



CITY OF OAKLAND

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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Brooke A. Levin
Director, Public Works

SUBJECT: Amending Ordinance Regulating
Maximum Service Rates For Waste
Management

DATE: September 21, 2015

City Administrator Approval

Date:

9/24/15

RECOMMENDATION

Staff Recommends That The City Council Adopt An Ordinance Amending Ordinance No. 13258 C.M.S., Which Amended Ordinance No. 13253 C.M.S. To Among Other Things, Grant A Franchise For Mixed Materials And Organics Collection Services To Waste Management Of Alameda County And Approve Maximum Service Rates For Mixed Materials And Organics Collection, Residential Recycling And Disposal Services, To:

1. Set Maximum Commercial Organics Rates To Be 30 Percent Below Maximum Commercial Mixed Materials Rates For Equivalent Service Frequency And Container Size Effective October 1, 2015, And Setting Maximum Commercial Organics Rates To Be 25 Percent Below Maximum Commercial Mixed Materials Rate For Equivalent Service Frequency And Container Size Effective July 1, 2016.
2. Add Rates For Additional Single Family Organics Cart Collection, Garbage Compactor Bin Collection, Commercial Cart Push Service, Roll-Off Organics Tipping Services, Roll-Off Ancillary Services, Lock And Key Services, Special Events Bin Services, And Commercial Organics Cart And Bin Collection Six And Seven Times Per Week

EXECUTIVE SUMMARY

The City Council is being asked to approve the ordinance that will address the commercial compost rates that are currently "upside down," i.e., higher than the commercial garbage rates, as well as several other items. The negotiation resolution is a package agreement that includes:

1. Commercial compost collection rates set at 30 percent below commercial garbage collection rates beginning October 1, 2015 through June 30, 2016, and then at 25 percent below garbage collection rates beginning July 1, 2016 and through the term of the Mixed Materials & Organics (MM&O) Collection Services Contract with Waste Management of Alameda County (WMAC).
2. WMAC funding of the low-income senior discount up to \$100,000 through the term of the contract.

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3. WMAC assisting individual customers with methods to avoid push rates and resolving same-day service issues.
4. WMAC exemption process for owner-occupied second units.
5. WMAC continuing vacancy stops for un-rented units in 2-4 unit buildings.
6. City approving rates that are missing for services provided.
7. City allowing a non-local customer call center.
8. WMAC reducing the annual outreach budget from \$500,000 to \$200,000.
9. WMAC reducing the maximum allowed tons delivered by City operations to the disposal facility.
10. WMAC reverting servicing of street litter containers and maintenance to pre-July 1, 2015 levels.
11. WMAC reducing illegal dumping pickups from 30 per work day to 25 per work day for two years, and returning to 30 per work day beginning July 1, 2017.

BACKGROUND / LEGISLATIVE HISTORY

At a Special Meeting on September 29, 2014, City Council approved Ordinance No. 13258 C.M.S., which in part, granted a franchise for Mixed Materials and Organics Collection Services to Waste Management of Alameda County (WMAC) and established maximum service rates for the MM&O Contract. On December 9, 2014, City Council approved Ordinance No. 13273 C.M.S., which amended Ordinance No. 13258 C.M.S. to add contamination rates.

On February 20, 2015, the contract for Mixed Materials and Organics Collection Services with WMAC was executed and implementation of services began on July 1, 2015.

On July 20, 2015, City Council considered, but did not adopt, a draft ordinance presented by staff to add the "missing rates" identified by WMAC and address the new commercial compost rates that were "upside down," i.e., higher than garbage rates. The recommendation was to adjust the commercial garbage rates by setting the compost maximum service rate at 10% below the garbage rates and to recoup the cost differential by increasing the commercial garbage rates beginning in July 2016. The proposal to add the "missing rates" was not acceptable to the City Council nor was the 10% below garbage amount for commercial compost. Staff was directed to continue discussions with WMAC to find alternative method to provide for the commercial compost rate reduction.

Staff and representatives of WMAC negotiated and arrived at a package agreement that addresses pricing for commercial organics collection, low income senior discount, missing rates, and several other issues.

ANALYSIS AND POLICY ALTERNATIVES

In the weeks prior to the July 1, 2015 implementation of the MM&O Contract with WMAC, City staff and WMAC identified concerns about the approved maximum service rates and discussed methods to address those concerns. The City identified that the commercial organic rates were "upside down," that is higher than garbage rates, and not conducive to the continued or increased participation in organics diversion envisioned by the Zero Waste System design or

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services. In addition, WMAC identified that it had mistakenly neglected to submit rates for several services required by the MM&O Contract for the rates approved September 29, 2014 (Ordinance No. 13258) and needed approval of the rates to be able to provide the service.

At the July 20, 2015 Special Council Meeting, a number of other issues related to the implementation of the MM&O Contract were discussed, including funding of the low-income senior discount. Through negotiations between staff and WMAC, both parties arrived at a package that addresses the inverted commercial compost rates and other issues. The package funds the low-income senior discount, includes approving the missing rates, and relieves WMAC of certain contract requirements.

The commercial compost and missing rates require City Council approval, and the changes to services may be implemented by the City Administrator through amendment of the MM&O Contract. The recommended package includes:

1. Commercial compost collection rates set at 30 percent below commercial garbage collection rates beginning October 1, 2015 through June 30, 2016, and then at 25 percent below garbage collection rates beginning July 1, 2016 and through the term of the Mixed Materials & Organics (MM&O) Collection Services Contract with Waste Management of Alameda County (WMAC).
2. WMAC funding of the low-income senior discount up to \$100,000 through the term of the contract.
3. WMAC assisting individual customers with methods to avoid push rates and resolving same-day service issues.
4. WMAC exemption process for owner-occupied second units.
5. WMAC continuing vacancy stops for un-rented units in 2-4 unit buildings.
6. City approving rates that are missing for services provided.
7. City allowing a non-local customer call center.
8. WMAC reducing the annual outreach budget from \$500,000 to \$200,000.
9. WMAC reducing the maximum allowed tons delivered by City operations to the disposal facility.
10. WMAC reverting servicing of street litter containers and maintenance to pre-July 1, 2015 levels.
11. WMAC reducing illegal dumping pickups from 30 per work day to 25 per work day for two years, and returning to 30 per work day beginning July 1, 2017.

Each of the items in the package is discussed in more detail below.

1. *Reduction of Commercial Compost Collection Rates*

The rates for commercial services adopted by City Council on September 29, 2014 (Ordinance No. 13258 C.M.S.) included maximum compost collection rates that are higher than garbage maximum collection rates for identical service levels (e.g., comparing 64-gallon compost cart to 64-gallon garbage cart). Historically, to incentivize customer participation, compost rates have been lower than garbage rates in Oakland and other communities. Communities handled the discounted pricing differently. Some provided the discount from grants, and others from subsidies or rate and service trade-offs. In Oakland, Alameda County Waste Management Authority (ACWMA) stimulated the initial commercial organics collection services by WMAC and

Recology through grants. Commercial compost collection pricing has been a critical motivator for business participation.

In 2012, the ACWMA board adopted the Mandatory Recycling Ordinance, which requires businesses and institutions generating 10 or more gallons of compost for garbage cart service or 20 or more gallons of compost for garbage bin service to source separate and recycle that material. The requirement went into effect on July 1, 2014. However, Oakland was granted a scheduling waiver to delay implementation to July 1, 2016 in order to provide adequate time to implement the MM&O Contract and allow businesses to adjust their services to meet the mandate.

The proposed package, arrived through negotiations, would set commercial compost rates 30% below commercial garbage collection for equivalent container size beginning October 1, 2015 and 25% below garbage rates beginning July 1, 2016, for the remainder of the contract.

The "upside down" commercial compost rate, i.e., current pricing differential between the commercial compost rate and the garbage collection rate, is sizeable, up to 20% higher for compost. Thus, the proposed package to bring commercial compost rates to 30% below the commercial garbage rate translates to a rate reduction of up to 50% starting October 1, 2015 (from the July 1, 2015 rates), if approved.

Adoption of the proposed ordinance amending Ordinance No. 13258 C.M.S. is required to approve this rate structure for commercial compost collection.

2. Funding Low-Income Senior Discount

Approximately 1,500 residential customers, with eligibility limited to owner-occupied single-family residences, received a low-income senior discount of 12.5% below the regular rates under the solid waste franchise agreement that expired June 30, 2015. On July 7, 2015 City Council secured funding to restore this discount for one year (through June 30, 2016), from an allocation of \$100,000 of Community Development Block Grant funding for this purpose (Resolution No. 85683 C.M.S.). WMAC has agreed to continue this discount program after the first year beginning July 1, 2016, from its corporate giving division, up to \$100,000 annually through the end of the contract term.

The cost of this discount in the first year will be approximately \$80,000, and is expected to increase each year as garbage rates increase, unless offset by a decrease in the number of qualified residents. If the number of low-income senior participants increases to a level exceeding the available \$100,000 annual funding, then the City would need to find additional funding to cover the discount.

In early August, after City Council voted to fund restoring the discount for one year, WMAC sent a letter to the same customers who were enrolled prior to July 1, notifying them that the discount had been restored. The letter explained that the discount would be retroactive to July 1, 2015 and that subscribers would be re-enrolled automatically with no action necessary by the customer.

Additionally, a press release was distributed to local media announcing both restoration of the discount and its availability to low-income seniors. The press release was picked up by news

outlets including the San Francisco Chronicle, KGO Radio 810, Bay City News, and KRON 4. Social media posts are scheduled to further promote this information. The October 1 residential bill insert will include information about the low income senior discount. The City's webpage www.oaklandnet.com also includes information about how to access the low-income senior discount. WMAC's offer to fund the low-income senior discount is part of the package proposal.

3. *Push Rates*

The MM&O Contract allows for push rates. Push rates apply when the driver must get out of the truck and move the container to be able to empty the container, and then returns the container to the location it was retrieved. Push rates are new to Oakland but common in the industry.

In June, WMAC sent a letter to its multi-family customers notifying them of new rates and services, including a rate sheet for the new push rates should the customer wish to continue receiving those services.

Customers are not required to use WMAC to move their cart or bin to a location for collection; they may have an on-site manager or handy person move the containers to a location where the truck has access. Nevertheless, to address customers concerns for this new charge, the City and WMAC agreed (1) to establish written protocols for how the push charges would be applied to remove ambiguity, and (2) WMAC would hire a consultant to assist individual customers with methods to avoid or minimize push rates such as relocating the cart or bin on the property changing the cart or bin size to assist with moving. This activity will begin in October and will involve staff working closely with WMAC to ensure customer concerns are addressed.

4. *Exemption Process For Owner-Occupied Second Units*

During the former franchise agreement owners that had second units on their property that they occupied (e.g., in-law unit, studio apartments) were allowed to subscribe for garbage service as one household. The exemption from garbage service for the second unit where the owner occupied both units was not required under the former agreement, and with the implementation of the MM&O Contract on July 1, 2015 WMAC ended this practice. The package includes WMAC offering an exemption from service for owner-occupied second units. The City will develop a process and grant the exemptions.

5. *Continuation Of Vacancy Stops Un-Rented Units In 2-4 Unit Buildings*

Prior to July 1, 2015 and under the former franchise agreement, WMAC allowed "vacancy stops" at 2-4 unit buildings for an unrented unit that was temporarily vacant although it was not a requirement, and with the implementation of the MM&O Contract on July 1, 2015, WMAC ended this practice. The package includes WMAC offering vacancy stops to 2-4 unit buildings when a unit is temporarily unrented for up to sixty (60) days of credit per unit, per year. The owner would report these vacancies directly to WMAC.

6. *Missing Rates*

By letter dated June 25, 2015 (**Attachment A**), WMAC formally requested the City to approve rates identified as "missing" from the rate tables that were approved by City Council through Ordinance No. 13258 C.M.S. With the exception of Roll-Off Ancillary Fees, the proposed rates are for services that WMAC is required to provide by the MM&O Contract, which, in most cases,

also specifies that rates be established for these services. In the case of the Roll-Off Ancillary Fees, the charging of rates for these services is a continuation of past practice.

The proposed rates are shown in **Exhibit 1 Rate Table**, and include rates for: additional single family organics carts, compactor bin collection, commercial cart push, Saturday collection of commercial organics carts, Sunday collection of commercial organics carts and bins, roll off organics tipping, roll off ancillary services, special events bin services, and lock and key services. Descriptions of these services, the proposed rates, comparison of proposed rates to rates charged under the prior franchise agreement, and projected revenues for the type of service based on July 2015 customers are described in **Attachment B**.

Adoption of the proposed ordinance amending Ordinance No. 13258 C.M.S. is required to approve the missing rates.

7. *Customer Service Call Center*

The package relieves WMAC from the contract requirement to provide a customer service call center in Alameda County. WMAC has been providing telephone/ call customer service from a regional call center since 2009. The MM&O Contract requires a customer center in Alameda County that includes telephone/ call service. To date, this location has not been opened nor staffed. A customer service center where residents can walk-in and pay their bill and handle other service needs will remain at WMAC 98th Avenue office, and only the call center will be housed in another location.

WMAC has agreed to add contract language to ensure that customer service is maintained at a high quality. Currently, WMAC is required by contract to demonstrate that it meets various customer standards including measurements for time to answer a call, waiting time on hold, and abandonment rate, from its regional call center. WMAC maintains 15 customer service representatives (CSR) dedicated to the Oakland contract, located, trained and supervised at its regional call center. An additional 90 CSR are trained on the Oakland contract provisions to provide back up when there is a high call volume such as the beginning of a billing cycle. The CSR are supported by customer service supervisors who can provide additional expertise on the Oakland contract as needed.

WMAC maintains an Oakland-based Customer Service Manager and Customer Service Supervisor who monitor and manage call volume and quality of service for the Oakland contract. Both of these individuals are highly knowledgeable in the Oakland services and billing. They provide CSR training both remotely and in person. They monitor live calls to ensure accurate information and courteous service is provided to the customer.

When the City's Recycling Hotline receives information from a resident that they have received misinformation from a WMAC CSR, the City reports this to WMAC for investigation. The Customer Service Manager and Customer Service Supervisor investigate the report by reviewing the call (all calls are recorded) to confirm the misinformation and then provide correction to the individual CSR and update CSR "scripts" to further clarify the information.

The Recycling Hotline processed approximately 30 complaints of customers receiving misinformation from a WMAC CSR for the first two months of the new contract. In these two months WMAC received over 36,000 Oakland calls.

8. *Community Outreach*

For the first year of the MM&O Contract, an amount of \$1 million has been programmed for community outreach. In subsequent years, the MM&O Contract provides an annual community outreach budget of \$500,000 (in addition to an annual budget of \$250,000 in the Residential Recycling Collection Service Contract with California Waste Solutions, Inc.). The MM&O Contract amount will be reduced to \$200,000 per year beginning in 2016 to achieve the negotiated package for commercial compost rate reduction. Under the former franchise agreement, the annual community outreach budget was \$250,000. The annual plan and budget allocation still will require staff approval. This adjustment may have a negative impact on the effectiveness of the overall outreach program. The City may need to look for outside funding to provide sufficient outreach services to meet the Zero Waste program goals.

9. *Street Litter Containers*

The package includes returning contract services to those provided by WMAC under the previous franchise agreement, i.e., daily collection of all street litter containers Monday through Friday, and limited collection on Saturday. The maintenance of street litter containers, and collection on Sunday and second weekday and Saturday collections from containers in busy merchant districts will revert back to the Keep Oakland Clean and Beautiful Division (KOCB) of Oakland Public Works. Staff will be reviewing its operations to ensure the performance of proactive and effective services.

10. *Reduction Of Illegal Dumping Pickups From 30 Per Work Day To 25 For Two Years*

The MM&O Contract requires WMAC to collect 30 illegal dumping pickups (i.e., 3-cubic yard) each work day to assist with keeping the city clean. The package provides for a reduction from 30 pickups per work day to 25 per work day for two years. After 2 years, effective July 1, 2017, the number will return to 30 pickups per work day. Prior to July 1, 2015, WMAC provided 4 pickups per week day.

KOCB provides oversight and direction to WMAC for the daily collections. KOCB uses the CityWorks work management system to track and assign work to WMAC. In July, the City assigned its consultant to conduct field investigations to verify that WMAC was indeed collecting the material in the field. The field investigation pointed out some issues in communication between KOCB and WMAC which have since been resolved.

11. *Reduction Of City Ton Delivered To Davis Street Transfer Station*

The MM&O Contract provides for the City to deliver up to 15,000 tons of material from its operations to the Davis Street Transfer Station. To achieve the reduction in the commercial compost rates, the City agreed to reduce the tons to 12,500 beginning in 2016, and then in 2017 reduce to 10,300 tons until the end of the contract.

Over the past few years the City has delivered around 10,000 tons a year to Davis Street Transfer Station from operations that include illegal dumping pickup. However, in 2015 the tonnage has increased and it is anticipated that the City will deliver approximately 12,000 tons for the current year.

It is anticipated that some of the tonnage will decrease because of the illegal dumping pickups that WMAC is now handling under the new agreement, but illegal dumping is not the only source of material and the City will need to carefully manage what goes to the Transfer Station

to ensure it does not exceed its tonnage allowance. If the City exceeds its tonnage cap it will be required to pay per ton as described in the MM&O Contract.

FISCAL IMPACT

The rate adjustments discussed in this report apply to commercial and residential customers in Oakland and do not affect the City's budget.

The only potential impact to the City is if the City should exceed its tonnage cap at Davis Street Transfer Station. Should the City exceed its allotment then it would need to allocate funding to pay for the overage. At this time, it is not anticipated that the City will exceed the tonnage cap in 2016 and funding will not need to be budgeted this year.

PUBLIC OUTREACH / INTEREST

This item legally did not require any additional public outreach other than that required by the State Brown Act and City's Sunshine Ordinance.

COORDINATION

Public Works staff has coordinated closely with the Office of the City Administrator and City Attorney for this report and ordinance.

SUSTAINABLE OPPORTUNITIES

Economic: Expanding and actively supporting use of discarded materials drives local economic and workforce development with 'green collar' jobs and value added production.

Environmental: Waste reduction and recycling conserves natural resources, reduces air and water pollution, protects habitat, and reduces greenhouse gas (GHG) emissions.

Social Equity: Increased jobs through additional diversion of materials from the landfill.

CEQA

This is not a project under CEQA.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends accepting the negotiated package and That The City Council Adopt An Ordinance Amending Ordinance No. 13258 C.M.S., Which Amended Ordinance No.13253. C.M.S. To Among Other Things, Grant A Franchise For Mixed Materials And Organics Collection Services To Waste Management Of Alameda County And Approve Maximum Service Rates For Mixed Materials And Organics Collection, Residential Recycling And Disposal Services, To:

1. Set Maximum Commercial Organics Rates To Be 30 Percent Below Maximum Commercial Mixed Materials Rates For Equivalent Service Frequency And Container Size Effective October 1, 2015, And Setting Maximum Commercial Organics Rates To Be 25 Percent Below Maximum Commercial Mixed Materials Rate For Equivalent Service Frequency And Container Size Effective July 1, 2016.
2. Add Rates For Additional Single Family Organics Cart Collection, Garbage Compactor Bin Collection, Commercial Cart Push Service, Roll-Off Organics Tipping Services, Roll-Off Ancillary Services, Lock And Key Services, Special Events Bin Services, And Commercial Organics Cart And Bin Collection Six And Seven Times Per Week

For questions regarding this report, please contact Susan Kattchee, Assistant Director 510-238-6382.

Respectfully submitted,



BROOKE A. LEVIN
Director, Public Works Department

Reviewed by:
Stephanie Hom, Deputy City Administrator

Prepared by:
Susan Kattchee, Assistant Director

Attachments (2):
A: Letter from WMAC dated June 25, 2015
B: Missing Rates Summary

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WASTE MANAGEMENT of
ALAMEDA COUNTY, INC.
172 98th Avenue
Oakland, CA 94603
(510) 383-2404

VIA EMAIL (cityadministrator@oaklandnet.com)
AND U.S. MAIL

June 25, 2015

John A. Flores
City Administrator
1 Frank Ogawa Plaza, 3rd Floor
Oakland, CA 94612

Dear Mr. Flores:

We have discussed with City staff certain WMAC fees, which were inadvertently omitted from the Maximum Service Rates in Exhibit 1 of the MM&O agreement. Last Friday, Becky Dowdakin indicated in an email that City staff does not have the authority to approve such omitted rates, that the omitted rates would have to be approved by council, and that staff plans on submitting the omitted rates to council in December for council's consideration and approval.

Unfortunately, delaying any required action until December for such rates to be approved means the services covered by those necessary rates cannot be provided, and alternative services at potentially higher rates will be the only available option. Given this result, we are prepared to work cooperatively and expeditiously with the staff and City Administrator in order to promptly provide the anticipated services at approved rates. I know Greg Ong has already described the four categories of fees, which still must be approved, but for sake of convenience, I have included an explanation below.

Rate for collection of compactor bins for commercial and multi-family

Material collected from compactor containers is three times heavier than materials collected from non-compactor containers. This results in significant additional transportation and disposal costs, thus requiring a higher rate than non-compactor bin service.

The MM&O agreement states that bins (Sections 1.04 and 1.25) and bin service (Section 6.06.2) include compactors, but there is no rate for compactor bin service in Exhibit 1 (Maximum Service Rates). There is a compactor roll-off rate, but no compactor bin rate. The failure to include a separate compactor bin rate was clearly an inadvertent mistake on the part of the contracting parties as the City is aware of WMAC's service history with respect to the use and management of compactor bins for Oakland commercial and MFD customers and there is a separate compactor rate (twice the regular rate) in the expiring Oakland/WMAC franchise agreement. Indeed, WMAC has for 20 years charged a compactor bin rate of two times the normal bin rate under the current Oakland/WMAC franchise agreement expiring on June 30, 2015. This is true of other franchise agreements in Alameda County, as well. Additionally, as there is a separate rate for compactor roll-offs in Exhibit 1 of the MM&O agreement, the parties clearly recognized the increased costs associated with collection and disposal of compacted Mixed Materials, and that a higher rate is warranted.

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Therefore, Exhibits 1B-1 and 1C-1 should be modified to add a “Compactor Rate” for each bin size and service levels that would be equal to two times the “Total Monthly Unit Collection Service Rate.” For example, the following should be added for 6 CY Bins in Exhibit 1C-1:

	<u>1 x/week</u>	<u>2 x/week</u>	<u>3 x/week</u>	etc...
Compactor Rate	\$1,655.44	\$3,310.88	\$4,966.32	

Commercial cart push/pull

Exhibit 1C of the MM&O agreement does not include a push rate for commercial carts, yet Exhibit 1C-1 does include a push rate for commercial bins. Although the weight of carts are obviously less than bins, WMAC nevertheless has additional costs associated with manually moving commercial carts to a position where collection may be made. As such, Exhibit 1C should be modified to include a push rate. WMAC proposes the following push rates per month per cart (once per week service), which are based on WMAC’s estimated labor costs to provide the push/pull service. You will notice that they are lower than the bin push rate to account for the lower weight.

<u>Feet</u>	<u>Push Rate</u>
0 – 25	\$64.95
26 – 50	\$77.95
51 – 75	\$90.95
76 – 100	\$103.95
Over 100	\$116.90

Roll-off tip fees

The expiring Oakland/WMAC agreement allows WMAC to charge roll-off customers a haul rate for the pick-up of a roll-off box, plus a tip fee. Under the new MM&O agreement, roll-off customers will similarly be charged a “pull rate” for the pick-up of a roll-off box, plus a per ton tip fee for disposal. The pull rates contained in the MM&O rate sheets are the same for Mixed Materials, C&D, and Organic Materials (e.g., \$797.11 for a 6 CY container).

Exhibit 1 of the Disposal Agreement provides for a \$45.01 per ton (the \$44.24 amount has been adjusted pursuant to the Disposal Agreement) tip fee for Mixed Materials. This per ton fee would be the tip fee component for Mixed Materials collected via roll-off. However, the MM&O agreement does not address the tip fee for material which is not sent to Altamont Landfill for disposal, namely C&D and Organic Materials.

Exhibits 12A, 12B, and 12C of the MM&O agreement provide a “processing fee” for the Mixed Materials, C&D/MFD Mixed Materials, and Organics, respectively. The \$50.63 “processing fee” in Exhibit 12A is a fee to pay for the management of the materials at Davis St. This fee is included in the “pull rate.” The processing fee in Exhibits 12B and 12C includes a component to pay for WMAC’s cost



to receive and manage those materials. As such, we propose that the \$50.63 Exhibit 12A processing fee be subtracted from the Exhibit 12B and 12 C processing fee to calculate the "tip fee." Therefore, the tip fee for C&D and Organic Materials would be calculated as follows:

C&D/MFD Mixed Material: \$83.06 Processing Fee in Exhibit 12B - \$50.63 Processing Fee in Exhibit 12A = \$32.43

Organic Materials: \$76.98 Processing Fee in Exhibit 12C - \$50.63 Processing Fee in Exhibit 12A = \$26.35

Roll-off ancillary fees

The expiring Oakland/WMAC agreement allows WMAC to charge roll-off customers certain ancillary fees, such as trip charges, placement charges, demurrage fees, safety light fees, and relocate-box fees. Such fees, which are typical in the industry, were inadvertently omitted from the Exhibit 1 Maximum Service Rates. As with the other rates omitted due to mistake of the contracting parties, these ancillary fees should be included in the MM&O rates. WMAC proposes the following:

Trip Charge:	\$194.50
Placement Charge:	\$113.11
Demurrage Fee:	\$54.39
Safety Light Fee:	\$56.44
Relocate Box Fee:	\$168.73

These proposed roll-off ancillary fees are based on the current fees charged and increased by the average percentage rate increase in the roll-off haul rates under the MM&O contract. For 20 years, WMAC has charged these fees to customers under the expiring Oakland/WMAC franchise agreement.

WMAC understands City staff's position that the rates discussed above will need City Council approval. We are not aware of the processes available to fix clear mistakes or issues. However, WMAC will not wait until December for Council to address the issue. Not charging these fees to customers will have a material impact on the financial performance of the MM&O contract. There is ample legal support for WMAC's position that the omitted rates should be included in the MM&O contract. As such, we expect that they approved by the City by July 14, 2015 and retroactive to July 1, 2015. If Council has failed to approve the rates proposed by WMAC herein by July 14, 2015, WMAC will have no choice but to discontinue collection from compactor bins and quickly migrate customers to regular bins. Obviously, WMAC does not wish to go down that path, and feels that we should be able to reach an agreement on the omitted rates based on our excellent working relationship.

Yours truly,

A handwritten signature in black ink, appearing to read 'Barry Skolnick', is written over a horizontal line.

Barry Skolnick



President, Waste Management of Alameda County, Inc.

Cc: Brooke Levin
Susan Kattchee
Mark Gagliardi
Becky Dowdakin
Peter Slote

Below are summaries of the proposed missing rates including description of the services, the proposed rates, and projected revenues to Waste Management of Alameda County (WMAC) for the type of service based on July 2015 customers. A comparison of proposed rates to rates charged under the prior franchise agreement is shown in Table 1 on page 3.

Additional Single Family Organics Cart Collection

Approximately 609 single family dwelling (SFD) residences currently subscribe to an additional green cart for organics. MM&O contract section 9.03.5 authorizes WMAC to charge for this service, but a rate was not solicited nor proposed during the RFP process. WMAC proposes a rate for the additional green cart that is 33% percent over the rates that expired on June 30, 2015, commensurate with the increase to SFD collection rates. The revenue associated with this rate increase is estimated by WMAC to be approximately \$8,000 per month.

Compactor Bin Collection

Approximately 98 businesses and multifamily dwelling (MFD) buildings use compacting equipment to compress garbage into front-loading bins for collection by WMAC. Compacting bins are cited in MM&O contract sections 1.04, 1.25, and 6.06.2. Businesses and MFD building managers use compacting bins to address on-site space constraints, and to reduce the potential of litter on City streets due to full or overflowing conventional bins. WMAC has proposed that rates for compacting bins be double the rate charged for non-compacting bins, which is consistent with WMAC's practice in Oakland under the previous franchise agreement, and a typical industry practice. The additional revenue associated with adopting this rate is estimated by WMAC to be approximately \$145,000 per month. Because the proposed rate represents a continuation of past practice regarding a service of significant value to a select group of customers, approval would be unlikely to cause any service disruption or concern to affected customers.

Commercial Cart Push Service

A "push" charge is a rate applied for the service of moving a container from an on-premises location to the truck where the container is emptied, and which requires the driver to get out of the truck, move a container to be able to empty it, and then return the emptied container to the on-premises location. MM&O contract section 11.01.3 authorizes WMAC to charge for this service, but a rate was not solicited nor proposed during the RFP process. Through Ordinance No. 13258 C.M.S., City Council approved push charges for commercial and MFD bins, but not for commercial carts. It is typical industry practice to charge for push services, but such rates were not charged to Oakland customers under the previous franchise agreement. Approval of these rates may compel commercial customers to push their own carts to the curb for collection service in order to avoid additional costs.

Roll-off Organics Tipping Service

A roll-off tipping rate is a charge related to the disposal or processing of materials that are "tipped" from a roll-off box at a disposal or processing facility. The Zero Waste RFP solicited roll-off fee proposals for pick-up only, with a separate tipping fee charge authorized based on the weight of each roll-off container. Roll-off rates approved by City Council through Ordinance No. 13258 C.M.S. authorize WMAC to charge roll-off customers pick-up rate plus the cost to tip

the material. The tipping rate for mixed materials under the MM&O contract is simply the approved disposal rate, charged by the ton. However, no tipping rates were proposed for organic materials, which are banned from landfill disposal and therefore require separate handling. WMAC has proposed roll-off organics tipping rates, based on costs embedded in the Council-approved rate tables, which are significantly less than the tipping rate for Mixed Materials. Pricing the tipping service for organics lower than the cost for mixed materials is favorable to the City's Zero Waste goals and facilitates compliance with the landfill ban on organic materials. The MM&O contract requires WMAC to provide organics collection service using roll-off bins, and addition of this tipping rate allows for a complete rate for this service. Approval of this rate may encourage separation of organic materials from garbage by the customer.

Roll-off Ancillary Services

In addition to service provided under rates approved by City Council through Ordinance No. 13258 C.M.S., WMAC has provided additional services that are ancillary to the basic roll-off collection and tipping services. Those services include provision of safety lights, and box relocation. WMAC charged City Council approved rates for these same services under the previous franchise agreement. WMAC proposes that rates for these ancillary services be increased by 44 percent over the rates that expired on June 30, 2015, commensurate with the increase to the roll-off collection rates. The additional revenue associated with the proposed increases to these fees is approximately \$6,700 per month. Approval of this rate increase would be unlikely to cause any service disruption or concern to affected customers.

Lock and Key Services

A "lock" or "key" charge is a rate applied for the service of providing a master lock and key for the customer's container or trash enclosure. Through Ordinance No. 13258 C.M.S., City Council approved lock and key charges for non-exclusive commercial recyclable service, but not for MFD or commercial services. These rates are authorized by MM&O sections 10.01.3 (MFD) and 11.01.3 (commercial). It is typical industry practice to charge for this service, but such rates were not charged to Oakland customers under the previous franchise agreement and not solicited or provided during the RFP proposal process. This charge does not apply to customer-provided locks where push rates are charged.

Special Events Bin Services

Section 11.09 of the MM&O Contract requires WMAC to offer comprehensive special events collection services. Through Ordinance No. 13258 C.M.S. City Council approved special events collection services for cart and roll-off services, but not for bin services. Approval of rates for special events bin services will provide more options for special events operators to obtain garbage, recycling, and composting services.

Saturday and Sunday Commercial Organics Cart and Bin Collection

Section 6.02.2 of the MM&O Contract requires WMAC to provide commercial collection services Monday through Saturday, with limited collection on Sunday. Through Ordinance No. 13258 C.M.S., City Council approved commercial collection rates, for organics and mixed materials carts and bins, which were incomplete. The missing rates in this case are commercial cart organic material collection six and seven times per week, and commercial bin organic

material collection seven times per week. Approval of these rates gives commercial customers access to services up to seven times per week.

Table 1: Proposed Rates Compared to Prior Rates

Service	Prior Rate (\$/mo.) 7/1/14 - 6/30/15	Proposed Rate (\$/mo.) 10/1/15-6/30/16
Single Family Additional Organics Cart	\$9.77	\$13.00
Key Services - Multi Family, & Commercial	0.00	\$50.65
Commercial Cart Push Service (average)	0.00	\$375.00
Roll-Off Ancillary Services		
Trip Charge	\$134.71	\$194.50
Placement Charge	\$78.34	\$113.11
Demurrage Fee (per week)	\$37.67	\$54.39
Demurrage Fee (per day)	\$5.40	\$7.77
Safety Light	\$39.09	\$56.44
Re-relocate Container	\$116.86	\$168.73
Cleaning Charge	N/A	\$131.94
Organics Roll-Off Tip Fee (\$/ton)	N/A	\$26.35
Compactor Bin Service		
Commercial	Double Uncompacted Rate	Double Uncompacted Rate
Multi Family	Double Uncompacted Rate	Double Uncompacted Rate
Commercial Organics		
Carts 6x/Week (ex. 64-gal cart)	N/A	\$343.18
Carts 7x/Week (ex. 64-gal cart)	N/A	\$511.11
Bins 7x/Week(ex. 1- cy bin)	N/A	\$1,204.81
Special Events Bin Services		
Organics (ex. 4-cy bin)	N/A	\$591.10
Mixed Materials (ex. 4 cy bin)	N/A	\$591.10
Recyclables (ex. 4 cy bin)	N/A	\$474.94

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APPROVED AS TO FORM AND LEGALITY

City Attorney

OAKLAND CITY COUNCIL

ORDINANCE NO. _____ C.M.S.

AN ORDINANCE AMENDING ORDINANCE NO. 13258 C.M.S., WHICH AMENDED ORDINANCE NO. 13253 C.M.S. TO AMONG OTHER THINGS, GRANT A FRANCHISE FOR MIXED MATERIALS AND ORGANICS COLLECTION SERVICES TO WASTE MANAGEMENT OF ALAMEDA COUNTY AND APPROVE MAXIMUM SERVICE RATES FOR MIXED MATERIALS AND ORGANICS COLLECTION, RESIDENTIAL RECYCLING AND DISPOSAL SERVICES, TO:

1. SET MAXIMUM COMMERCIAL ORGANICS RATES TO BE 30 PERCENT BELOW MAXIMUM COMMERCIAL MIXED MATERIALS RATES FOR EQUIVALENT SERVICE FREQUENCY AND CONTAINER SIZE EFFECTIVE OCTOBER 1, 2015, AND SETTING MAXIMUM COMMERCIAL ORGANICS RATES TO BE 25 PERCENT BELOW MAXIMUM COMMERCIAL MIXED MATERIALS RATE FOR EQUIVALENT SERVICE FREQUENCY AND CONTAINER SIZE EFFECTIVE JULY 1, 2016.
2. ADD RATES FOR ADDITIONAL SINGLE FAMILY ORGANICS CART COLLECTION, GARBAGE COMPACTOR BIN COLLECTION, COMMERCIAL CART PUSH SERVICE, ROLL-OFF ORGANICS TIPPING SERVICES, ROLL-OFF ANCILLARY SERVICES, LOCK AND KEY SERVICES, SPECIAL EVENTS BIN SERVICES, AND COMMERCIAL ORGANICS CART AND BIN COLLECTION SIX AND SEVEN TIMES PER WEEK

WHEREAS, on August 13, 2014, the City Council of the City of Oakland approved Ordinance No. 13254 C.M.S., granting a Franchise For Residential Recycling Collection Services And Non-Exclusive Commercial Recycling Collection Services to California Waste Solutions, Inc. (CWS); and

WHEREAS, on September 29, 2014, the City Council of the City of Oakland approved Ordinance No. 13258 C.M.S., granting a Franchise for Mixed Materials and Organics Collection Services to Waste Management of Alameda County (WMAC), and authorizing the City Administrator to conduct all negotiations and execute all documents including but not limited to amendments, modifications, notices, and related actions (including rate adjustments as specified in the Contract) which may be necessary and consistent with the basic intent and purpose of the

Ordinance and the Mixed Materials and Organics Collection Services Contract, except for those rate adjustments that the Oakland Municipal Code requires be approved by the City Council; and

WHEREAS, through Ordinance No. 13258 C.M.S., the City Council authorized the mixed materials and organics Franchisee to charge customers, beginning July 1, 2015, the maximum rates set forth in the Rate Tables contained in the City Administrator Agenda Report dated September 26, 2014 to the City Council, or such higher or lower rates as approved by City Council pursuant to request by the Franchisee, for the various Mixed Materials and Organics Collection Services outlined in the MM&O Contract attached to the same Agenda Report and as specified and further described in the Contract; and

WHEREAS, on December 9, 2014, the City Council of the City of Oakland approve Ordinance No. 13273 C.M.S., amending Ordinance No. 13258 C.M.S. to add contamination rates; and

WHEREAS, specific rates for certain usual and customary services related to mixed materials and organic materials collection provided by the Mixed Materials and Organics contractor were omitted from Ordinance No. 13258 C.M.S.; and

WHEREAS, in exchange for a package of items described in the accompanying Agenda Report, WMAC has agreed to charge maximum rates for collection of commercial organics effective October 1, 2015 at 30% below maximum rates for mixed materials rates approved through Ordinance No. 13258 C.M.S. for equivalent service frequency and container size, and to charge maximum rates for collection of commercial organics effective July 1, 2016 through June 30, 2025 at 25% below maximum rates for mixed materials rates for equivalent service frequency and container size; and

WHEREAS, the City Council finds and determines that the requirements of the California Environmental Quality Act ("CEQA") have been satisfied, and this action on the part of the City Council is exempt from CEQA pursuant to CEQA Guidelines section 15273; and

NOW, THEREFORE, THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. The City Council has independently reviewed and considered these environmental determinations and finds and determines that the action complies with the CEQA; readopts EBMUD's 2011 Mitigation Monitoring and Reporting Program, as revised by the 2013 addendum, and directs the City's Environmental Review Officer to file a Notice of Determination/Exemption.

Section 2. The City Council does hereby find and declare that the above recitals are true and correct, and does hereby authorize amending Ordinance No. 13258 C.M.S., to include maximum rates set forth in the Rate Tables attached to this Ordinance as **Exhibit 1**.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON
MCELHANEY

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

DATE OF ATTESTATION: _____

Exhibit 1

Maximum Monthly Collection Service Rates Consolidated SFD and MFD Additional Rates							
A	Additional SFD Rates						
1	Additional Organics Cart	Total Monthly Rate					
a	Organics Cart Sizes (gallons)	20	32	64	96		
b	Total Monthly Additional Curbside Organics Cart Rate	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00		
c	Total Monthly Additional Backyard Organics Cart Rate	\$ 34.66	\$ 34.66	\$ 34.66	\$ 34.66		
B	Additional MFD Rates						
1	MFD Compactor Bin Collection Service	Total Monthly Rate					
The following rates include 1 time per week UNLIMITED subscription to Organic Materials Collection							
a	1 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	0.622	1.244	1.866	2.488	3.110	3.732
3	Disposal Element	\$ 27.52	\$ 55.05	\$ 82.57	\$ 110.09	\$ 137.62	\$ 165.14
4	Collection Element	\$ 403.72	\$ 807.43	\$ 1,211.15	\$ 1,614.87	\$ 2,018.58	\$ 2,422.30
5	Total Monthly Unit Collection Service Rate	\$ 431.24	\$ 862.48	\$ 1,293.72	\$ 1,724.96	\$ 2,156.20	\$ 2,587.44
b	1.5 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	0.934	1.868	2.802	3.736	4.670	5.604
3	Disposal Element	\$ 41.33	\$ 82.66	\$ 123.99	\$ 165.32	\$ 206.65	\$ 247.98
4	Collection Element	\$ 638.67	\$ 1,277.34	\$ 1,916.01	\$ 2,554.68	\$ 3,193.35	\$ 3,832.02
5	Total Monthly Unit Collection Service Rate	\$ 680.00	\$ 1,360.00	\$ 2,040.00	\$ 2,720.00	\$ 3,400.00	\$ 4,080.00
c	2 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	1.244	2.488	3.732	4.976	6.220	7.464
3	Disposal Element	\$ 55.05	\$ 110.09	\$ 165.14	\$ 220.19	\$ 275.24	\$ 330.28
4	Collection Element	\$ 810.75	\$ 1,621.51	\$ 2,432.26	\$ 3,243.01	\$ 4,053.77	\$ 4,864.52
5	Total Monthly Unit Collection Service Rate	\$ 865.80	\$ 1,731.60	\$ 2,597.40	\$ 3,463.20	\$ 4,329.00	\$ 5,194.80
d	3 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	1.866	3.732	5.598	7.464	9.330	11.196
3	Disposal Element	\$ 82.57	\$ 165.14	\$ 247.71	\$ 330.28	\$ 412.85	\$ 495.42
4	Collection Element	\$ 1,216.13	\$ 2,432.26	\$ 3,648.39	\$ 4,864.52	\$ 6,080.65	\$ 7,296.78
5	Total Monthly Unit Collection Service Rate	\$ 1,298.70	\$ 2,597.40	\$ 3,896.10	\$ 5,194.80	\$ 6,493.50	\$ 7,792.20
e	4 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	2.490	4.980	7.470	9.960	12.450	14.940
3	Disposal Element	\$ 110.18	\$ 220.37	\$ 330.55	\$ 440.73	\$ 550.91	\$ 661.10
4	Collection Element	\$ 1,614.74	\$ 3,229.48	\$ 4,844.21	\$ 6,458.95	\$ 8,073.69	\$ 9,688.43
5	Total Monthly Unit Collection Service Rate	\$ 1,724.92	\$ 3,449.84	\$ 5,174.76	\$ 6,899.68	\$ 8,624.60	\$ 10,349.52
f	5 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	3.113	6.225	9.338	12.450	15.563	18.675
3	Disposal Element	\$ 137.73	\$ 275.46	\$ 413.18	\$ 550.91	\$ 688.64	\$ 826.37
4	Collection Element	\$ 2,018.42	\$ 4,036.84	\$ 6,055.27	\$ 8,073.69	\$ 10,092.11	\$ 12,110.53
5	Total Monthly Unit Collection Service Rate	\$ 2,156.15	\$ 4,312.30	\$ 6,468.45	\$ 8,624.60	\$ 10,780.75	\$ 12,936.90
g	6 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	3.734	7.468	11.202	14.936	18.670	22.404
3	Disposal Element	\$ 165.23	\$ 330.46	\$ 495.69	\$ 660.92	\$ 826.15	\$ 991.38
4	Collection Element	\$ 2,422.21	\$ 4,844.42	\$ 7,266.63	\$ 9,688.84	\$ 12,111.05	\$ 14,533.26
5	Total Monthly Unit Collection Service Rate	\$ 2,587.44	\$ 5,174.88	\$ 7,762.32	\$ 10,349.76	\$ 12,937.20	\$ 15,524.64
h	7 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	4.356	8.712	13.068	17.424	21.780	26.136
3	Disposal Element	\$ 192.75	\$ 385.51	\$ 578.26	\$ 771.01	\$ 963.77	\$ 1,156.52
4	Collection Element	\$ 2,825.93	\$ 5,651.85	\$ 8,477.78	\$ 11,303.71	\$ 14,129.64	\$ 16,955.56
5	Total Monthly Unit Collection Service Rate	\$ 3,018.68	\$ 6,037.36	\$ 9,056.04	\$ 12,074.72	\$ 15,093.40	\$ 18,112.08
2	Additional MFD Services				Rates		
a	Key Service	\$50.65	each month/customer				

Exhibit 1

Maximum Monthly Collection Service Rates Consolidated Commercial Additional Rates							
The following rates DO NOT include subscription to Organic Materials Collection							
A	Additional Commercial Rates						
1	Commercial Compactor Bin Collection Service			Total Collection Rate			
a	1 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	0.582	1.164	1.746	2.328	2.910	3.492
3	Disposal Element	\$ 25.75	\$ 51.51	\$ 77.26	\$ 103.01	\$ 128.77	\$ 154.52
4	Collection Element	\$ 362.45	\$ 724.89	\$ 1,087.34	\$ 1,449.79	\$ 1,812.23	\$ 2,174.68
5	Total Monthly Unit Collection Service Rate	\$ 388.20	\$ 776.40	\$ 1,164.60	\$ 1,552.80	\$ 1,941.00	\$ 2,329.20
b	1.5 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	0.874	1.748	2.622	3.496	4.370	5.244
3	Disposal Element	\$ 38.67	\$ 77.35	\$ 116.02	\$ 154.70	\$ 193.37	\$ 232.05
4	Collection Element	\$ 454.85	\$ 909.69	\$ 1,364.54	\$ 1,819.38	\$ 2,274.23	\$ 2,729.07
5	Total Monthly Unit Collection Service Rate	\$ 493.52	\$ 987.04	\$ 1,480.56	\$ 1,974.08	\$ 2,467.60	\$ 2,961.12
c	2 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	1.164	2.328	3.492	4.656	5.820	6.984
3	Disposal Element	\$ 51.51	\$ 103.01	\$ 154.52	\$ 206.03	\$ 257.54	\$ 309.04
4	Collection Element	\$ 593.23	\$ 1,186.47	\$ 1,779.70	\$ 2,372.93	\$ 2,966.17	\$ 3,559.40
5	Total Monthly Unit Collection Service Rate	\$ 644.74	\$ 1,289.48	\$ 1,934.22	\$ 2,578.96	\$ 3,223.70	\$ 3,868.44
d	3 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	1.746	3.492	5.238	6.984	8.730	10.476
3	Disposal Element	\$ 77.26	\$ 154.52	\$ 231.78	\$ 309.04	\$ 386.30	\$ 463.56
4	Collection Element	\$ 847.28	\$ 1,694.56	\$ 2,541.84	\$ 3,389.12	\$ 4,236.40	\$ 5,083.68
5	Total Monthly Unit Collection Service Rate	\$ 924.54	\$ 1,849.08	\$ 2,773.62	\$ 3,698.16	\$ 4,622.70	\$ 5,547.24
e	4 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	2.328	4.656	6.984	9.312	11.640	13.968
3	Disposal Element	\$ 103.01	\$ 206.03	\$ 309.04	\$ 412.06	\$ 515.07	\$ 618.08
4	Collection Element	\$ 1,089.07	\$ 2,178.13	\$ 3,267.20	\$ 4,356.26	\$ 5,445.33	\$ 6,534.40
5	Total Monthly Unit Collection Service Rate	\$ 1,192.08	\$ 2,384.16	\$ 3,576.24	\$ 4,768.32	\$ 5,960.40	\$ 7,152.48
f	5 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	2.910	5.820	8.730	11.640	14.550	17.460
3	Disposal Element	\$ 128.77	\$ 257.54	\$ 386.30	\$ 515.07	\$ 643.84	\$ 772.61
4	Collection Element	\$ 1,361.33	\$ 2,722.67	\$ 4,084.00	\$ 5,445.33	\$ 6,806.66	\$ 8,168.00
5	Total Monthly Unit Collection Service Rate	\$ 1,490.10	\$ 2,980.20	\$ 4,470.30	\$ 5,960.40	\$ 7,450.50	\$ 8,940.60
g	6 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	3.492	6.984	10.476	13.968	17.460	20.952
3	Disposal Element	\$ 154.52	\$ 309.04	\$ 463.56	\$ 618.08	\$ 772.61	\$ 927.13
4	Collection Element	\$ 1,500.92	\$ 3,001.84	\$ 4,502.76	\$ 6,003.68	\$ 7,504.60	\$ 9,005.51
5	Total Monthly Unit Collection Service Rate	\$ 1,655.44	\$ 3,310.88	\$ 4,966.32	\$ 6,621.76	\$ 8,277.20	\$ 9,932.64
h	7 CY Compactor Bin	1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
1	Disposal Charge Per Ton - Mixed Materials	\$44.25	\$44.25	\$ 44.25	\$ 44.25	\$ 44.25	\$ 44.25
2	Monthly Unit Generation Factor (Tons per Month)	4.074	8.148	12.222	16.296	20.370	24.444
3	Disposal Element	\$ 180.27	\$ 360.55	\$ 540.82	\$ 721.10	\$ 901.37	\$ 1,081.65
4	Collection Element	\$ 1,755.93	\$ 3,511.85	\$ 5,267.78	\$ 7,023.70	\$ 8,779.63	\$ 10,535.55
5	Total Monthly Unit Collection Service Rate	\$ 1,936.20	\$ 3,872.40	\$ 5,808.60	\$ 7,744.80	\$ 9,681.00	\$ 11,617.20
B	Commercial Organic Materials Collection Rates						
1	Commercial Organic Materials Cart Collection	Total Monthly Subscription Rate					
a		1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
b	20 Gallon Cart Organic Materials Rate	\$ 19.58	\$ 39.16	\$ 58.74	\$ 78.32	\$ 97.90	\$ 117.47
c	32 Gallon Cart Organic Materials Rate	\$ 26.78	\$ 53.56	\$ 80.35	\$ 107.13	\$ 133.91	\$ 160.69
d	64 Gallon Cart Organic Materials Rate	\$ 57.90	\$ 115.79	\$ 173.69	\$ 231.59	\$ 289.49	\$ 347.38
e	96 Gallon Cart Organic Materials Rate	\$ 88.95	\$ 177.90	\$ 266.85	\$ 355.80	\$ 444.75	\$ 533.69
2	Additional Commercial Organic Materials Cart Collection	Total Monthly Subscription Rate					
a		1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
b	20 Gallon Cart Organic Materials Rate	\$ 15.38	\$ 30.76	\$ 46.14	\$ 61.52	\$ 76.90	\$ 92.28
c	32 Gallon Cart Organic Materials Rate	\$ 22.58	\$ 45.16	\$ 67.74	\$ 90.32	\$ 112.90	\$ 135.48
d	64 Gallon Cart Organic Materials Rate	\$ 53.70	\$ 107.40	\$ 161.10	\$ 214.80	\$ 268.50	\$ 322.20
e	96 Gallon Cart Organic Materials Rate	\$ 84.75	\$ 169.50	\$ 254.25	\$ 339.00	\$ 423.75	\$ 508.50
3	Commercial Organic Materials Bin Collection	Total Monthly Subscription Rate					
a		1 x/week	2 x/week	3 x/week	4 x/week	5 x/week	6 x/week
b	Total 1 CY Organic Materials Collection Service Rate	\$ 135.87	\$ 271.74	\$ 407.61	\$ 543.48	\$ 679.35	\$ 815.22
c	Total 1.5 CY Organic Materials Collection Service Rate	\$ 172.73	\$ 345.46	\$ 518.20	\$ 690.93	\$ 863.66	\$ 1,036.39
d	Total 2 CY Organic Materials Collection Service Rate	\$ 225.66	\$ 451.32	\$ 676.98	\$ 902.64	\$ 1,128.30	\$ 1,353.95
e	Total 3 CY Organic Materials Collection Service Rate	\$ 323.59	\$ 647.18	\$ 970.77	\$ 1,294.36	\$ 1,617.95	\$ 1,941.53
f	Total 4 CY Organic Materials Collection Service Rate	\$ 417.23	\$ 834.46	\$ 1,251.68	\$ 1,668.91	\$ 2,086.14	\$ 2,503.37
g	Total 6 CY Organic Materials Collection Service Rate	\$ 579.40	\$ 1,158.81	\$ 1,738.21	\$ 2,317.62	\$ 2,897.02	\$ 3,476.42
h	Total 7 CY Organic Materials Collection Service Rate	\$ 677.67	\$ 1,355.34	\$ 2,033.01	\$ 2,710.68	\$ 3,388.35	\$ 4,066.02
4	Commercial Cart Push Rates	0-25 ft	26-50 ft	51-75 ft	76-100 ft	100+ ft	
a	Push Rate	\$ 64.95	\$ 77.95	\$ 90.95	\$ 103.95	\$ 116.90	

Exhibit 1

Maximum Monthly Collection Service Rates Consolidated Commercial Additional Rates			
A	Additional Commercial Services		
1	Additional Commercial Cart and Bin Services	Rates	
a	Key Service	\$50.65	each month/customer
2	Additional Commercial Roll-Off Box Services	Rates	
a	Trip Charge	\$194.50	per event
b	Demurrage Fee	\$7.77	per day
c	Demurrage Fee	\$54.39	per week
d	Safety Light	\$56.44	per pull
e	Re-locate Box	\$168.73	per event
f	Roll-Off Box Cleaning Charge	\$131.94	per event
g	Placement Charge	\$113.11	per delivery
h	Organic Materials Roll-Off Tip Fee	\$26.35	per ton

Maximum Monthly Collection Service Rates Consolidated Commercial Additional Rates								
A	Additional Special Event Collection Rates							
1	Temporary Special Event Bin Collection Service	Total Collection Rate						
a	Collection Container Sizes	1 CY	1.5 CY	2 CY	3 CY	4 CY	6 CY	7 CY
b	Recyclable Materials	\$ 158.32	\$ 211.09	\$ 263.86	\$ 369.40	\$ 474.94	\$ 686.02	\$ 791.56
c	Mixed Materials	\$ 187.36	\$ 254.65	\$ 321.94	\$ 456.52	\$ 591.10	\$ 860.26	\$ 994.84
d	Organic Materials	\$ 187.36	\$ 254.65	\$ 321.94	\$ 456.52	\$ 591.10	\$ 860.26	\$ 994.84