous - SludgeN/A.....	Tons/Day
Non-Hazardous - Separated or commingled recyclables	...Included....	Tons/Day
Non-Hazardous Designated	Tons/Day
Hazardous (See Section 14 of Permit)	...Included.....	Tons/Day

d. Permitted Traffic Volume:

Total: 544.....	Vehicles/Day
Incoming waste materials	..Included.....	Vehicles/Day
Outgoing waste materials (for disposal)	..Included.....	Vehicles/Day
Outgoing materials from material recovery operations	..Included.....	Vehicles/Day

e. Key Design Parameters (Detailed parameters are shown on site plans bearing LEA and CIWMB validations):

	Total	Disposal	Transfer	MRF	Composting	Transformation
Permitted Area (in acres)	19.5 a	N/A a	19.5 a	a	N/A a	a
Design Capacity		cy	2500 tpd	tpd	tpd	tpd
Max. Elevation (Ft. MSL)		ft				
Max. Depth (Ft. BGS)		ft				
Estimated Closure Date						

Upon a significant change in design or operation from that described herein, this permit is subject to revocation or suspension. The attached permit findings and conditions are integral parts of this permit and supersede the conditions of any previously issued solid waste facility permits.

<p>6. Approval:</p> <p style="text-align: center;"><i>Steve Kalvelage</i></p> <p>Approving Officer Signature Steve Kalvelage, REHS, Supervising Environmental Health Specialist</p>	<p>7. Enforcement Agency Name and Address:</p> <p>Sacramento County Environmental Management Department Environmental Health Division 847^{1/2} Jackson Road - Suite 240 Sacramento, CA 95826</p>
---	---

<p>8. Received by CIWMB:</p> <p style="text-align: center;">OCT 2 2000</p>	<p>9. CIWMB Concurrence Date:</p> <p style="text-align: center;">JAN 24 2001</p>
--	--

<p>10. Permit Review Due Date:</p> <p style="text-align: center;">January 29, 2006</p>	<p>11. Permit Issue Date:</p> <p style="text-align: center;">January 29, 2001</p>
--	---

SOLID WASTE FACILITY PERMIT

1. Facility/Permit Number:
04-AA-0002

2. Name and Street Address of Facility:
Road Landfill
1025 Neal Road Landfill
Chico, CA 95969

3. Name and Mailing Address of Operator:
Butte County Public Works Department
7 County Center Drive
Oroville, CA 95965

4. Name and Mailing Address of Owner:
Butte County Public Works Department
7 County Center Drive
Oroville, CA 95928

5. Specifications: Landfill disposal Site

- a. Permitted Operations:
- Composting Facility (mixed wastes)
 - Composting Facility (yard waste)
 - Landfill Disposal Site
 - Material Recovery Facility
 - Processing Facility
 - Transfer Station
 - Transformation Facility
 - Other:

- b. Permitted Hours of Operation: 7 AM to 4PM
- c. Permitted Tons per Operating Day: 1,200 Total: Tons/Day
- d. Permitted Traffic Volume: 360 Total: Vehicles/Day

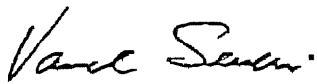
e. Key Design Parameters (Detailed parameters are shown on site plans bearing LEA and CIWMB validations):

	Total	Disposal	Transfer	MRF	Composting	Transformation
Permitted Area (in acres)	165 a	101 a	a	a	a	a
Design Capacity		cy	tpd	tpd	tpd	tpd
Elevation (FL MSL)		495 ft				
Max. Depth (Ft. BGS)		N/A				
Estimated Closure Date		2018				

Upon a significant change in design or operation from that described herein, this permit is subject to revocation or suspension. The stipulated permit findings and conditions are integral parts of this permit & supersede the conditions of any previously issued permit.

6. Approval:

Approving Officer Signature



Name/Title Vance Severin, Director of Environmental Health

7. Enforcement Agency Name and Address:

Butte County Department of Public Health
Division of Environmental Health
P.O. Box 5364
Chico, CA 95927-5364

8. Received by CIWMB:
November 30, 1998

9. CIWMB Concurrence Date:
January 27, 1999

10. Permit Issued Date:
February 2, 1999

11A. Next Permit Review Due Date:
February 2, 2004

11B. Permit Transfer Date:
April 7th, 2003

11C. Permit Review Date:

Attachment 10 – Commitment Letters from BLT and Napa Recycling



Napa Recycling & Waste Services, LLC

820 Levitin Way • PO Box 239 • Napa, CA 94559

(707) 255-5200 • (707) 256-3565 FAX

March 20, 2006

Northern Recycling & Waste Services, LLC

P.O. Box 239

Napa, CA 94559

Re: Town of Paradise and Butte County Recyclables Processing

Napa Recycling & Waste Services (NRWS) is pleased to provide this commitment letter for single stream recyclable processing services to Northern Recycling and the Town of Paradise and Butte County. NRWS is providing Northern Recycling with the following service commitments.

- Provide guaranteed Single Stream recyclables processing at NRWS Material Diversion Facility located at 820 Levitin Way, Napa CA. This facility is permitted for 360 tons per day and has excess capacity for recycling processing.
- Provide materials processing and marketing services within the now operating NRWS materials diversion facility, permit # 28-AA-0030. The operation is supported with a Area Marketing Management structure that includes long term domestic and international markets.

NRWS is qualified to provide these services to Northern Recycling and the Town of Paradise and Butte County. NRWS redesigned our MRF to handle Residential and Commercial Single Stream recyclables in September 2005. This facility currently has additional processing capacity that can be contractually committed to Northern Recycling and the Town of Paradise and Butte County for the full or parcel term of the proposed contract.

Napa Recycling & Waste Services would be happy to provide additional information and tours of the Napa MDF to the town of Paradise and Butte County.

Sincerely,

Greg Kelley
Managing Partner/ General Manager



March 23, 2006

Mr. Greg Kelley
President
Northern Recycling & Waste Services
P.O. Box 239
Napa, CA 94559

Subject: City of Paradise Recyclables Processing Commitment

Dear Mr. Kelley:

BLT Enterprises (BLT) is pleased to provide this commitment letter for recyclable processing services to Northern Recycling & Waste Services (NRWS) and the City of Paradise. Pursuant to the City of Paradise, Request for Proposals. BLT is providing NRWS with the following service commitments.

- Provide ***guaranteed curbside recyclables processing*** and long-term utilization of the Sacramento Recycling & Transfer Station ("SRTS"), material recovery facility (MRF) located at 8491 Fruitridge Road in Sacramento. This facility is permitted for 2000 tons per day and has excess capacity for recyclables processing;
- Provide materials processing and marketing services within the now operating SRTS material recovery facility, permit # 34-AA-0195. The operation is supported with a regional marketing management structure that includes long-term domestic and international market relationships.

BLT Enterprises qualified to provide these services to Napa Recycling and Waste Services and the City of Paradise. Sacramento Recycling & Transfer Station has been operating since May of 1999 and processing commingled recyclables since year 2000. This facility currently has additional capacity that can be contractually committed to NRWS and the City of Paradise for the full term of the proposed contract.

We hope you will find the discussed services attractive and look forward to presenting it in further detail to you and/or the City. If you have any questions please do not hesitate to contact me at (916) 379-0500.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shawn Gutterson', is written over a horizontal line.

Shawn Gutterson
Vice President

Attachment 11 – Sample Customer Bills



SAMPLE NRWS BILLING INVOICE -
MULTI-FAMILY ACCOUNT

*****Important Message*****
THANK YOU FOR YOUR PROMPT PAYMENTS.

STATEMENT DATE	ACCOUNT NUMBER	DATE PAID	YOUR CHECK NUMBER	AMOUNT PAID
2/27/06	02-1212121 4			

CUSTOMER NAME/BILLING ADDRESS

SERVICE ADDRESS

MULTI FAMILY APARTMENTS
PO BOX 4567
NAPA CA 94559

1 APARTMENT WAY

SERVICE PERIOD	DESCRIPTION OF SERVICE	QUANTITY	RATE	TOTAL
1/26/06	PRIOR BALANCE			234.48
2/24/06	PAYMENT -			117.24-
2/27/06	PAYMENT -			117.24-
2/27/06	COMMERCIAL 95 GAL TOTER # P/U: 01	1.00		58.62
2/27/06	COMMERCIAL 95 GAL TOTER # P/U: 01	1.00		58.62
2/27/06	COMM RECYCLE TOTER N/C # P/U: 01	3.00		
2/27/06	COMM YARDWASTE TOTER N/ # P/U: 01	1.00		
FEBRUARY 2006 SERVICES				

****DUE UPON RECEIPT** **PAST DUE, 30 DAYS AFTER STATEMENT DATE****

CURRENT 0-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	BALANCE DUE
117.24	.00	.00	.00	\$ 117.24

----- DETACH HERE -----

STATEMENT DATE	ACCOUNT NUMBER	AMOUNT DUE	AMOUNT REMITTED
2/27/06	02-1212121 4	\$ 117.24	\$ ●

MAKE CHECK PAYABLE TO:

CHECK HERE IF ADDRESS HAS CHANGED.
NOTE CORRECTIONS ON REVERSE SIDE.

NRWS -- Collections
P.O. Box 981178
West Sacramento, CA 95798-1178

MULTI FAMILY APARTMENTS
PO BOX 4567
NAPA CA 94559

PAYMENT AND SERVICE INFORMATION

WHEN TO PAY YOUR BILL: Your payment is due when you receive your bill. If we do not receive your payment 30 days from the date of the invoice, your account will be considered past due. If we stop your service for non-payment, you must pay the past due amount and a service deposit before service will be reinstated.

HOW TO PAY YOUR BILL: Please mail your payments using the returned envelope provided. When mailing your payment, write the amount paid in the amount remitted box on the remittance stub and send the stub along with your payment. Please do not include cash when mailing your payment. The following forms of payment are acceptable: checks, cash, cashier's checks, credit cards (MasterCard & Visa), debit cards, "Easy Pay", and on-line banking.

To sign up for our "Easy Pay" system or to make a e-banking payment, please call a customer service representative at 707 255-5200 or go to our website located at www.naparecycling.com to receive additional information on these time saving ways to pay your bill

WHERE TO PAY YOUR BILL: You may also pay your bill at our office located at 820 Levitin Way (end of Tower Road).

DISCOUNT FOR ADVANCE PAYMENT: Residential customers on individual cart service will receive a 5% discount for paying 12 months in advance of service. The credit will be applied to our account once the payment is received and will appear as a credit on your first invoice after the payment is processed.

VACATION CREDIT POLICY: Customers are eligible for this credit one (1) time each calendar year. You must request a minimum of two (2) weeks of continuous stop of service. You must notify us at least two weeks before the vacation stop occurs. We will credit you for a vacation period of a minimum of two (2) weeks to a maximum of three (3) months. Any stop request that exceeds three (3) months, the contractor will arrange to pick-up carts and will reinstate service upon notification.

RESIDENTIAL SERVICE REQUIREMENT: On your service pickup day, containers must be placed curbside by 6:00 a.m. Each 65 gallon capacity container must weigh 150 pounds or less.

SERVICE DEPOSIT REQUIREMENT: The following is a list of common service deposits required to started or restarted service:

Temporary Services:

Drop Boxes	
Residential Service	50% of service fee
Commercial Service	50% of service fee

Bin Service	
Residential Service	50% of service fee
Commercial Service	50% of service fee

Please call our customer service representatives at 707 255-5200 to discuss the amount of deposit that will be required for your specific account.

QUESTIONS ABOUT YOUR BILL: If you have questions regarding your bill, please call 707 255-5200. Our office hours are Monday through Friday from 8:00 a.m. until 5:00 p.m.

CHANGE OF ADDRESS NOTIFICATION

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone: () _____



SAMPLE NCRWS BILLING INVOICE - RESIDENTIAL ACCOUNT

STATEMENT DATE	ACCOUNT NUMBER	DATE PAID	YOUR CHECK NUMBER	AMOUNT PAID
1/25/06	13-9876543 1			

CUSTOMER NAME/BILLING ADDRESS

SERVICE ADDRESS

MARY RECYCLING
888 8TH AVE
NAPA CA 94558

888 8TH AVE

SERVICE PERIOD	DESCRIPTION OF SERVICE	QUANTITY	RATE	TOTAL
1/10/06	PRIOR BALANCE			71.46
1/25/06	PAYMENT - CHECK#1234			47.64-
	65 GAL TOTER -RESIDENTIAL	1.00	23.820	23.82
JANUARY 2006 SERVICE				

****DUE UPON RECEIPT** **PAST DUE, 30 DAYS AFTER STATEMENT DATE****

CURRENT 0-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	BALANCE DUE
23.82	23.82	.00	.00	\$ 47.64

----- DETACH HERE -----

STATEMENT DATE	ACCOUNT NUMBER	AMOUNT DUE	AMOUNT REMITTED
1/25/06	13-9876543 1	\$ 47.64	\$ ●

MAKE CHECK PAYABLE TO:

CHECK HERE IF ADDRESS HAS CHANGED.
NOTE CORRECTIONS ON REVERSE SIDE.

Napa County Recycling & Waste Services
Dept. 33755
P.O. Box 39000
San Francisco, CA 94139

MARY RECYCLING
888 8TH AVE
NAPA CA 94558

PAYMENT AND SERVICE INFORMATION

WHEN TO PAY YOUR BILL: Your payment is due when you receive your bill. If we do not receive your payment 30 days from the date of the invoice, your account will be considered past due. If we stop your service for non-payment, you must pay the past due amount and a service deposit before service will be reinstated.

HOW TO PAY YOUR BILL: Please mail your payments using the returned envelope provided. When mailing your payment, write the amount paid in the amount remitted box on the remittance stub and send the stub along with your payment. Please do not include cash when mailing your payment. The following forms of payment are acceptable: checks, cash, cashier's checks, credit cards (MasterCard & Visa), debit cards, "Easy Pay", and on-line banking.

To sign up for our "Easy Pay" system or to make a e-banking payment, please call a customer service representative at 707 255-5200 or go to our website located at www.naparecycling.com to receive additional information on these time saving ways to pay your bill

WHERE TO PAY YOUR BILL: You may also pay your bill at our office located at 820 Levitin Way (end of Tower Road).

DISCOUNT FOR ADVANCE PAYMENT: Residential customers on individual cart service will receive a 5% discount for paying 12 months in advance of service. The credit will be applied to our account once the payment is received and will appear as a credit on your first invoice after the payment is processed.

VACATION CREDIT POLICY: Customers are eligible for this credit one (1) time each calendar year. You must request a minimum of two (2) weeks of continuous stop of service. You must notify us at least two weeks before the vacation stop occurs. We will credit you for a vacation period of a minimum of two (2) weeks to a maximum of three (3) months. Any stop request that exceeds three (3) months, the contractor will arrange to pick-up carts and will reinstate service upon notification.

RESIDENTIAL SERVICE REQUIREMENT: On your service pickup day, containers must be placed curbside by 6:00 a.m. Each 65 gallon capacity container must weigh 150 pounds or less.

SERVICE DEPOSIT REQUIREMENT: The following is a list of common service deposits required to started or restarted service:

Temporary Services:

Drop Boxes	
Residential Service	50% of service fee
Commercial Service	50% of service fee

Bin Service	
Residential Service	50% of service fee
Commercial Service	50% of service fee

Please call our customer service representatives at 707 255-5200 to discuss the amount of deposit that will be required for your specific account.

QUESTIONS ABOUT YOUR BILL: If you have questions regarding your bill, please call 707 255-5200. Our office hours are Monday through Friday, from 8:00 a.m. until 5:00 p.m.

CHANGE OF ADDRESS NOTIFICATION

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone: () _____



SAMPLE NRWS BILLING INVOICE -
COMMERCIAL ACCOUNT

*****Important Message*****
THANK YOU FOR YOUR PROMPT PAYMENTS.

STATEMENT DATE	ACCOUNT NUMBER	DATE PAID	YOUR CHECK NUMBER	AMOUNT PAID
2/27/06	02-9999999 9			

CUSTOMER NAME/BILLING ADDRESS

SERVICE ADDRESS

NAPA COMMERCIAL BUSINESS
9999 NINTH ST
NAPA CA 94558

9999 NINTH ST

SERVICE PERIOD	DESCRIPTION OF SERVICE	QUANTITY	RATE	TOTAL
2/10/06	PRIOR BALANCE			863.26
2/27/06	PAYMENT -			863.26-
2/27/06	6 YD COMMERCIAL BIN # P/U: 01	1.00		863.26
2/27/06	COMM RECYCLE TOTER N/C # P/U: 01	2.00		
2/27/06	COMM YARDWASTE TOTER N/ # P/U: 01	4.00		
2/27/06	2 YARD COM CARDBOARD BI # P/U: 01	1.00		
FEBRUARY 2006 SERVICES				

****DUE UPON RECEIPT** **PAST DUE, 30 DAYS AFTER STATEMENT DATE****

CURRENT 0-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	BALANCE DUE
863.26	.00	.00	.00	\$ 863.26

----- DETACH HERE -----

STATEMENT DATE	ACCOUNT NUMBER	AMOUNT DUE	AMOUNT REMITTED
2/27/06	02-9999999 9	\$ 863.26	\$ ●

MAKE CHECK PAYABLE TO:

CHECK HERE IF ADDRESS HAS CHANGED.
NOTE CORRECTIONS ON REVERSE SIDE.

NRWS -- Collections
P.O. Box 981178
West Sacramento, CA 95798-1178

NAPA COMMERCIAL BUSINESS
9999 NINTH ST
NAPA CA 94558

PAYMENT AND SERVICE INFORMATION

WHEN TO PAY YOUR BILL: Your payment is due when you receive your bill. If we do not receive your payment 30 days from the date of the invoice, your account will be considered past due. If we stop your service for non-payment, you must pay the past due amount and a service deposit before service will be reinstated.

HOW TO PAY YOUR BILL: Please mail your payments using the returned envelope provided. When mailing your payment, write the amount paid in the amount remitted box on the remittance stub and send the stub along with your payment. Please do not include cash when mailing your payment. The following forms of payment are acceptable: checks, cash, cashier's checks, credit cards (MasterCard & Visa), debit cards, "Easy Pay", and on-line banking.

To sign up for our "Easy Pay" system or to make a e-banking payment, please call a customer service representative at 707 255-5200 or go to our website located at www.naparecycling.com to receive additional information on these time saving ways to pay your bill

WHERE TO PAY YOUR BILL: You may also pay your bill at our office located at 820 Levitin Way (end of Tower Road).

DISCOUNT FOR ADVANCE PAYMENT: Residential customers on individual cart service will receive a 5% discount for paying 12 months in advance of service. The credit will be applied to our account once the payment is received and will appear as a credit on your first invoice after the payment is processed.

VACATION CREDIT POLICY: Customers are eligible for this credit one (1) time each calendar year. You must request a minimum of two (2) weeks of continuous stop of service. You must notify us at least two weeks before the vacation stop occurs. We will credit you for a vacation period of a minimum of two (2) weeks to a maximum of three (3) months. Any stop request that exceeds three (3) months, the contractor will arrange to pick-up carts and will reinstate service upon notification.

RESIDENTIAL SERVICE REQUIREMENT: On your service pickup day, containers must be placed curbside by 6:00 a.m. Each 65 gallon capacity container must weigh 150 pounds or less.

SERVICE DEPOSIT REQUIREMENT: The following is a list of common service deposits required to started or restarted service:

Temporary Services:

Drop Boxes	
Residential Service	50% of service fee
Commercial Service	50% of service fee

Bin Service	
Residential Service	50% of service fee
Commercial Service	50% of service fee

Please call our customer service representatives at 707 255-5200 to discuss the amount of deposit that will be required for your specific account.

QUESTIONS ABOUT YOUR BILL: If you have questions regarding your bill, please call 707 255-5200. Our office hours are Monday through Friday from 8:00 a.m. until 5:00 p.m.

CHANGE OF ADDRESS NOTIFICATION

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone: () _____



SAMPLE NCRWS BILLING INVOICE - ROLL OFF ACCOUNT

STATEMENT DATE	ACCOUNT NUMBER	DATE PAID	YOUR CHECK NUMBER	AMOUNT PAID
12/27/05	13-1234567 1			

CUSTOMER NAME/BILLING ADDRESS

SERVICE ADDRESS

NAPA VALLEY WINERY
PO BOX 12345
NAPA CA 94558-2345

1111 NAPA VALLEY RD

SERVICE PERIOD	DESCRIPTION OF SERVICE	QUANTITY	RATE	TOTAL
12/19/05	PRIOR BALANCE			4594.74
12/27/05	PAYMENT -			2947.37-
12/27/05	20 YARD DEBRIS BOX	1.00		
12/27/05	20 YARD CARDBOARD BOX	1.00		
12/27/05	20 YARD PUMACE BOX	1.00		
11/29/05	20 YARD DEBRIS BOX	1.00		347.37
11/29/05	PULL & RETURN	1.00		
11/29/05	HAUL IN	1.00		
11/29/05	20 YARD PUMACE BOX	1.00		100.00
11/29/05	HAUL IN	1.00		
11/29/05	20 YARD PUMACE BOX	1.00		100.00
DECEMBER 2005 SERVICE				

****DUE UPON RECEIPT** **PAST DUE, 30 DAYS AFTER STATEMENT DATE****

CURRENT 0-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	BALANCE DUE
547.37	1647.37	.00	.00	\$ 2194.74

----- DETACH HERE -----

STATEMENT DATE	ACCOUNT NUMBER	AMOUNT DUE	AMOUNT REMITTED
12/27/05	13-1234567 1	\$ 2194.74	\$ ●

MAKE CHECK PAYABLE TO:

CHECK HERE IF ADDRESS HAS CHANGED.
NOTE CORRECTIONS ON REVERSE SIDE.

Napa County Recycling & Waste Services
Dept. 33755
P.O. Box 39000
San Francisco, CA 94139

NAPA VALLEY WINERY
PO BOX 12345
NAPA CA 94558

PAYMENT AND SERVICE INFORMATION

WHEN TO PAY YOUR BILL: Your payment is due when you receive your bill. If we do not receive your payment 30 days from the date of the invoice, your account will be considered past due. If we stop your service for non-payment, you must pay the past due amount and a service deposit before service will be reinstated.

HOW TO PAY YOUR BILL: Please mail your payments using the returned envelope provided. When mailing your payment, write the amount paid in the amount remitted box on the remittance stub and send the stub along with your payment. Please do not include cash when mailing your payment. The following forms of payment are acceptable: checks, cash, cashier's checks, credit cards (MasterCard & Visa), debit cards, "Easy Pay", and on-line banking.

To sign up for our "Easy Pay" system or to make a e-banking payment, please call a customer service representative at 707 255-5200 or go to our website located at www.naparecycling.com to receive additional information on these time saving ways to pay your bill

WHERE TO PAY YOUR BILL: You may also pay your bill at our office located at 820 Levitin Way (end of Tower Road).

DISCOUNT FOR ADVANCE PAYMENT: Residential customers on individual cart service will receive a 5% discount for paying 12 months in advance of service. The credit will be applied to our account once the payment is received and will appear as a credit on your first invoice after the payment is processed.

VACATION CREDIT POLICY: Customers are eligible for this credit one (1) time each calendar year. You must request a minimum of two (2) weeks of continuous stop of service. You must notify us at least two weeks before the vacation stop occurs. We will credit you for a vacation period of a minimum of two (2) weeks to a maximum of three (3) months. Any stop request that exceeds three (3) months, the contractor will arrange to pick-up carts and will reinstate service upon notification.

RESIDENTIAL SERVICE REQUIREMENT: On your service pickup day, containers must be placed curbside by 6:00 a.m. Each 65 gallon capacity container must weigh 150 pounds or less.

SERVICE DEPOSIT REQUIREMENT: The following is a list of common service deposits required to started or restarted service:

Temporary Services:

Drop Boxes	
Residential Service	50% of service fee
Commercial Service	50% of service fee

Bin Service	
Residential Service	50% of service fee
Commercial Service	50% of service fee

Please call our customer service representatives at 707 255-5200 to discuss the amount of deposit that will be required for your specific account.

QUESTIONS ABOUT YOUR BILL: If you have questions regarding your bill, please call 707 255-5200. Our office hours are Monday through Friday from 8:00 a.m. until 5:00 p.m.

CHANGE OF ADDRESS NOTIFICATION

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone: () _____

Attachment 12 – Sample Monthly Reporting to Franchisors

Napa County Recycling & Waste Services

Monthly Collections Reports: Jan-Feb 2006

Submitted to the County of Napa
March 23, 2006

NCRWS Monthly Collections Reports_Jan-Feb 2006
Residential

3/28/2006

	** 2006**			Year
	January	February	March	to date
Number of households on MSW Service	4,074	4,123		4,123
Number of households participating in recycling program	3,984	4,050		4,050
Number of households participating in yardwaste program	3,999	4,061		4,061
Number of bulky goods pick ups	5	5		10
Number of e-waste pick ups	0	1		1
Number of used oil customer signups	90	112		112
Number of used oil sets outs	22	40		62
Total tons collected of MSW	464.57	330.84		795.41
Total tons collected of single-stream recycling	218.18	174.44		392.62
Total tons collected of yardwaste	278.33	241.00		519.33
Diversion rate for residential program	51.66%	55.67%		53.41%

*** 2006 **
 January February March Year to Date

Number of commercial accounts on MSW service with bin collection 164
 Number of commercial accounts on MSW service with cart collection 119
 Number of commercial accounts participating in bin recycling program* 76
 Number of commercial accounts participating in cart recycling program 62
 Number of commercial accounts participating in bin yardwaste program 5
 Number of commercial accounts participating in cart yardwaste program 11
 Number of commercial bulky goods pick ups 0
 Number of commercial e-waste pick ups 0

Total tons of collected MSW

265.46	156.65	422.11
--------	--------	--------

Total tons collected of recycling:

Cardboard

1.68	0.00	1.68
------	------	------

Single Stream

67.86	49.38	117.24
-------	-------	--------

Total tons of collected recycling

69.54	49.38	118.92
-------	-------	--------

Total tons of collected yardwaste

0.00	0.00	0.00
------	------	------

Commercial diversion rate:

20.76%	23.97%	21.98%
--------	--------	--------

Total Cubic yards of containers on service:

MSW BIN

560.5

MSW CART

74.35

RECY BIN

354

RECY CART

72.675

YW BIN

28

YW CART

20.425

Grand Total

1109.95

NCRWS Monthly Collections Reports_Jan-Feb 2006
Roll Off

3/28/2006

** 2006 **

Year
to Date

	January	February	March	Year to Date
Number of roll off pulls - MSW	393	296		689
Number of roll off pulls - Recycling	52	48		100
Number of roll off pulls - Composting/Wood	87	105		192
Total tons collected of MSW	597.30	475.82		1,073.12

Total tons collected of recycling by material type:

Asphalt	26.45	0.00		26.45
Cardboard	104.91	57.17		162.08
Concrete	107.1	34.85		141.95
Dirt	0.00	71.96		71.96
Glass	100.98	144.34		245.32
Newspaper	30.37	23.28		53.65
Metal	0.00	0.00		0.00
Mixed UBC	1.77	0.00		1.77
Mixed Paper	20.86	24.69		45.55
White Paper	30.24	22.01		52.25
Plastic	0.00	0.00		0.00
Single Stream Recycling	0.00	5.01		5.01
Grand total - Recycling tons	422.68	383.31		805.99

Total tons collected of yard waste/wood by material type:

Manure	117.98	87.03		205.01
Pumace	28.02	0.00		28.02
Sawdust	11.24	28.39		39.63
Wood	138.94	181.42		320.36
Yardwaste	118.74	118.79		237.53
Yardwaste to Wood	0.00	0.00		0.00
Total tons collected of yardwaste	414.92	415.63		830.55
Total diversion	837.60	798.94		1,636.54
Diverson rate - roll off	58.37%	62.67%		60.40%

Total Cubic yards of containers on service:

Composting/Wood	2058	2670		
MSW	8942	6023		
Recycling	882	1070		
Grand Total	11882	9763		

NRWS Special Event Reports: Jan-Feb 2006

	Totals	Tons Collected
Special Events:		
Total number of events with MSW service	1	
Total number of events with Recycling service	1	
Total number of events with Composting/Yardwaste service	1	
Total Recycling tonnage:		0.45
Total Composting tonnage:		0.35
Total MSW tonnage:		1.09
Total Diversion rate:		42.33%



Special Event Report:

Name of event: Napa High Crab Feed
Location: Napa Valley Expo
Date: Saturday, February 25, 2006
Time: 5pm-midnight
Attendance: approx. 1000
Event Contact: Caryn Green, 571-7430 (work), 287-0742 (cell)
 cgreen@magnoliatc.com

Volunteer/Staffing info: Tim Dewey-Mattia on site Friday afternoon for setup and during event on Saturday to supervise recycling/composting operations
 Approx. 20 Napa High adult volunteers bussed tables,
 approx. 10 Sea Scouts assisted in cleanup

Recycling/Trash setup:

NRWS Special Event Reports: Jan-Feb 2006

	Totals	Tons Collected
<u>MSW</u>		
Containers provided and tons collected:		
Bins	-	
Carts	-	
Boxes (roll off)	1 - 20 yd.	
Total pounds collected - MSW		2180
Total tons collected - MSW		1.09
MSW notes:		
Venue provided trash cans located throughout hall, emptied by volunteers & Sea Scouts		
<u>Recycling</u>		
Containers provided and tons collected:		
Mixed recycling bins	1 - 6 yd.	180
Cardboard bins	-	
Mixed recycling carts	12 - 95 gal.	720
Boxes (roll off)	-	
Total pounds collected - Recycling		900
Total tons collected - Recycling		0.45
Recycling notes:		
Carts placed behind bars, and in several other locations throughout the hall. Volunteers bussed wine bottles from tables to carts.		
<u>Composting</u>		
Containers provided and tons collected:		
Bins	1 - 6 yd.	700
Carts	7 - 35 gal.	
Boxes (roll off)	-	
Total pounds collected - Composting		700
Total tons collected - Composting		0.35
Composting notes:		

NRWS Special Event Reports: Jan-Feb 2006

	Totals	Tons Collected
--	--------	----------------

Carts placed around hall, volunteers emptied crab buckets into toters, Tim Dewey-Mattia rolled toters outside to dump in bins

Total diversion (tons): 0.80
Event diversion rate: 42.33%

Comments/Recommendations:

Hard-working, dedicated and knowledgeable volunteers
Sea Scouts cooperated with recycling - we will coordinate cleanup/recycling with them in future
Good communication with event producers - they were supportive of composting pilot
More training will remove any of the confusion about what is and isn't compostable
Significant amount of cardboard and tomato sauce cans recycled during event setup
Recycling carts behind bars brought in large amount of UBCs (mostly glass)
Crab shell composting method worked well, large amount of shells, buckets, and waxed OCC collected
35 gallon cart good for crab - anything bigger would be too heavy to dump
Signage worked well - need to tweak wording slightly and laminate
Good test event to work on different methods of collecting composting/recycling at Crab Feeds

Trash cans were everywhere, very important to get permanent recycling cans for Expo (venue grant)
UBCs ending up in trash - should be avoided with recycling cans at each trash can location
Large banners will make outside bins/boxes easier to distinguish
For night events - need to have outside area lit better in order to ensure proper usage of bins/boxes
Need to work with events to eliminate styrofoam/plastic - these products were the largest part of waste stream
Paper plates, biodegradable utensils, PLA cups will increase composting and decrease trash significantly
Using Bio-bags should help in transportation of composting from cart to bin

NCRWS Monthly Collections Reports_Jan-Feb 2006
Overall Diversion

3/28/2006

MONTH: Oct 05-Feb 06

	Oct-05	Nov-05	Dec-05	2005 Totals	Jan-06	Feb-06	2006 Totals	Monthly Average
Recycling	749.27	658.69	626.06	2034.02	710.40	607.13	1317.53	670.31
Yard Waste/Wood	2322.52	1825.02	898.74	5046.28	693.25	656.63	1349.88	1279.23
Mixed C&D (from transfer station)	0.00	9.33	2.41	11.74	10.90	14.18	25.08	7.36
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Diversion	3071.79	2493.04	1527.21	7092.04	1414.55	1277.94	2692.49	1956.91
Total MSW	1284.40	1180.55	1006.02	3470.97	1327.33	963.31	2290.64	1152.32
Total Material	4356.19	3673.59	2533.23	10563.01	2741.88	2241.25	4983.13	3109.23
NCRWS Diversion %	71%	68%	60%	67%	52%	57%	54%	63%

*Note - flood impact on diversion:
January MSW tonnage is 20% higher than normal due to the disposal of flood debris

DRTS Recycling

<u>Date</u>	<u>Tons</u>	<u>Material</u>
2/21/2006	3.58	Newspaper
2/21/2006	1.21	Cardboard
2/24/2006	1.27	Cardboard
2/27/2006	3.46	Paper
2/27/2006	<u>1.40</u>	Metal
Total tons:	10.92	

Exhibit K

County facilities - free services

Site	Address	MSW service	pickup day	Recy service	pickup day
Sheriff's Facilities	1535 Airport Blvd	6Y	Mon	6Y Mx	Thurs
Cutting's Wharf	Dock Area	two 95 gal. carts	Mon		

County facilities/events:

(none)

NVUSD SERVICE LEVELS (COUNTY)

SCHOOL	QTY	SIZE	TYPE	DAY	ADDRESS
CARNEROS ELEMENTARY	1	6Y	MSW bin	TUE/FRI	1680 LOS CARNEROS AVE
	2	95 gal.	MX Recy cart	WED	
MOUNT GEORGE ELEMENTARY	1	6Y	MSW bin	TUE/FRI	1019 SECOND AVE
	1	6Y	MX Recy bin	THU	
VICHY ELEMENTARY	1	6Y	MSW bin	TUE/FRI	3261 VICHY AVE
	2	2Y	MX Recy bin	WED	

Public Education & Outreach

MONTH: Jan-Feb 2006

List of all public education distributed:

	Date	Method	Audience
EasyPay mailer	January	billing insert	all customers
Composting class mailer		billing insert	all customers
Backyard service letter		customer letter	letter to customers on BY service - verify service
Lawnmower event insert	February	March insert (Feb billing)	all customers
Used oil recycling insert		March insert (Feb billing)	all customers
"Spring into Action" food drive insert		March insert (Feb billing)	all customers
CyberMill internet safety insert		March insert (Feb billing)	all customers
Battery recycling insert		March insert (Feb billing)	all customers
Ink Cartridge recycling insert		March insert (Feb billing)	all customers

Presentations/tours/site visits/other outreach:

	Location	Date	** Topic Discussed **
Meeting with Amy to discuss yearly mailer		6-Jan	
Doctors Company Business Assessment	185 Greenwood Rd	20-Jan	Increased recycling at offices
Meeting with Amy to discuss special event flier		27-Jan	
KVON - Chamber of Commerce radio show	KVON studios	3-Feb	general NCRWS info, business recycling
Leadership Napa Valley meeting	Taqueria Rosita	6-Feb	Earth Day cleanup event, general NCRWS info
Napa High Crab Feed setup	Expo - Chardonnay Hall	24-Feb	Crab Feed setup and volunteer training
CRRA Venue/Special Event Training	Oakland	28-Feb	large venue/special event recycling

Website

January - updated FAQ's with answers to common billing questions, posted additional PDFs of educational literature
 Jan 24 - NCRWS meeting to discuss website content
 Jan 25 - met with Genacom to discuss website design

February/March plan - redesign website layout, convert info to text/html, put more information on site, put up event information

Public Education & Outreach

MONTH: Jan-Feb 2006

CUSTOMER COMPLAINTS:

TOTERS REMOVED FROM HOUSE	1/4/2006	BELINDA LAIRD	13-26094	3194 #A SONOMA HWY
NO REG TRASH SERV/BRUCE	1/17/2006	BRUCE FOSTER	13-38806	2912 MONTICELLO RD
SHARON CALLD/SAYS DRIVERS USE HER DRIVEWAY TO TURN AROUND/WILL TEARUP HER ASPHALT/TM TO RG AND ALL 3 DRIVERS/ST	1/27/2006	SHARON CUNIGAN	13-26279	4117 MCKINNON RD
CUSTOMER COMPLAINT:TRASH DRIVER KEEPS PUTTING TTR IN POISON OAK/GORDON CALLD/VERY UPSET/TM TO RG & JULIO G006/ST	1/31/2006	GORDON EVANS	13-31258	2381 ATLAS PEAK RD
CUSTOMER COMPLAINT:JOHN MONFREDINI TRASH KEEPS GETTING MISSED HE REQUESTED A SUPERVISOR SO I TRANS TO STEVE M PER STEVE THE CUSTOMER WAS SATISFIED HE WAS TOLD HE HAD A SUB DRIVER AND CALMED DOWN DRIVER IS GOING BACK TODAY TO SERVICE	2/3/2006	JOHN MONFREDINI	13-21977	1360 ORCHARD AVE
CUSTOMER COMPLAINT:CARL SAYS G006 NOT PICKING UP HIS OIL REC KITS/LEAVING NEW ONES/TM TO RG PER LETTER FROM GEORGE - DRVR MESSSED UP HIS DRIVEWAY WHEN WE PUJ BOX - TRACY GAVE COPY TO STEVE M - I FILED MY COPY UNDER R ALSO GAVE STEVE THE SIGNED LEASE FROM GEORGE - HE WILL CALL HIM	2/9/2006	CARL & PAM HAGEN	13-29135	1130 SECOND AVE
	2/28/2006	GEORGE WENTWORTH	13-39325	1060 ROSE DR

COMMENTS:

(none)

PROBLEMS:

(none)

NCRWS ROUTE AUDITS:

Route

G006

G006

Day

Thurs

Tues

Date

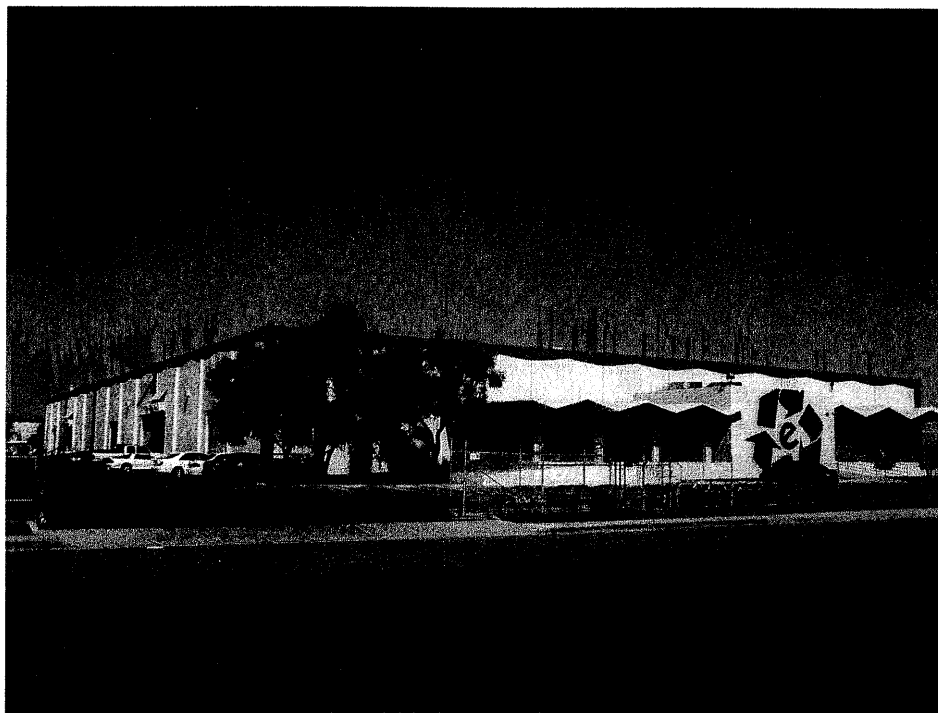
5-Jan

10-Jan

Attachment 13 – Customer Service Call Report

Sample Customer Service Productivity Report Napa Recycling & Waste Services

	Oct-05	Nov-05	Dec-05	Jan-06	To Date
Office Productivity*					
Number of days office open	22.0	21.0	19.0	21.0	83.0
Number of CSR on staff	3.0	3.0	3.0	4.5	3.4
Total number of inbound calls	12,540	8,748	6,904	7,934	36,126
Total number of dropped calls	6,600	2,237	1,532	1,529	11,898
Average customer wait time	0:02:15	0:01:48	0:02:18	0:02:11	0:02:08
Total number of inbound calls per day per CSR	190	139	121	84	129
Total number of dropped calls per day per CSR	100	36	27	16	42
Total number of inbound calls per day	570	417	363	378	435
Total number of dropped calls per day	300	107	81	73	143
Total number of inbound calls per CSR	4,180	2,916	2,301	1,763	10,704
Total number of dropped calls per CSR	2,200	746	511	340	3,525
*Not capturing roll off calls (80-100 per day) Tracking will begin in February 2006					
Number of days office open	22.0	21.0	19.0	21.0	83.0
Number of CSR on staff	3.0	3.0	3.0	4.5	3.4
Total number of inbound calls	12,540	8,748	6,904	7,934	36,126
Total number of dropped calls	6,600	2,237	1,532	1,529	11,898
Average customer wait time	0:02:15	0:01:48	0:02:18	0:02:11	0:02:08



Fresno, CA - 70,000 Sq. Ft. Facility

About Electronic Recyclers of America:

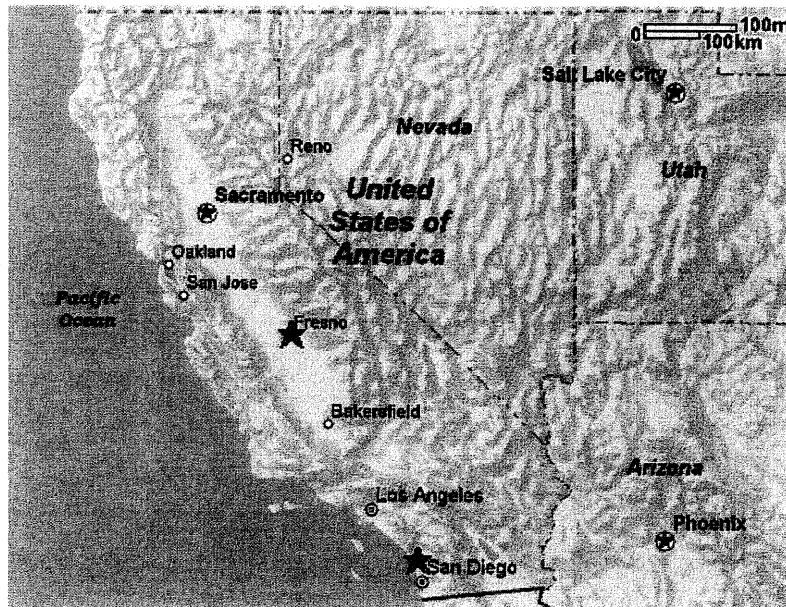
- ❖ Electronic Recyclers of America is the **number one** electronic waste (e-waste) recycler in the state of California with approximately a 30% market share, specializing in the environmentally safe and socially responsible dismantling of Cathode Ray Tubes (CRTs).
- ❖ Electronic Recyclers of America maximizes savings for our customers.
- ❖ Electronic Recyclers of America pays its customers faster than any other recycler.
- ❖ Licensed as a California authorized **Recycler** and **Collector of e-waste**.
- ❖ Covered Electronic Waste Identification Numbers:
 - ❖ 102788 -Fresno, CA
 - ❖ 100308 -San Diego, CA

Unique Operations:

- ❖ **Utilization of the most technologically advanced CRT crushing system in the recycling business**, capable of crushing a CRT every 3 to 5 seconds. Fed by an innovative system of inter-warehouse CRT conveyers, CRA's system is hermetically sealed and OSHA approved.
- ❖ **"Cradle to Grave" bar code tracking system allows all materials to be tracked throughout all stages of the recycling process.** This system insures compliance with environmental regulations as well as the privacy, satisfaction, and integrity of ERA's clientele.



- **Certificates of Assured Destruction are provided on all e-waste shipments**, assuring clients that their **e-waste is 100% recycled** and is done so ethically and lawfully.
- **Video Verification of destruction provides clients with live video data of their e-waste destruction**, removing all liability from clients and assuring that confidential information will never end up in anyone else's hands.
- **2 locations include over 100,000 sq. ft. of covered warehouse space on 8+ acres, 15 truck doors, and 4 railcar doors.** Electronic Recyclers of America is the only approved e-waste recycler in California with **Rail Access**.
- Accessible via 2 interstate highways, 4 state highways, 6 major ports, and rail.



Reasons for choosing Electronic Recyclers of America:

Trust- Over 300 companies trust ERA to recycle e-waste lawfully and as promised.

Cost Savings- ERA offers cost savings in:

- Shipping
- Packaging
- Liability Expenses
- Processing claim payments faster than any competitor

Process- The most accurate verification system in the recycling industry, utilizing:

- Bar Code tracking system
- Video Verification
- Environment Sustainability Reports



Reliability- Will pick up e-waste within 48 hours of notification.

Environmental Responsibility- Electronic Recyclers of America practices product stewardship and has documented compliance with DTSC, EPA, CIWMB, and OSHA regulations.

Customer Service:

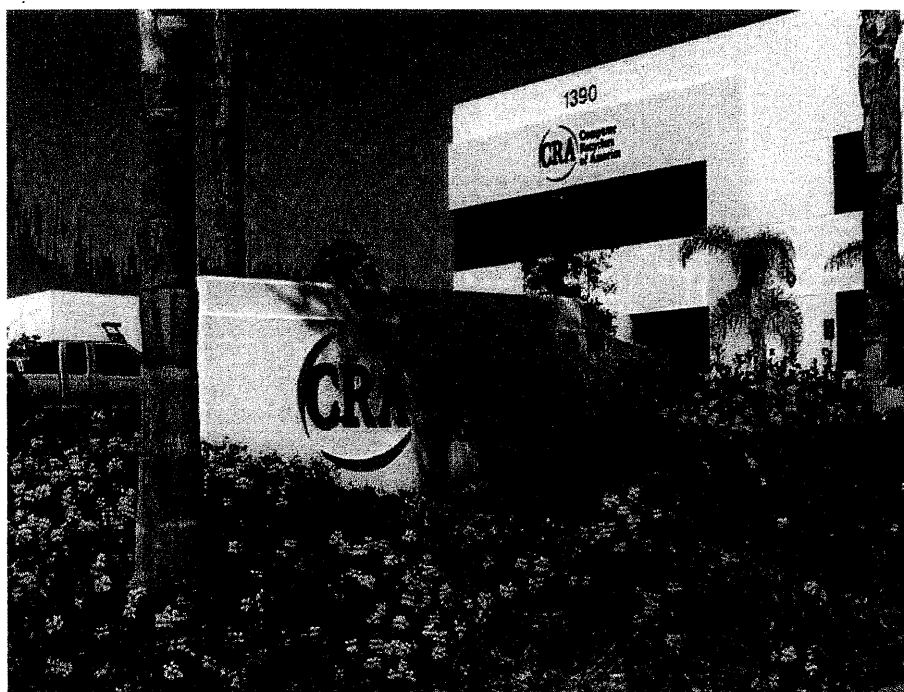
- ☉ ERA employs a staff of experienced and college educated specialists, accessible by email or phone 24 hours a day, to assist clients with their specific recycling needs.
- ☉ ERA works diligently with your organization to arrange collection events that will:
 - ☉ Promote your organization within the community
 - ☉ Display social responsibility and environmental consciousness
 - ☉ Provide exceptional public relation opportunities
- ☉ ERA will provide clients with a list of downstream vendors to ensure the safe and thorough handling of materials.

Mission:

To provide responsible consumers an efficient, accessible, environmentally conscious and socially responsible methodology for disposing of obsolete or broken electronic equipment while providing an excellent opportunity for businesses and communities to work together and receive positive recognition as they strive to achieve both social and environmental aspirations and goals.

Vision:

To provide the global standard for e-waste recycling, promoting and maintaining the highest degree of environmental integrity and product stewardship.



FOCUS ON

Safety



THE CLIPBOARD

5

Characteristics of a Defensive Driver

Defensive driving does not require a high degree of special training. The characteristics of a defensive driver are the same characteristics that apply to many aspects of our lives. Let's look at the five most important requirements for defensive driving.

1

KNOWLEDGE

Defensive drivers take time to educate themselves about safe driving techniques. They know how to recognize hazards and avoid collisions. They know the traffic laws in their area. This knowledge helps them know how to act correctly and quickly in traffic situations. They also know how to properly maintain their vehicles in a safe operating condition.

2

ALERTNESS

Defensive drivers are alert, both to traffic conditions and to how their own mental and physical conditions may affect their driving. They pay attention to the traffic situation to the front, sides and rear, glancing in rear- and sideview mirrors many times a minute. They give all their attention to the task of driving.

3

FORESIGHT

Defensive drivers know that their worst enemy is the unexpected. They never assume the other driver will do the right thing. They anticipate hazards by scanning the road to size up the traffic situation as far ahead as possible. In this way they are able to prepare for hazards rather than simply react to them. They practice long-range foresight by keeping their vehicles well-maintained, by checking them before driving, and by always wearing a safety belt.

4

JUDGMENT

Good drivers use common sense and knowledge to make decisions wisely and quickly. They maintain control of their behavior, resisting the temptation to make risky maneuvers to get somewhere faster or to outmaneuver other drivers. They pass only when it is safe, and always look for the safest, rather than the speediest, alternatives in any traffic situation. They are courteous, even when other drivers are not.

5

SKILL

Defensive drivers develop the skills necessary to operate a vehicle properly and safely. They know the safe and legal way to make turns, change gears, brake and pass. They can "listen" to their vehicles for signs of engine trouble, and they can perform simple emergency repairs, such as changing a tire.

You don't have to have lightning fast reflexes or unusual mental and physical abilities to be a defensive driver. Defensive driving is simply a matter of common sense, education and a safe attitude on the road.

FOCUS ON

Safety



SUMMER TIME TRAFFIC

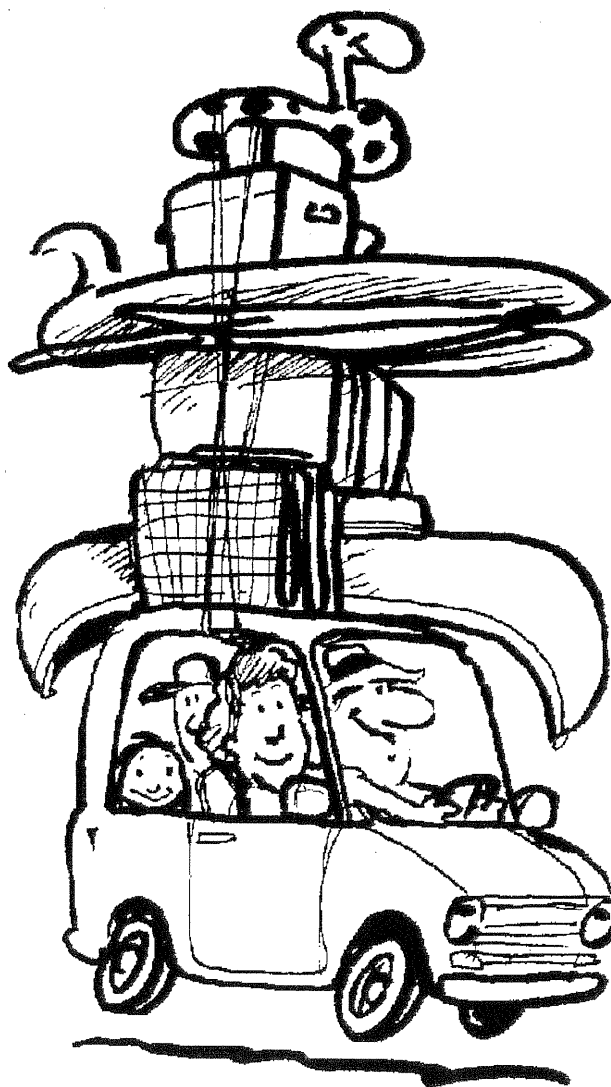
It's vacation time again. Be ready to deal with heavy traffic on many highways. If you are driving in a resort area or in a city with tourist attractions, be alert for other drivers who are unsure of their way and who may change speed or make a last-minute turn without warning. For many, the vacation season is the one time of the year when they go beyond the bounds of their normal commute. They may be tired and not as alert as they should be. They may be driving fast to reach a distant destination.

Restless children may distract them. Hanging clothing or other luggage in the car may obstruct their view of traffic. The handling characteristics of their vehicles may be changed by luggage carried on a roof rack or car-top carrier.

Vacationers pulling travel trailers sometimes complain that wind currents from passing trucks make it hard for them to keep control. There have been allegations that passing rigs have blown travel trailers off the road or caused a loss of control. When you pass travel trailers, give them the widest berth possible.

Slow down and comply with the posted speed limits in highway rest areas. In many of them, you will be sharing the truck parking area with travel trailers. Before you leave, check around your rig for children or other pedestrians.

Don't end anyone's vacation with a crash.



THE CLIPBOARD

FOCUS ON

Safety



PASSING

Objective: To prevent accidents during passing by anticipating the hazards involved and knowing how to safely avoid them.

Description: Safe passing maneuvers require well-developed skills and judgment. Passing tasks include checking sight distance ahead, checking mirrors for rear traffic, checking for traffic passing you, estimating speed and position of approaching vehicles; estimating time you need to safely pass, accelerating, steering, checking for traffic entering from side roads, etc. Because the driver must perform several tasks in a short time during passing, the chance of an error is high, unless the maneuver is done cautiously. Because it sometimes takes a long time before an opportunity to pass safely arises, some drivers take risks and assume other drivers will compensate for their own aggressiveness.

Questions for Management:

1. Have your drivers ever been trained to perform safe passing maneuvers? How? When? By whom? To what standard of performance?
2. Do you know if your drivers are practicing safe passing maneuvers?
3. Do you periodically have qualified personnel ride with your drivers to assess their driving habits?
4. Do you have a step-by-step procedure for safely completing a pass?

Maintenance Checks:

- Broken mirrors and loose mountings.
- Tail light, brake light and turn signal function.

Driving Tips:

- Before you pass, check to be certain no one is passing you.
- Assume the driver in front of you doesn't know you are passing. That driver may pull to the left to pass a vehicle in front or make a left turn.
- While you are passing, watch carefully for vehicles that may be entering the roadway from side roads or driveways.
- Assume vehicles approaching from the opposite direction will not see you or slow down for you to complete your passing maneuver.
- Watch out for vehicles passing other vehicles from the opposite direction.
- If the vehicle you are trying to pass speeds up, let it go. Don't get into a dangerous race.
- Don't take risks. If in doubt, don't pass.
- Signal your intentions to pass.



THE CLIPBOARD

FOCUS ON

Safety



THE CLIPBOARD

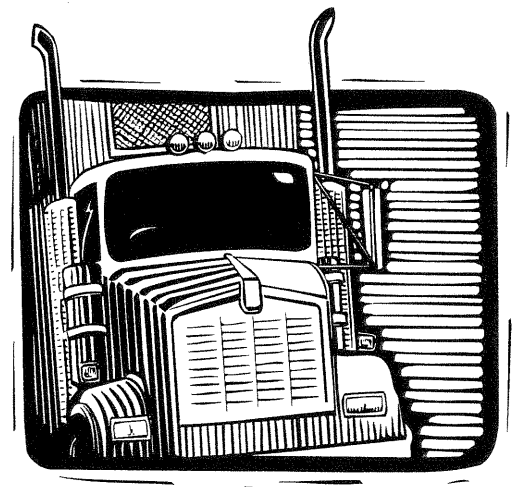
Start-Up/Back-Up

Objective: To prevent start-up/back-up accidents by anticipating the hazards involved and knowing how to safely control them.

Description: During a typical start-up/back-up situation, a vehicle has been parked for a long enough time to allow pedestrians and other vehicles to approach and rest within a few feet of the parked vehicle. Starting up forward, backward, or steering left or right from a stopped position can create an unexpected hazard for both the driver and bystanders.

Questions for Management:

1. Are drivers aware of different types of hazards that may arise during a start-up/back-up?
2. Do drivers take time to walk around their vehicles checking for people, vehicles, or other objects which may obstruct their start-up/back-up path?
3. What do you do to encourage drivers to make a walk-around check?
4. Are vehicles provided with adequate mirrors?



Maintenance Checks:

- Check for proper mirror adjustment.
- Check for broken mirrors and loose mountings.
- Check for proper taillight, brake light, and turn signal function.
- Check for proper function of horn and back-up warning signal (if so equipped).

Driving Tips:

- Before start-up or back-up, walk around vehicle and look underneath to ensure you have safe clearance for start-up.
- Don't forget to check blind area on right and in front as well.
- After your walk-around check, don't delay in moving vehicle. Do not allow time for another hazard to approach.
- Check mirrors for proper adjustment frequently.
- Start up slowly at first to allow other vehicles and pedestrians, who may have unexpectedly approached, to safely move away.
- Tap horn in congested areas or recruit a signalman.

FOCUS ON

Safety



THE CLIPBOARD

TURNING LEFT AND RIGHT



Objective: To prevent turning accidents by anticipating the hazards involved and knowing how to safely avoid them.

Description: Making left or right turns with long vehicles create problems that automobile drivers do not have. Blind spots make it difficult to see other vehicles. Vehicle length forces drivers to make wide turns, encroaching upon adjacent lanes of traffic. Improper tracking of vehicles makes it difficult for the driver to judge position. Turning takes longer to complete, thus increasing exposure time to hazards. Drivers should recognize the hazards created while turning and follow proper procedures to minimize them.

Question for Management:

1. Have your drivers been trained regarding safe turning procedures? How? When?
2. By whom? To what standard of performance?
3. Do you know if your drivers are practicing safe turning procedures?
4. Do you ever have qualified personnel ride with your drivers to assess safe driving habits?
5. Have you examined routes used to minimize travel and turning at difficult or hazardous intersections?
6. Have you considered attaching "Wide Right Turn" decal on rear of vehicles?

Maintenance Checks:

- Broken mirrors, loose mountings, and mirror adjustment.
- Tail light, brake light and turn signal function.

Driving Tips:

Right turns:

- Move to the right lane well in advance of intersection, positioned to make a safe turn.
- When turning, keep rear of vehicle to the right, blocking other vehicles from passing on the right.
- If encroaching upon other lanes, wait for other vehicles to clear and then turn slowly.
- Be careful that improper tracking does not cause the vehicle or trailer to ride up on to curb or strike stationary objects.

Left turns:

- As you approach turn with signal on, watch for drivers who may misinterpret this signal as an intention to turn somewhere before you're intended turning point.
- Don't start turning until there is enough time for the rear of vehicle to clear the intersection without forcing opposing drivers to slow down or swerve.
- Don't assume opposing drivers will see you. They may be looking elsewhere.
- Be careful that improper tracking does not cause the vehicle or trailer to interfere with pedestrians and other vehicles.

FOCUS ON

Safety



Crossing Intersections

Objective: To prevent intersection accidents by anticipating the hazards involved and knowing how to safely avoid them.

Description: Crossing intersections with long vehicles presents problems that automobile drivers do not have. Because of their length and their slow acceleration, trucks and buses take much more time to cross and clear intersecting roads than do automobiles. Also, at night, the sides of long vehicles may not be conspicuous to approaching drivers. Drivers of large vehicles must recognize these problems and take special care when crossing intersections, particularly when they are uncontrolled intersections.

Questions for Management:

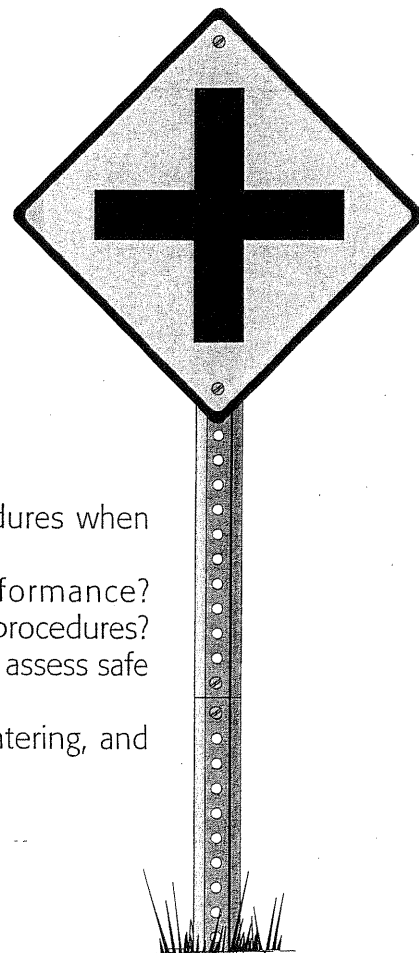
1. Have your drivers ever been trained regarding safe procedures when crossing intersecting roads?
2. How? When? By whom? To what standard of performance?
3. Do you now if your drivers are practicing safe road crossing procedures?
4. Do you ever have qualified personnel ride with your drivers to assess safe driving habits?
5. Do you have a step-by-step procedure for approaching, entering, and traversing intersections?

Maintenance Checks:

- Side marker lights on tractor, trailer and buses.
- Cleanliness of sides of vehicles.
- Reflectors and/or reflective tape on sides of vehicles.

Driving Tips:

- Approach intersection assuming that cross traffic may not obey traffic control and anticipate the need for avoidance.
- When crossing an uncontrolled intersection, allow enough time to clear entire road with rear of vehicle without interfering with cross traffic. Don't count on cross traffic slowing down to let you pass. They may not see you.
- Crossing uncontrolled intersections at night with large vehicles is especially hazardous. Although approaching drivers may see your headlights from the side, they may not realize you have a long trailer following.
- Keep sides of vehicle clean and keep side marker light operational. Be very careful with dark-colored unloaded flatbed trailers.



THE CLIPBOARD

FOCUS ON

Safety

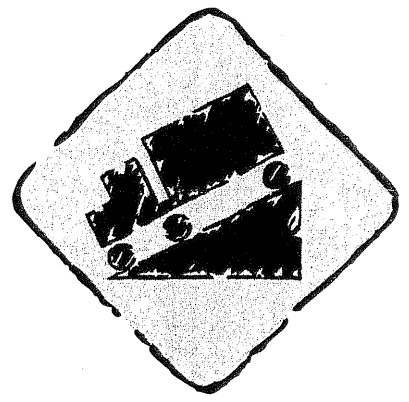


THE CLIPBOARD

Negotiating Downgrades

Objective: To prevent loss of control accidents on downgrades by proper brake system maintenance and by developing the skills and knowledge needed to safely negotiate a downgrade.

Description: The main reason for loss of control on downgrades is brake failure, and the main reason for this is the use of improper control techniques by the driver. The brake system may be damaged or maladjusted and may not have sufficient capacity for downgrade control. Primary countermeasures for preventing a runaway are: adequate driver skills; frequent checks on brake operation; adequate preventive maintenance.



Questions for Management:

1. Have drivers been trained to properly control their vehicles on downgrades? How? When? By whom?
2. Do drivers know how to select proper gearing for downgrade descents?
3. Do drivers know how to check the condition of braking systems?
4. How often does the maintenance crew inspect and adjust brake systems? Is this frequent enough?
5. If vehicles are equipped with brake application pressure gauges, do drivers know how to use them?

Maintenance Checks:

- Frequent brake inspection and adjustment. Inspect and adjust brakes more frequently for vehicles used in mountainous terrain. For cross-country trips, check after every trip.
- Don't wait for slack adjustor stroke to exceed maximum permissible. Adjust to minimum acceptable stroke whenever convenient.
- Make every effort to replace aged brake lines and diaphragms before they fail.

Driving Tips:

- The gear to select for descending a grade should be no higher than that required for ascending the same grade. Some vehicles may require lower gears going down than going up. Know your vehicle.
- Don't use more than light (10 psi) brake pressure to retard speed. If speed cannot be controlled with light pressure, use a lower gear ratio.
- Don't use hand lever to apply only trailer brakes. You could overheat trailer brakes and not have enough capacity in tractor to control speed adequately.
- Stop, put truck in proper gear and check brake function before descending long, steep grades.

FOCUS ON

Safety



Cargo Securement

Objective: To reduce the number of truck rollover or falling cargo accidents.

Description: Cargo that breaks loose on the road can create control difficulties for the driver and present a hazard for other drivers. Shifting cargo can cause loss of control and truck rollover.

Questions for Management:

1. Are your trailers equipped with proper tie downs and front-end structures?
2. Are drivers and dock personnel knowledgeable in proper methods for blocking and bracing?
3. Does your company carry unusual payloads which are prone to shifting and thus require special attention to securement methods?
4. Are spare wheels and accessory equipment properly secured?

Driving Tips:

- Check to make sure that the lading has been properly secured.
- Periodically check to see that tie downs and bracing are still intact and the cargo has not shifted.
- Some cargo or lading, such as liquids in cargo tanks or portable tanks has a tendency to shift: you must drive at reduced speeds during turns or braking to guard against loss of control.
- Pay particular attention to bracing and tie downs when picking up unusual cargoes. Satisfy yourself that the loading personnel have done their job properly.



THE CLIPBOARD

FOCUS ON

Safety



Driving Under the Influence

According to the National Highway Traffic Safety Administration, alcohol-related crashes are about nine times more likely to result in a fatality. Since about 60 percent of adults in our country drink alcoholic beverages at least once in a while, it's worth knowing just how alcohol affects your ability to drive safety.



The Dangers of Alcohol

Alcohol is a drug, a depressant that affects both your body and your mind. After drinking any amount of alcohol, your coordination and reaction times are slower than when sober. Alcohol can also distort your vision, make you sleepy and give you a false sense of security that results in poor judgment. In short, alcohol robs the driver of the very qualities needed for defensive driving – alertness, foresight, judgment and skill.

You May Think You're in Control ...

One of the dangers of alcohol is that you may think you're in control of your driving, but you're not. If you're a habitual drinker, you may not feel drunk after a few drinks. But your blood alcohol level will show that you are. If friends tell you that you shouldn't drive, listen to them. You'll thank them when you've sobered up. Having as few as three or four drinks can double your chances of being in an accident. After seven or eight drinks, those odds increase 25 times.

Alcohol and the Law

Even if you're not involved in a collision while driving under the influence, the personal risks are high. Most states have tough laws against driving while under the influence of alcohol or other drugs. In some states you can lose your license for a year after one conviction. Or you may have to go to jail, pay heavy fines or attend alcohol education classes. A drunk driving conviction can cost you your job and the respect of your friends and family. Is it worth the risk?

Time Is the Only Cure

How soon after drinking is it safe to drive? The answer depends on how much you weigh, how much you've had to eat, and how your body handles alcohol. But on average, your body needs at least one hour for each drink you've had, to process and get rid of the alcohol. There's no other way to do it. Black coffee won't do it, and neither will a cold shower or other so-called remedies. Only time will make you sober enough to drive.

THE CLIPBOARD